

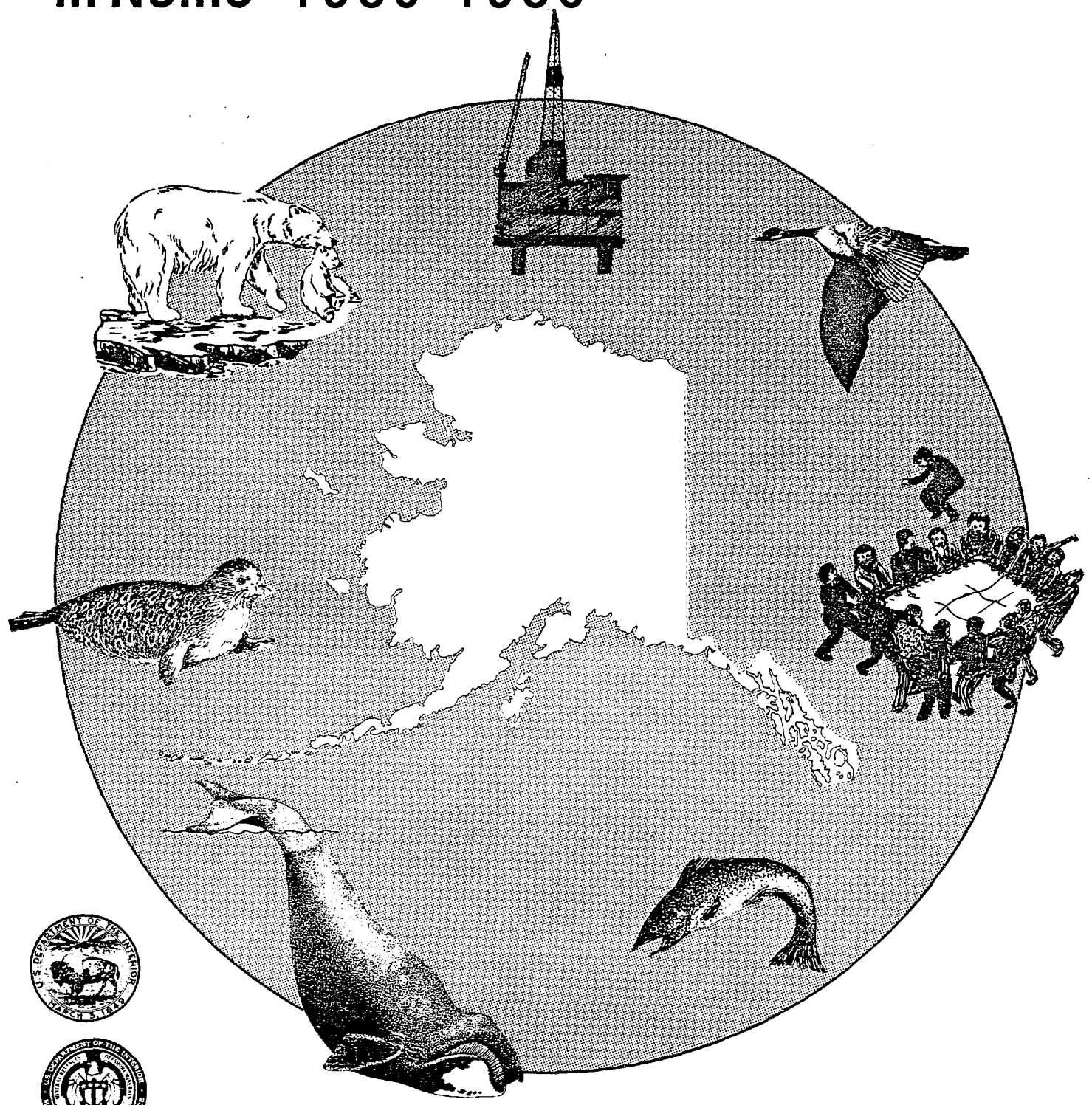
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U. S. DEPARTMENT OF THE INTERIOR

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Alaska OCS Socioeconomic Studies Program

Institutional Change in Nome: 1980-1986

This unfunded research report was prepared under the direction of Karen Gibson, Contracting Officer's Technical Representative, for the Minerals Management Service.

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CHAPTER ONE

INTRODUCTION

This report provides an assessment of institutional and sociocultural change in the City of Nome, Alaska over the period 1980-1986 using a methodology developed for use in the Aleutian-Pribilof region. The objective of this report is to determine the usefulness of the methodology, its strengths and weaknesses, when applied to other regions in Alaska. This report, then, represents an effort at the development of a monitoring methodology which may be applied to the analysis of institutional and sociocultural change throughout Alaska.

Nome is located in the northwestern part of the state of Alaska on the southern edge of the Seward Peninsula by Norton Sound (Figure 1). It is approximately 535 air miles from Anchorage. Unlike other communities in rural Alaska, Nome was founded at the turn of the century by non-Natives seeking gold. As the largest community in the Bering Straits region today, Nome serves as a regional service center for the region's government, economy, health and social services.

As has been the case throughout rural Alaska, Nome has experienced substantial changes in its sociocultural fabric. The expansion of employment opportunities, increased role of local government and Native corporations, and development of community infrastructure have all had an impact on social relations and cultural traditions underlying values, attitudes and behavior throughout the community within the past six years. Much of this can be tied to the prospect of offshore oil development. Prior to and immediately following the first lease sale in the Norton Basin planning area in March 1983, there was considerable community enthusiasm for the anticipated benefits of OCS development in the region. Local residents, especially businessmen and government officials, viewed such development

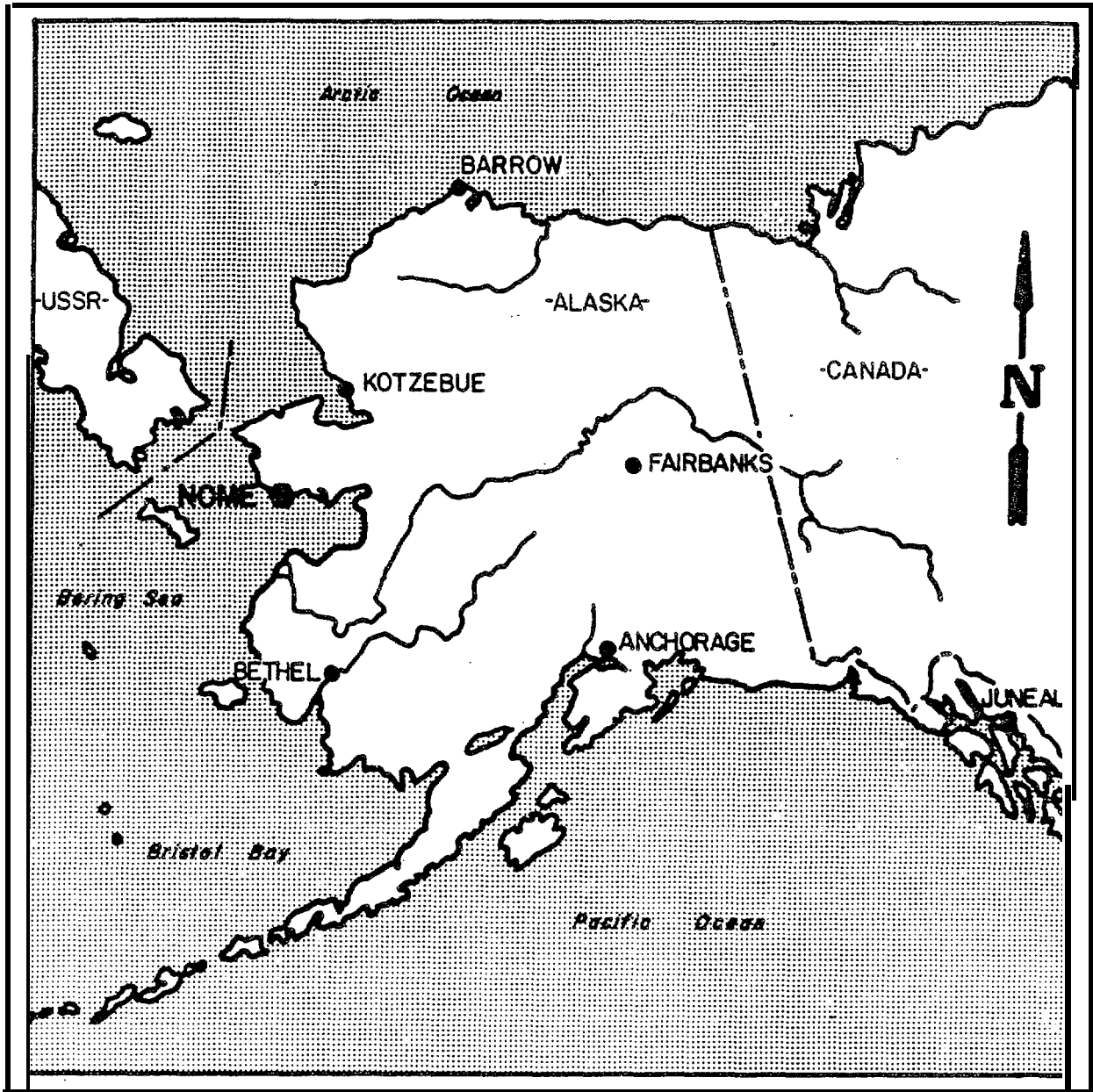


FIGURE 1

Nome Location Map

as an opportunity to increase the number of wage-labor positions available, improve the standard of living for the entire community, and bring it in step with the modern world "outside." The speculative efforts to purchase and develop available real estate, and the efforts of city government and Native corporations to secure or retain control of property and resources during this period were reflections of this optimism. With the cancellation of the scheduled October 1985 sale due to reduced interest on the part of the oil industry and the completion or curtailment of the exploration phase, however, local enthusiasm and optimism began to wane. This in itself has begun to affect the social and cultural fabric of the community as this report will demonstrate,

Whether they are perceived in a positive or negative light, similar **sociocultural** impacts are being felt elsewhere in rural Alaska. The efforts of the Minerals Management Service in evaluating these impacts have been substantial. Inasmuch as they have been described elsewhere (Impact Assessment 1986a, 1987; Yarie 1983), we will not go into detail here. Nevertheless, these efforts have addressed two specific issues: (1) which impacts are the result of or otherwise related to OCS development activities and which are not; and (2) how comparable are the changes which occur in the **sociocultural** systems of different communities and regions throughout Alaska. These two issues have particular salience for the community of Nome. Among the changes in the community's **sociocultural** system are trends which are part of larger scale processes of modernization and **sociocultural** change and not necessarily related to OCS development. These include the development of a tourist industry, expansion of educational programs, growth in the community's role as a regional service center, and migration to Nome of Natives from the villages throughout the region seeking wage labor because of the increased importance of cash for subsistence activities on the one hand and the adoption of a modern Euro-American lifestyle on the others. Although many of these changes and trends are influenced by the prospect of OCS development, others are believed to have occurred with or without

such development. In addition, Nome's history as a non-Native community that was founded upon the exploitation of natural resources itself has given the impact of OCS development a somewhat different character than may be found in other rural, predominately Native, communities and regional centers.

Several different theoretical and methodological approaches have been applied in the effort to address these two issues. These approaches range from ethnographic studies (Ellanna 1980; Impact Assessment 1983a; 1983 b); quantitative analyses of social indicators (Berger and Associates 1983), systems analyses (Impact Assessment 1984), to the application of theories derived from historical materialism and cultural ecology in the study of subsistence strategies (Wolfe et al. 1984). Recent efforts have been directed at the development of a methodology to monitor institutional change. Institutional changes are less subject to perturbations than are other cultural patterns and individual values and thus provide the most consistent and visible measures of incremental change over time. One of the more clear, and inevitable, consequences of social and economic development is the accelerated pace by which new organizations, new leadership patterns, and inter-organizational links are formed. The number and complexity of these organizations, the rate at which they are formed, the intra-regional distribution of these institutions, and their access to resources all serve as proven indicators of institutional change. Traditionally, institutional change is regarded as indicative of broader sociocultural change. This link, however, must also be established and described, and that is one of the major goals of this study. In particular, we will focus on the relationship between traditional and newly formed institutions and the significance of these relationships to sociocultural change.

The first phase in this endeavor was an analysis of institutional change in the North Slope Borough between 1980 and 1985, conducted by the Chilkat Institute (1985). The methodology used in this study was then modified and applied to the

analysis of institutional change in the North Slope community of **Nuiqsut** (Impact Assessment 1986a). Further modifications (Phase 11) were made for a study of the **Aleutian-Pribilof** Islands (Impact Assessment 1987). A detailed description of the methodology is provided in MMS Technical Report No. 126 (Impact Assessment 1986a).

The monitoring methodology used **in** this study is the product of several processes. We have endeavored to make this methodology as comparable as possible to the ones developed for the Phase I and Phase II studies, but we have felt it necessary to make several modifications. These are based on two primary considerations: (1) availability of the data; and (2) the relevance **of** the methodology to the **sociocultural** context of community life. This institutional monitoring methodology is based on the use of protocols which examine change in seven different areas: population, land, political control, social complexity, economic organization, health and social welfare, and education. Within each protocol several processes of **sociocultural** change are examined. The first is linearization. As societies become more complex (that is, they come to be made up of more parts) the decision-making process tends to move upward in the social hierarchy as lower-order controls are routinely bypassed in favor of higher-order controls. Second is centralization. This is where control over resources becomes **focussed** in a smaller group of actors. Third is formalization, where loose social groups become formal organizations with an agreed-upon charter. Fourth is promotion, where a group with control over a resource which increases in value comes to have increased power within the community. Fifth is social stratification, where the society becomes more stratified as **power** becomes unevenly distributed. Sixth is social differentiation, where new organizational forms create new statuses for individuals, and thus new roles for those individuals, changing their relationship to the rest of the social system. While not all of these processes are observable in Nome during the past six years, they do provide a set of guidelines for observation and analysis.

The methodology has the following advantages over previous approaches

(Impact Assessment 1987):

- * **It does not rely on the highly variable expertise of researchers or analysts in differentiating causative agents or results.**
- * **It provides a continuous record of the events and changes that are not tied to researcher bias (though some selective bias in the selection of measures remains).**
- * **It provides results that are open to interpretation by other researchers using other theoretical models of change.**
- * **It allows the introduction of additional measures later determined to be of importance to the analysis.**
- * **It allows relatively specific identification of consequences in both time and sociocultural components.**
- * **It allows assignment of relative weights to events and resulting consequences.**

Most important, however, the methodology is intended to be **generalizable to communities and regions throughout Alaska and not constrained by the individual circumstances of any one community or region.**

This study represents another step towards the **goal** of developing a monitoring methodology useful for the analysis **of** institutional response and **sociocultural change** throughout Alaska. **At** the same time, it seeks to provide a better understanding of changes which have occurred in Nome between 1980 and 1986. This understanding is constrained by several different factors, however. For instance, the study was unfunded by the Minerals Management Service (nor was it funded by any other entity) and thus does not represent or **fulfill** the terms of a contract unlike most MMS Social and Economic Studies Program sponsored research. Without funding, extensive **field** data collection, which **would** optimize the utility of the methodology, **could** not be carried out. Rather, we conducted two shorter (but very intensive) periods of field data collection to supplement existing secondary sources and primary data collected for other purposes (Impact Assessment 1986 b).

Consequently, the foci of previous studies tends to give greater weight to some protocols than others, resulting in a less even character of analysis in this report than would be **ideal**. Many of the observations and generalizations contained within this report are based on necessarily selective interviews with key informants and **local** officials. **In addition**, although the period. selected for monitoring institutional response and **sociocultural** change was 1980 to 1986, available data did not cover the entire period for **all** of the protocols; in other cases data were available only for the **late 1970s**.

Nevertheless, our objective was to apply the methodology to the analysis of secondary data and available field data to make two specific determinations. First, we wanted to see if the methodology which was developed in studies of other parts of Alaska could be successfully applied to the community of Nome, and determine the extent to which the existing methodology would require modifications for a thorough analysis of institutional response and **sociocultural** change in this community. Second, we wanted to know how much **could** be learned through the application of the methodology to the analysis of secondary data and available **field** data, including the identification of gaps in available data, as a prerequisite for further data collection. Data for the period immediately preceding the 1980-1986 monitoring period was incorporated into the analysis only if it could be determined that these data reflected conditions as they existed in Nome at the beginning of the monitoring period.

CHAPTER TWO

POPULATION

Introduction

An analysis of demographic trends is a critical component of the monitoring of sociocultural change. As is the case with the surrounding environment, the population of a community alternately comprises a set of resources or constraints on the other elements of a sociocultural system. Rapid population growth, for example, may contribute to an expansion of the community's service sector, an increase in retail sales, and an increase in the city's tax revenues. These, in turn, could promote the adoption of values and behavior associated with a wage-labor economy or affect the quality of life through improvements in housing, education, health care, and other services. However, it may also place considerable pressure on the community services and facilities. With an increase in immigration, the population also becomes more heterogeneous. The diversity of segments of the population, each distinguished by particular value systems, world views, and needs, may also have implications for the level of political conflict as well as the formation of different social groups and a range of voluntary social organizations. Patterns of social interaction and competition in the political arena are both influenced by patterns of demographic change.

There are several reasons why Nome's population cannot be used as an index of sociocultural change for the past six years, however. The 1980 Census reflected a drop in population from previous years, although no large scale exodus from the community was evident, suggesting that the population was underenumerated in this census. Second, no direct counts of community residents were made for several of the monitoring period years. Instead, an indirect estimate of population was made by taking the number of dwellings in the community and multiplying the number of each

type of residence by the average number of residents per dwelling in earlier censuses **to reach an** estimate of total population. This method has been used consistently throughout the 1982-1986 period. However, it does not take into consideration the **fact** that the average number of residents per **dwelling** has undergone changes during this time for several reasons. Although changes in the **local** economy, especially **recent** housing construction, have enabled some residents to move **out of joint** household residences, the influx of Natives from the smaller villages in the region who move to Nome looking for employment or seeking the advantages of local community services has resulted in an increase in household density among certain segments of the community. With the existing shortage in affordable housing, many Native immigrants are forced to move in with relatives and friends, resulting in an increase **in** the number of residents per household in the Native segment of the community relative to the non-Native segment.

Total Population

An index of changes in the population of Nome between 1975 and 1985 is provided in Table 1. The difference between winter and summer population figures for 1979 and 1980 in Table 1 should be noted. According to the Updated Baseline Description for Nome prepared by the John Muir Institute (1984), the difference of 140 people or 5 percent can be accounted for by an influx of outside labor coming to Nome for seasonal work in the **local** gold dredging operation, **local** building construction, roadway maintenance, and construction. Since 1985, however, an estimated 200 to 300 workers have been employed on summer construction jobs and other seasonal projects. Many of these seasonal residents are non-Natives, particularly Vietnamese, college students, and skilled union workers from the lower forty-eight states. Others come from surrounding villages. **Nome**, therefore, has two types of residents, year-round and seasonal, and the seasonal residents come primarily from two different populations -- the ethnically heterogeneous lower 48 and the

predominantly Native region around Nome. While dependent in part on Nome for cash income, the social ties of seasonal residents from the surrounding villages are grounded in the communities of origin rather than Nome itself. This segment of the local population has increased in prominence during the monitoring period as the community has grown in stature as a regional service center.

TABLE 1
Population comparisons, City of Nome

Year	1905 Boundaries	Contiguous Areas	Total
1975(a)	2,380	N/A	2,380
1976(a)	2,605	N/A	2,605
1979(b) Winter	2,842	222	3,064
Summer	2,932	272	3,204
1980(c)	2,301	33	2,334
1981(d)	2,921	210	3,039
1982(d)	N/A	N/A	3,430
1983(d)	N/A	N/A	3,620
1984(c%)	N/A	N/A	3,791
1985(d)	N/A	N/A	3,876

Sources: (a) *Ellanna and Roche 1976.*
 (b) *Ender et al., 1980.*
 (c) *U.S. Census, 1980.*
 (d) *City of Nome, Municipal Population Estimate Reports, 1981-1985.*

Growth Rate

On the basis of the figures in Table 1, the population of Nome grew by 27.5 percent between 1981 and 1985. In contrast, the growth rate for the previous five years (1976-1981) was 16.1 percent. Thus, the rate of growth appears to have increased during the monitoring period. Much of this increase can be attributed to an increase in the number of immigrants from smaller communities in the region as well as from outside the region. Immigrants are enticed by the availability of

professional employment, government employment, and economic opportunities in mining.

In 1982 the Alaska Department of Fish and Game's Subsistence Division conducted a random sample survey of Nome households. The results indicated that 29.8 percent of Nome's population migrated from outside" Alaska. An additional 11.5 percent came from Anchorage or Fairbanks, 5.8 percent from elsewhere in Alaska, and 32.7 percent from villages in northwestern Alaska. **Only** 20.2 percent of the population surveyed reported Nome as their **place** of origin. Moreover, the 1982 data illustrate that length of residency in **Nome** varies widely. The average length of residency in Nome of Native households is 26,5 years, whereas the average for non-Native households is 9.6 years **(Ellanna 1983:94)**.

The influx of non-Native residents has had an impact on other components of Nome's **sociocultural** system during the monitoring period. Because they are better educated, non-Native newcomers have a disproportionate share of better paying jobs. They are also being hired for positions in government and human services in greater numbers than Natives, giving them a greater voice in community politics and the direction of local development.

Household Size

The population figures for 1981 were based on an actual State field census which took into account the municipal boundaries established after the annexation following **the 1980** federal Census. The census figures for 1982-1985 were based on a set of formulae which estimated the number of housing units and multiplied each type of housing unit by a fixed number of residents per unit. This formula is represented in Table 2.

The source for the vacancy and persons per household estimates were the 1981 census for the 1982 city limits. According to the State Department of Labor, the Census and estimation procedures used for the 1981 and 1982 City censuses

TABLE 2 "

Worksheet **for Housing** Unit Population Estimation Methods,
Population in Housing Units, **1985**

A. struc- ture Type	B. Number	C. Vacancy Rate	D. Occupied Units (B)-{(B)x(C)}	E. Persons Per Household.	F. Pop. in Occu. H.U.'s (D)x(E)
1 unit	804	.1043	720	3.553	2558
2 units	144	.0870	131	2.560	335
3+ units	321	.0759	296	2.551	755
MH/Trailer	44	.1163	39	2.763	<u>108</u>
Subtotal, Population in Housing Units					3756
Population in Group Quarters					<u>120</u>
Total 1985 Population					3876

Source: Nome Municipal Population Estimate Report 1985.

represented improvements in the direction of greater accuracy (John Muir Institute 1984). However, the random sample surveyed by the Division of Subsistence in September, 1982 revealed that the average household size for Nome as a whole was 3.3. Among Alaska Native households, the average size was 3.9 and the average size of non-Native households was 2.1. Approximately 38 percent of the Native households were extended family households, but none of the sampled non-Native households was extended (Ellanna 1983:94).

The divergence in household size by ethnicity was confirmed by a survey taken by the Norton Sound Health Corporation in 1984 which revealed that Nome residents had an average of 3.74 persons per household compared with an average of 4.59 persons per household in the villages throughout the region. The Census also revealed that there were 2.41 persons per household in non-Native households in Nome compared with 3.74 persons per household in "Native households (Norton Sound Health

Corporation 1984). This represents a **decline** from **the household** densities of **2.9** for non-Natives and 4.5 for Natives reported by Ender et al. (1980) based on raw data compiled for every Nome household in 1975 (Ellanna and Roche 1976). However, a random survey of the 1975 raw census data for Nome provided an average Native household density of 6.6 (Ellanna 1980:387). Even if the gap between Native and non-Native household densities has been declining over the past ten years, the 1984 figures support the argument that the wide divergence in the estimates of persons per household by **ethnic** group status may result in an **underenumeration** of Nome's population.

Age/Sex Distribution

According to the 1980 Census, males comprised 52.8 percent and females comprised 47.2 percent of Nome's population. By comparison, 51 percent of the population in 1975 were **male** and 49 percent female. In 1980, 52.3 percent of those 20 and under were male and 47.7 percent were female: In the 21 to 59 year age group, 53.2 percent were male and 46.8 percent were female in 1980. In the group of those 60 and older, males accounted for 53.1 percent and females 46.9 percent of the total (John Muir Institute 1984). These percentages suggest that the sex distribution has been fairly consistent across all age groups.

In other communities experiencing rapid socioeconomic change, males tend to outnumber females by wider margins than is the case **in Nome**, particularly in the 21 to 59 year old group. In **Unalaska**, for instance, males represented 61 percent of the residents in this age group during the same period (Impact Assessment 1983a). This is because the economic opportunities associated with energy or fishery resource development in rural Alaska have typically attracted young, single males. In Nome, however, the data indicate that young males are not migrating into the community in significantly greater numbers than young females. This suggests greater stability

and perhaps longer-term commitment to the community among the newcomers than has been the case in other western Alaska cities.

In 1975, the median age for Nome was 21.6 years. About 47 percent of the population was under 21 years and 6 percent was over 60 years of age. In 1980, the median age was 26.0 (26.3 for males and 25.6 for females); 40.1 percent of the population was under 21 years, and 8.4 percent was 60 or older. If the 1980 figures are to be believed, this indicates a substantial shift toward an older population (John Muir Institute 1984:D6). As noted above, however, these figures are suspect; in fact, they may actually be the result of an overenumeration of older residents and an underenumeration of younger residents. However, evidence for the opposite conclusion is obtained from an examination of school enrollment figures for the period 1981 to 1985 (Table 3) which show a declining proportion of the population between the ages of 3 and 17.

An examination of birth and death data for the City of Nome, contained in Table 4, also indicates a downturn in the number of residents in the younger age categories during the late 1970s. However, both birth and death rates show a marked

TABLE 3
Population Between the Age of 3 and 17,
City of Nome, 1981-1985.

Year	Number of Residents ages 3-17	Total Population	Percent of Population ages 3-17
1981	768	3,039	25.3
1982	787	3,430	22.9
1983	835	3,620	23.1
1984	787	3,791	20.8
1985	821	3,876	21.2

Source: JOM Forecasts, Nome City School District, Unpublished Data.

TABLE 4

Birth and Death Rates, City of Nome

Year	Population	Births	Births/1,000	Deaths	Deaths/1000
1976	2,605	80	30.7 "	25	9.59
1977	2,585	70	27.1	N/A	N/A.
1978	3,164	61	19.2	33	10.43
1979	3,204	45	14.0	22	6.87
1980	2,334	84	36.0	19	8.14
1981	3,039	N/A	27.6	N/A	N/A
1982	3,428	N/A	24.5	N/A	N/A

Source: John Muir Institute 1984:D8.

increase in 1980, followed by a decline in birth rates during the next two years which reflects the impact of the underenumeration of the population that year on an analysis of subsequent demographic trends.

Ethnicity

The 1980 Census also determined that 39.1 percent of Nome's population was Caucasian, 58.4 percent Alaska Native (57.1 percent Eskimo, 1.0 percent Indian, and 0.3 percent Aleut), 0.6 percent were Black, 0.7 percent were Asian/Pacific Islander, and 0.9 percent were "other." A distribution of the population by age and ethnicity is provided in Table 5, It is believed, however, that the number of non-Natives is growing at a faster rate than the Native population due to the influx of non-Native immigrants in recent years. Any increase in the Native community is due to the influx of residents from surrounding villages, in addition to the recent upturn in the Native birth rate.

On the basis of these figures, it would appear that Natives comprise the majority of the very young and the very old in the community. An estimated 80 percent of the region's population is Native, ranging from approximately 50 percent

TABLE 5

Percentage of Population by Age and Ethnicity, City of Nome, 1980

Ethnicity	Age			
	Under 5	5-17	18-64	65 and over
Caucasian	29.6	27.6	47.2	22.4
Native	66.9	70.5	50.2	77.6

Source: U. S. Census, 1980.

in Nome to approximately 95 percent in most of the villages. The remainder of the population is primarily Caucasian, although there is a growing population of Vietnamese, Latin Americans, and Blacks.

According to the 1975 Census (Ellanna and Roche 1976), Caucasians represented 38.6 percent of Nome's population and Natives comprised 61A percent. In 1970, 37.5 percent of the population was Caucasian and 62.5 percent was Native (John Muir Institute 1984). The trend, therefore, appears to be towards an increase in the proportion of non-Natives in the community.

Housing

The recent increase in population throughout many areas of rural Alaska has resulted in a critical shortage of housing (Impact Assessment 1984). This, in turn, has contributed to an increase in average household size, increase in cost of living, and increased demand in community services (Nebesky, Langdon and Hull 1983). At the same time, limited housing availability acts as a constraint on further population growth and economic development. New housing construction may be funded either through individual investment, reflecting increasing income and socioeconomic status, or through public efforts, reflecting community commitment and political organization. In rural Alaska, the quality of housing often serves as an important

measure of socioeconomic status; variations **in the quality** of housing throughout a community are gradually coming to serve as indicators of socioeconomic status differences within an increasingly heterogeneous population (although HUD financed housing tends to distort the relationship between economic status and housing availability). Thus, housing availability and quality provide key indicators of **sociocultural** change during the monitoring period.

In addition to the increase in population, average household size **is** determined by the availability of adequate housing in the community. As was noted above, average household size appears to have declined **during** the past ten years. However, the rate of decline has not been consistent for **all** segments of the community and a discrepancy remains between the average household size of Natives and non-Natives.

According to the 1980 Census, there were a total of 839 housing units in the City of **Nome**. If, as there is reason to suspect, the 1980 Census **undercounted** population at **Nome**, then it is likely that the housing was **undercounted** also. Also, the 1980 Census was taken before annexation was approved and so does not include the settled areas added to the City of Nome's jurisdiction by annexation.

Table 6 displays data on the tenure status of housing, as reported in the 1980 Census. Two figures about the supply of housing stand out. First, there is an unusually large proportion of rental housing in **Nome**. About fifty-four percent of the **total** supply is rental housing and an even larger share, fifty-eight percent, of the occupied housing is rented. This is an unusually high ratio of rental housing compared to other western Alaska regional centers where home ownership still predominates over rental housing. Rental rates for a two bedroom quality apartment or duplex range from \$900 to \$1200 a month with a current vacancy rate of between three and ten percent. Rentals of lesser quality (i.e., unfurnished apartments in need of minor repairs or with poor quality carpeting) go for \$600 to \$800 per month and have a current vacancy rate of between fifteen and twenty percent.

TABLE 6

Status of Housing, Nome, 1980

Occupied housing units	697
Owned/buying	(290)
Renting	(407)
Vacant	142
For sale	(10)
For rent	(44)
Occasional use	(16)
Other vacant	(72)
TOTAL	839

Source: U. S. Census, 1980.

Second, according to the census there appear to be a substantial number of vacant housing units in Nome -- 142 units or seventeen percent of the total housing stock. However, according to the update of the Nome baseline study, conducted by the John Muir Institute (1984), this figure may exaggerate the housing availability of Nome. The 1980 census was conducted in April, a time when Nome's resident population is at a seasonal low. Less than half of the vacant units were available for sale or rent or were in occasional use.

As evidenced by the figures in Table 7, housing stock itself went up from 982 in 1981 to 1,303 in 1985. Many of the homes constructed during this period were initiated by individuals, as opposed to public housing agencies. Individually-initiated construction is a profound indicator of the general sense of security people feel for the local economy and its continuity. The prospect of OCS development and its anticipated benefits to the community is believed to have been one of the factors contributing to this growth in housing construction. The State of Alaska played a large role in propelling this growth by the provision of an unprecedented number of low cost state home construction loans during the 1981-1982 period. While exact figures are unavailable, there was a general consensus among

informants that the rate of **new** home construction has **slakened** off' somewhat since 1985, coinciding with the cancellation of the Norton Basin lease sale scheduled for October 1985.

TABLE 7
Housing Units by Type, City of Nome, 1981-1985

Structure Type	Year					Vacancy (%)
	1981	1982	1983	1984	1985	
1 unit structure	675	731	768	795	804	10.4
2 unit structure	90	104	138	140	144	8.7
3+ unit structure	183	256	268	300	321	7.6
Mobile home/ trailer	34	43	44	44	44	11.6
Total Units	982	1134	1218	1279	1303	

Source: City of Nome Municipal Population Estimate Report, 1981-1985.

Most of the housing structures in Nome are **almost** entirely wood frame construction and small (600 - 1,200 square feet). City lots are small and expensive. Single family dwellings are currently selling for \$100,000 to \$180,000 for an 800-1,200 sq. ft. dwelling. Some buyers construct duplexes with two units of 1,200 sq. ft. each.

The **Bureau of Indian Affairs (BIA)** administers a Housing Improvement Program which builds houses for residents who cannot secure safe and sanitary housing through any other means. The homeowner neither qualifies for a standard loan nor meets the HUD income "guidelines. BIA will build on Native allotments, though in some cases, such as in the City of Nome, they do require a 'fee-simple title. The person receiving the house must occupy it for five years to become a homeowner. The Nome Eskimo Community has recently assumed responsibility for the program in Nome.

A field inventory of housing conditions in Nome was conducted by Environmental Services Limited (ESL) in January 1981. A total of 943 dwelling units were counted, including 682 single-family units and 261 multifamily units. This count is substantially above the 1980 Census of 839 and tends to confirm that the census undercounted housing units as well as population (John Muir Institute 1984).

Adopting the criteria from official U.S. Census definitions, ESL also evaluated and mapped the structural condition of housing units and determined that only twenty-three percent of all housing units were structurally sound. Another sixty percent was deteriorated and in need of minor repairs, and seventeen percent was badly deteriorated and in need of major repairs. The remaining one percent was considered to be dilapidated beyond repair (Environmental Services Limited 1981:2-33). The heaviest concentration of badly deteriorated and dilapidated dwellings was in the center of town. When compared to earlier housing surveys conducted for the 1967 comprehensive plan and the 1970 Census, however, the quality of housing appears to have improved significantly during the 1970s. Nonetheless, it remains a common perception among local residents that adequate housing is in short supply, especially during the summer months when a seasonal influx of residents add substantially to the city's population.

In addition to the quality of housing, other factors affect the availability of adequate housing in the community. Ellanna reported in 1980 that Nome landlords have historically regulated rents by what the market will bear. Thus, during the summer when housing demands increase because of the influx of seasonal residents seeking employment, rental rates rapidly inflate to whatever the market will bear without control. These conditions adversely affect every renter but especially those with low, limited, or irregular cash incomes (Ellanna 1980:386).

One alternative to this situation is the construction of low-income housing. At present, government-subsidized housing in Nome includes a 21-unit Senior Citizen housing project, built using HUD funds and managed by the Bering Straits

Regional Housing Authority; the 50-unit Bering View project, funded by **HUD** and managed **by** the Alaska State Housing Authority (ASHA); and the King Island community housing project on the east end of Nome, constructed in 1975. **Unlike** HUD financed housing in other rural Alaska communities, however, these houses are of poor quality. **In** addition, the City of Nome is reluctant to see additional government-subsidized housing constructed in Nome because the City must provide services **to these** units but are **unable** to **tax** them (**Ellanna 1980:386**). Finally, the experience of a few Natives who attempted to purchase their government-subsidized in Nome in the **late 1970s**, but who eventually lost **all equity** in these houses because they could not afford the high utility costs, has discouraged other Natives from seeking out such housing.

An alternative to the construction of low-income housing **would** be to provide rent subsidies for low income families renting privately owned dwellings. However, such subsidies have not been implemented in Nome because they can only be paid on rents considered “reasonable” by government standards and rental rates in Nome do not meet this criteria (**Ellanna 1980:387**).

Despite the questionable adequacy of the housing stock in **Nome**, a 1984 survey taken by the Norton Sound Health Corporation reported that 38.6 percent of the Nome respondents and 66 percent of the village respondents indicated they were not satisfied with the availability of housing. More villagers (44 percent) responded that their houses were not large enough for their family than Nome residents (18 percent). And, **while** 40.7 percent of the village residents stated their homes were . in poor or awful condition, 81.5 percent of the Nome residents stated that their homes were in excellent, good, or adequate condition (Norton Sound Health Corporation 1984). This is interesting finding for several reasons, not the least of which is its marked contrast to the 1981 ESL study, noted above, which found only twenty-three percent of all housing units in Nome structurally sound, a perceptual or actual difference worth investigating in subsequent research.)

CHAPTER THREE

LAND

Introduction

Land is tied to sociocultural change in Nome in several different ways. Changes in land ownership and the prospect of locally available land for OCS development has had implications for access to subsistence resources which, for a segment of Nome's population, plays an important role in the maintenance of social networks and kinship as well as recreational activities. Land is also viewed as a commercial resource important for the management of economic development. Control of this resource is perceived to be critical to the task of managing this development, maximizing its benefits to the community and minimizing its adverse effects. Whether viewed as a cultural or commercial resource, land is thus seen as a focus for political activity, and the object of competing interests and political groups. Control of land in and around the city limits of Nome is perceived by several competing interests as important for future population and economic growth associated with anticipated OCS activity and for maintaining a measure of political autonomy. During the monitoring period, these concerns were reflected in successful efforts at annexation, conveyance of property to local Native corporations, and increased efforts to regulate and manage land use within and outside City limits. Land is also a focus for social organization, particularly through the development of neighborhoods and the importance of socioeconomic status differences based on geographic location.

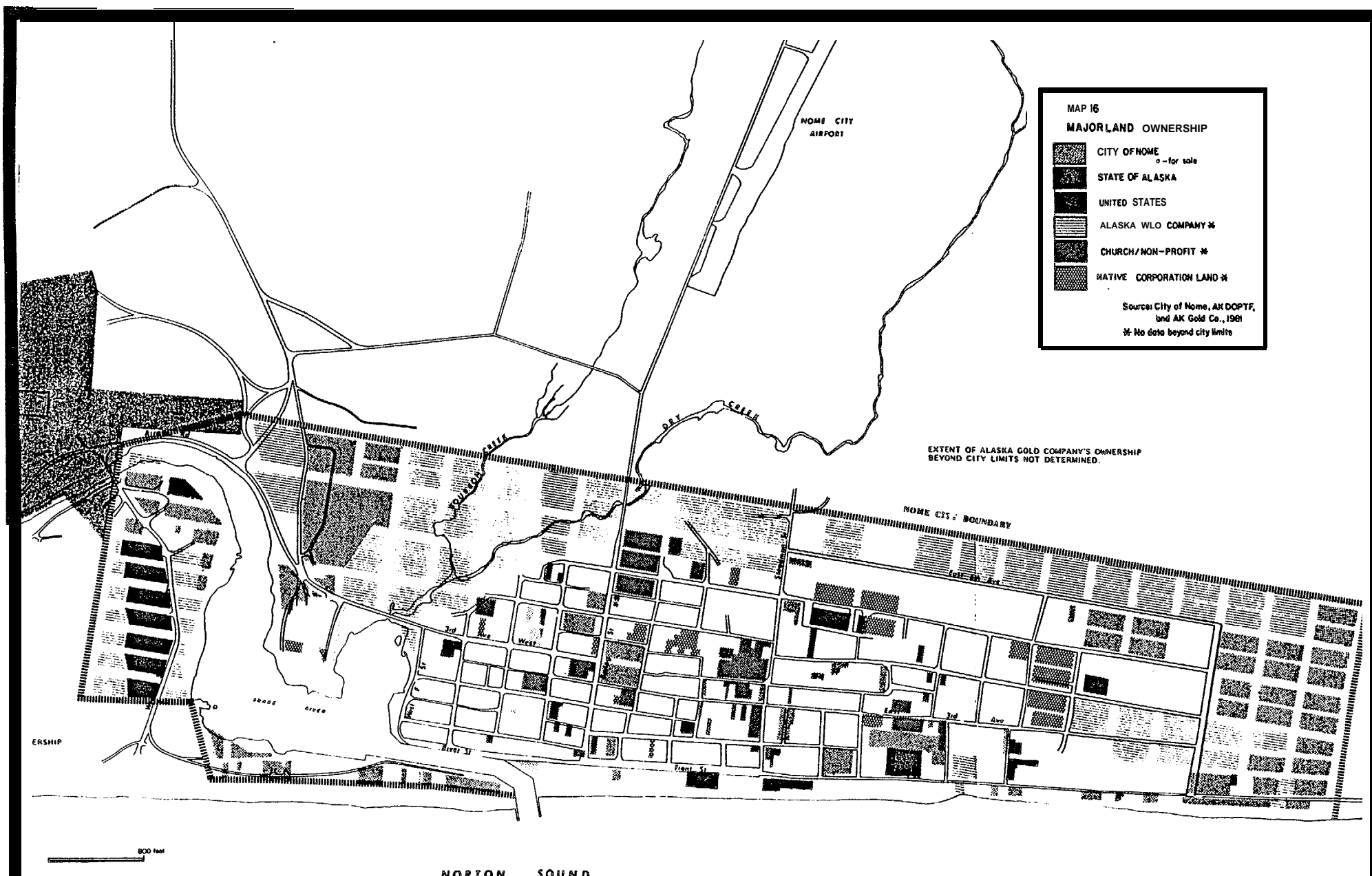
This chapter will examine changes in land ownership, land use patterns, the status of land surrounding the community, and the value systems that affect attitudes and behavior relating to land and sea.

• **Land** Ownership







Land ownership **patterns** within the **1905 townsite** were outlined by Environmental Services Limited in 1981 and are presented in Figure 2. At the time, the Alaska Gold Company was the largest single **landowner** in Nome and the immediate surrounding area. The Company owned thirty-three **blocks** and **large** portions of fourteen others. The Company also owned various **lots** apart from its larger tracts. The majority of the land owned by the **Alaska** Gold Company was on the western, northern, and eastern fringes of the city. Due to **the** mineral deposits on their holdings, the company was reluctant to dispose of any of its lands through sales or other means until recently. This land ownership pattern restrained the physical growth of the city, particularly to the north and east, during the first few years of the monitoring period. However, with the **fall** in the price of gold in the past few years, the Alaska Gold Company has shown a willingness to part with some of its holdings and has offered lots for **sale**. Given the current stagnation of the real estate market, not all of these lots have been sold; however, additional residential developments have proceeded because of this change in policy on the part of the company.

In 1981, the City of Nome was the second largest landowner in the community. City land included land reserved for existing and future city facilities and other land that the City has since sold to the public for residential development.

The most important recent change in land status at Nome was the successful annexation in 1982 of adjacent lands and waters. Prior to annexation, the City's boundaries encompassed only **about** 525 acres. This land included the 1905 townsite only. A number of small satellite residential clusters, for example at Icy View and at the **Nome-Beltz** school complex, were outside the City's boundaries, as were some



MAP 16
MAJOR LAND OWNERSHIP

-  CITY OF NOME
-  STATE OF ALASKA
-  UNITED STATES
-  ALASKA WLO COMPANY *
-  CHURCH/NON-PROFIT *
-  NATIVE CORPORATION LAND *

Source: City of Nome, AK DOPTF, and AK Gold Co., 1981
 * No data beyond city limits

FIGURE 2
 City of Nome
 Land Ownership

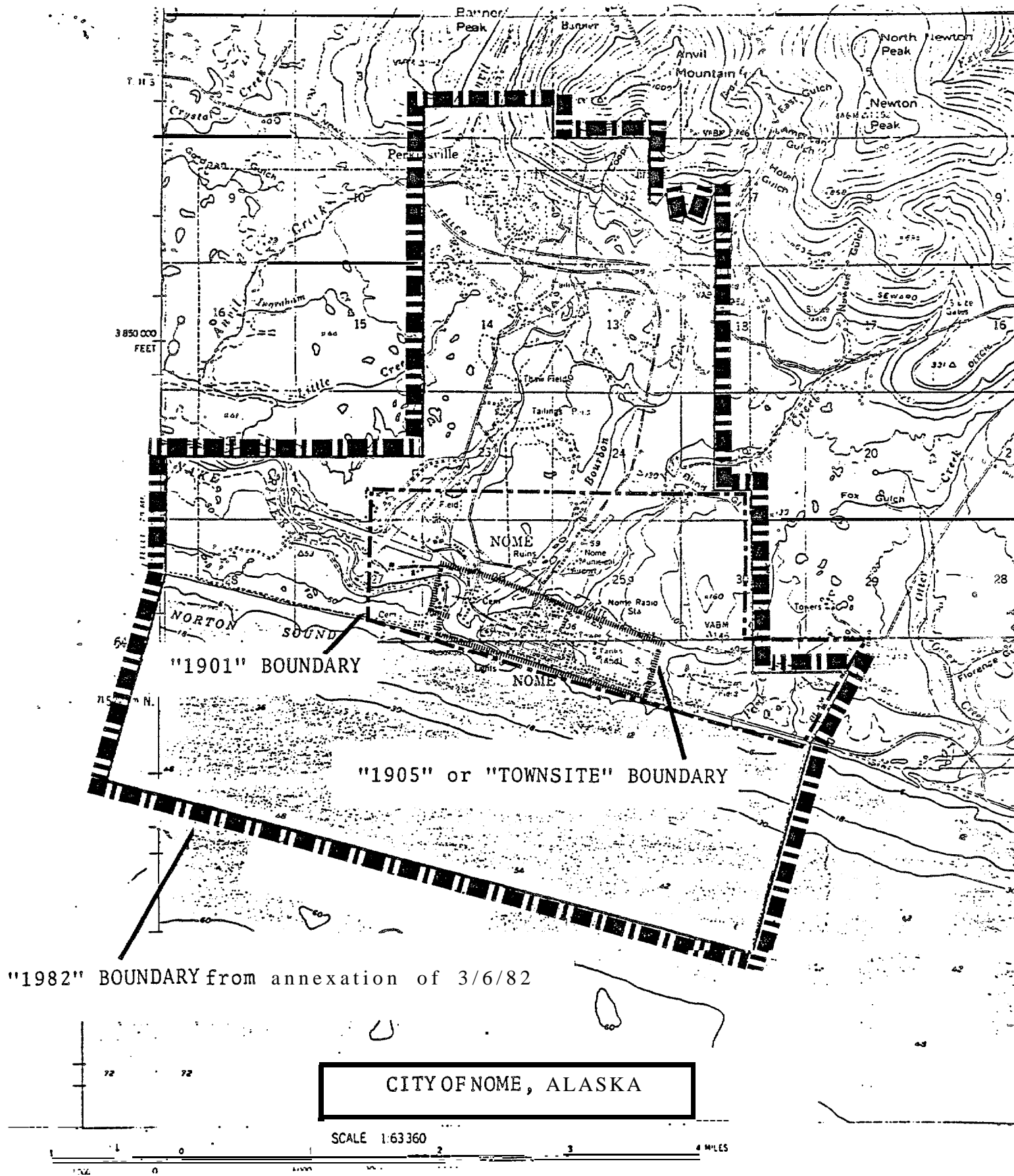
City of Nome
 COASTAL MANAGEMENT PROGRAM
 Prepared by Environmental Services Ltd. 1981

- nearby tracts with potential for community expansion and some other areas of particular value to the City, such as the municipal water supply at Moonlight Springs. After extended controversy and a number of failed annexation attempts, the 1981 Alaska **Legislature** directed preparation of a detailed study of the City's jurisdictional needs.

The annexation added, by rough approximation, 4,953 acres of land and 5,760 acres of immediate offshore water area to the City's original site. The total size of the City of **Nome** at present is approximately **21** square miles. A map of the City of Nome approved by the Local Boundary Commission is contained in Figure 3. Annexation also added an estimated 250 new residents to the City. Not included in the annexation was Cape Nome, which was of special concern to the City because it was identified as a potential site for onshore industrial facilities to support offshore oil development and production operations.

Among other consequences, the annexation extended the municipal planning jurisdiction, increased the population to which the City provides services and enlarged the City's real property and sales tax bases. The **Nome** Annexation Study concluded that each of these changes would positively affect the ability of the City to fulfill its functions. Presumably, these changes also improved the City's ability to plan for and manage OCS-related growth impacts. The value of the property within the city limits in 1983 is provided in Table **8**.

Other owners of property within the city limits include the **Sitnasuak** Native Corporation and the State of Alaska. **Sitnasuak** owns a number of office buildings, small apartments, and tracts of land. The largest tracts of state-owned land are the site of Northwest Community College, four lots occupied by the youth detention center at the east end of town, and the state office building on Front Street. The state also owns the airport land. Alaska State Housing Authority owns



CITY OF NOME, ALASKA

SCALE 1:63360

FIGURE 3

City of Nome, City Boundaries, 1982

Source: USGS, as modified by City of Nome, 1983

TABLE 8

City of Nome Property Valuation, **1983.**

Total Real Property	\$109,868,722
Total Exempt Real Property,	41,468,034
Total Taxable Real Property	68,400,688
Total Taxable Personal Property	17,597,728

Source: City of Nome Property Valuation Records.

fifty-six lots constituting the Bering View housing project. The King Island Native Corporation also owns a few lots on the east end of town. The City deeded the land to the King Island IRA Council which was then conveyed to individual homeowners.

Semi-public lands include the many church properties in Nome, the Norton Sound Regional Hospital, and the Arctic Native Brotherhood Center. The largest church parcel is the Catholic Church land at **Steadman** and King Streets, which is used as a city recreation area.

Land Use

Environmental Services Limited conducted a study of land use patterns in the City of Nome in 1981. Their results are presented in Table 9 and depicted in Figure 4. It is significant to note that the **1905** townsite did not include the Snake River Basin area of 59.2 acres. The largest category of land was vacant but developable, followed by developed residential land. Since this time, the amount of developable land has been reduced because of development between 1981 and 1986.

Of note for future land development is the decline in vacant land developable within the old City boundaries from about 368 acres in 1967 to about 148 acres in 1980. This supply of vacant land in the original townsite is roughly equal

to the sum of residential, commercial, and industrial lands now developed.

Ordinarily, this vacant land base could be developed to support about double the current population. However, a good share of this land has poor soil conditions.

TABLE 9

City of Nome Land Use, 1980

Land Use	Acres	Percent Townsite
Residential	110.00	23.6
Commercial	12.00	2.6
Industrial & Storage	32.02	6.8
Public	29.00	6.2
Semi-Public	5.00	1.0
Improved Street	83.00	17.8
Vacant - Dedicated to public use	12.00	2.6
Vacant - Undevelopable (Bourbon Creek, Dry Creek march)	35.00	7.5
Vacant - Developable	148.25	31.8
TOTAL	466.25	100.0

Source: Environmental Services Limited, 1981.

From the local perspective, Nome suffers a shortage of developable land available at a reasonable price. This perspective is commonplace in rural Alaska communities where, until lately, much of the land base was retained in state and federal ownership, the market for land was inhibited by non-economic attitudes toward land ownership and development, and land development was hindered by unfavorable soil conditions and the prohibitive costs of installing improvements such as water, sewer and power utilities, and improved roadways. Still, in comparison to other rural western Alaska regional centers (such as Barrow, Kotzebue, Bethel, and Dillingham),

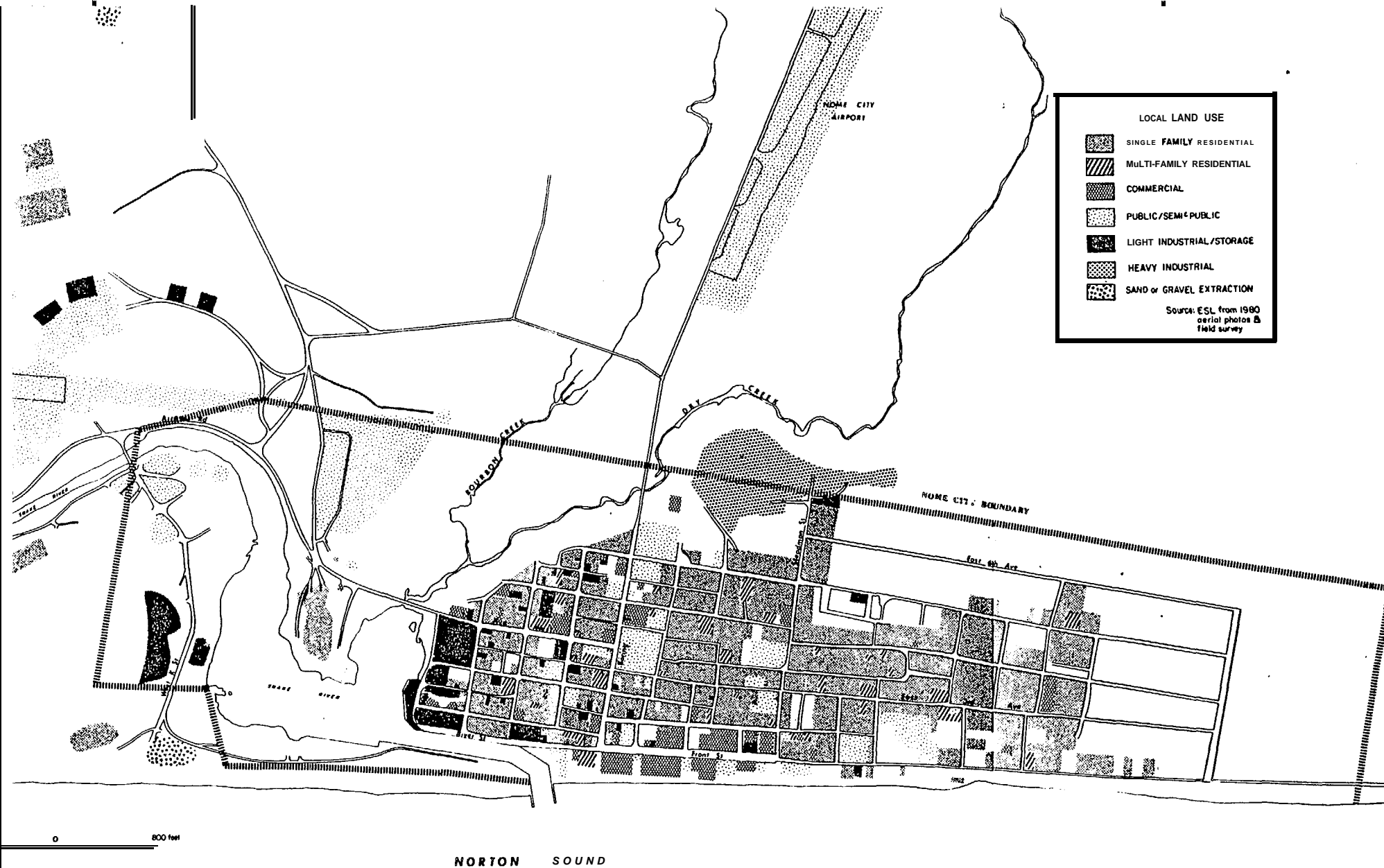


FIGURE 4
 City of Nome, Land Use Patterns

City of Nome
COASTAL MANAGEMENT PROGRAM
 Prepared by Environmental Services Ltd. 1981

Nome is better supplied with a pool of developable land suitably located for town expansion than all except perhaps Dillingham. Over the long run, as population growth and economic development progress at Nome, a more rational market for sale and development of land resources should emerge in response to economic forces. In any case, the unavailability of developable land is not by itself a physical constraint on community expansion at Nome, although the inhibiting effect of the high costs of installing improvements to develop tracts for urban use should not be underestimated (John Muir Institute 1984).

City lots are small and expensive, as noted above, but housing prices have been relatively stable since 1981 when the realty market peaked. Since then the market has been slow despite the fact that interest rates are down. The realty market for improved property continues to be stable, but it has declined for unimproved property and lower quality real estate, perhaps reflecting the decline in optimism over the prospects of OCS development.

Land in the Surrounding Area

A description of land ownership in the areas surrounding the community in 1981 is provided in Figure 5. Although the city limits have since been expanded, land ownership patterns outside of the 1982 limits have pretty much remained the same. Surface rights to land surrounding, but not immediately adjacent to, the City of Nome are owned by the Sitnasuak Native Corporation and the Bering Straits Native Corporation has title to the subsurface rights to these lands under the Alaska Native Claims Settlement Act. Only a small part of the lands selected by the two corporations are located near Nome. In fact, nearly all of the 161,280 acres of land selected by Sitnasuak are well outside the area of potential settlement interest at Nome. Thus, neither the ANCSA Section 14 (c) lands (up to 1,280 acres) to be conveyed by Sitnasuak to the City of Nome nor the lands retained by Sitnasuak are likely to significantly affect the community's land supply or expansion patterns.

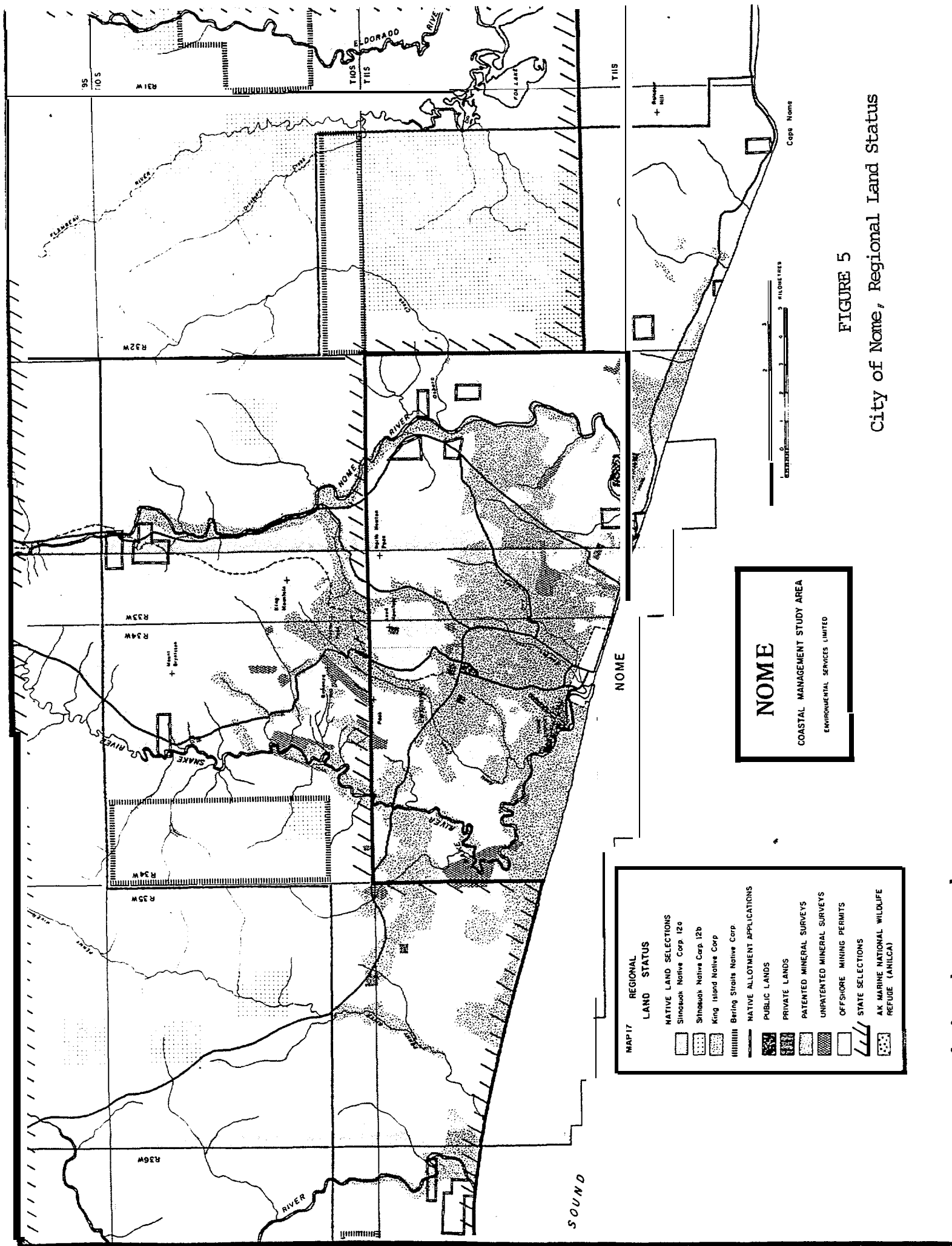


FIGURE 5
 City of Nome, Regional Land Status

MAP 17	REGIONAL	LAND STATUS
[Symbol]	NATIVE LAND SELECTIONS	Stimoseok Native Corp. 12a
[Symbol]	NATIVE LAND SELECTIONS	Shtookok Native Corp. 12b
[Symbol]	NATIVE LAND SELECTIONS	King Island Native Corp.
[Symbol]	NATIVE LAND SELECTIONS	Bering Straits Native Corp.
[Symbol]	NATIVE ALLOTMENT APPLICATIONS	
[Symbol]	PUBLIC LANDS	
[Symbol]	PRIVATE LANDS	
[Symbol]	PATENTED MINERAL SURVEYS	
[Symbol]	UNPATENTED MINERAL SURVEYS	
[Symbol]	OFFSHORE MINING PERMITS	
[Symbol]	STATE SELECTIONS	
[Symbol]	AK MARINE NATIONAL WILDLIFE REFUGE (ANILCA)	

NOME
 COASTAL MANAGEMENT STUDY AREA
 ENVIRONMENTAL SERVICES LIMITED

However, resource development on these lands may, over the long run, have indirect spillover effects on the economy and population of Nome (John Muir Institute 1984:D20).

In 1980 the City of Nome elected to participate in the Alaska Coastal Management Program and develop a district program for the City. Nome chose to prepare its own plan rather than to join with the other communities of the Bering Straits region to develop a unified program for the region. The City's desire was also to expand its coastal management program to deal with a wider array of city planning issues. In December of 1982 the City Council in consultation with the Planning Commission decided to separate the Coastal Management Program from the Comprehensive Plan and non-coastal management parts of the Land Use Regulations. In addition, in 1980 the City and the Alaska Department of Community and Regional Affairs expanded the Nome Coastal Management Program study area to include the area from Cape Nome to the Sinuk River as these areas were of great concern to the community (Nome Coastal Management Program 1983). Among the many ramifications of the Nome Coastal Management Program, two are especially worthy of note. First, the program represents the efforts of the community to exert control over land outside the city limits. This land thus becomes subject to the jurisdiction of several government and Native corporate entities, creating the potential for political conflict. This concern is motivated by the prospect of oil-related development which, if not occurring within city limits, would nonetheless have a substantial impact on the community. Second, the program also acts to shape economic development in the region by providing a set of goals for future development while simultaneously identifying constraints on such development. These guidelines and their impact on future economic development will be examined in greater detail in Chapter Six.

Values Relating to Land and Sea

The political, social and economic behavior relating to **land** and sea among Nome residents is embedded in a myriad of competing value systems regarding the environment and the resources it provides. Each value system is associated with a particular segment of the population. For example, concepts of exclusive territoriality, fixed and restrictive boundaries, individual or group ownership of sea and land areas and resources, and the accumulation of these resources to **wield** economic and political power over individuals and/or groups were ideas basically **alien** to the ancestors of contemporary Native residents of **Nome**. According to **Ellanna (1980:214)**, these concepts have remained foreign to the recent Native immigrants from the surrounding villages despite contemporary economic and political pressures for Native people to become “owners” of territory and/or resources.

Traditionally, both land and sea, as well as the **plant** and animal resources they provide, were perceived by the **Inupiat** residents of the region as living beings with spirits, feeling, and emotions. The natural order of life involved the constant circulation of the souls of animals and humans, and the interrelations between members of human social and kin groups mirrored the interrelation between man and his environment.

Ellanna (1980:214) goes on to say that for the majority for **Inupiat** residents from the rural communities the concept of “home” and the emotional ties implicit in this term include a complex of geographic areas utilized by these residents for camping, fishing, hunting, berry picking, egg gathering, and many other activities. These areas have historical and personal depth in the sense that there has been a high level of awareness through oral tradition of ancestral connections with the sea and land and their respective resources (**Burch 1975**).

Western concepts of rigid boundaries; exclusive ownership of sea, land, and resources; and individual possession of pieces of the natural environment, have gained greater acceptance among the Native residents of Nome during the past six

. years while the Inupiat and Yuit peoples of smaller communities throughout the region continue to recognize traditional patterns of land and resource utilization by specific families and, more usually, larger groupings such as each group that shares a common stem name with a "-muit" suffix. This has been, in part, reflected in the selection of regional and village withdrawal areas under ANCSA or individual Native allotments, as allotments are often on or near ancestral group lands. On the other hand, it is important to note that it was not (and is not) uncommon for groups to extend privileges of unrestricted resource utilization, passage, and seasonal occupancy to extended kin groups or neighboring groups which require access to resources in areas other than their "home" territories. In other words, while concepts of land tenure and polity are undoubtedly a part of the traditional value system of Native residents of the study area (Ray, 1967), the nature of these concepts differing qualitatively and quantitatively from those of industrial societies (Ellanna 1980:216-217).

In contrast to the value system of the Natives from the smaller villages throughout the region who have migrated to Nome, the history of Nome has been one of the extraction of natural resources for profit. These resources included gold, baleen, ivory, and recently, oil, natural gas, and geothermal energy. The ownership of land and sea and restrictive access to their resources or wage labor extracting these resources have continuously and historically been a high priority for the majority of non-Native residents and many of the Native residents of Nome. The constraints to community development resulting from the reluctance of the Alaska Gold Company to part with its land because of its desire to protect its access to mineral resources is a reflection of the impact of this value system on community life. Many of the relative newcomers to the community as well as the transient non-Natives who have arrived in the hope of economic opportunities associated with OCS-related development perceive of the area as a "land of opportunity," such opportunity being

some form of personal wealth and/or experience, **with** negligible interest in the **long-term** effects of such activities on the area or its permanent residents (**Ellanna . 1980:217**).

At times, political conflicts have resulted from the conflicting value systems of Natives and non-Natives. Nome Eskimo Community (the **local** IRA Council) **and Kawerak**, Inc. (the regional non-profit Native corporation based in **Nome**), for instance, have often been **in** opposition to the City **of Nome** because of the perception that its land use policies and economic development objectives run counter to the **values** of Natives, particularly in the villages, where access to subsistence resources takes precedence over oil-related economic development.

The perspectives on land and sea cannot be stereotyped by **ethnicity**, however. To many of the present non-Native residents of the area, land and sea are important sources of both recreation, alternative food sources, aesthetic value, and a source of renewable resource wealth. Similarly, representatives of the **Sitnasuak** Native Corporation are anxious to see that mineral resource development occur as long as its impacts on the surrounding environment are not too severe.

CHAPTER FOUR

POLITICAL CONTROL

Introduction

Three major developments have occurred in the political system of Nome over the past six years. The first has been the continued growth of the community as a regional service center for the Norton Sound/Bering Straits area. This growth has been evident not only with respect to economic activities, to be discussed in the next chapter, but also with respect to political control over both the community itself and the surrounding region. In addition to the local political and quasi-political entities such as the City of Nome and the Sitnasuak Native Corporation, Nome is the center for state and federal agencies which have jurisdiction in the region as well as the regional Native profit and nonprofit corporations. The political competition which occurs in Nome, therefore, has implications for the entire region as well as the community itself.

The second development affecting the political system in the past six years has been the efforts of local and regional institutions alike to plan for the eventuality of OCS development. Since the initiation of the exploratory phase of such development in 1980, local and regional institutions have been actively maneuvering to enhance their self-interest and maximize the potential benefit for their constituencies. At times, these efforts have led to increased political competition and conflict between rival institutions. This conflict is particularly salient in the relationships between institutions which actively promote such development and those which perceive it to be a threat to their constituents. Among the former group, efforts in the political arena have been directed at the development of a community and regional infrastructure to facilitate such development and to handle the projected increase in population expected to occur once OCS development reaches the production phase. The relationship between the City and the

region has also required articulation **and** clarification. The development of the **Nome** Coastal Management Program independent **of** the other communities in the region is evidence of this articulation process. The management of resources through zoning has been guided by preconceptions of the potential benefits of OCS development to the community and to, the region. There **has also** been concern for the intricacies of management of growth **at** a time when federal and state revenues are declining. **Long-**range planning has **taken** on added importance during this period.

Finally, the monitoring period has been distinguished by the increasing diversification of the community. With **the** rise in population due largely to an increased rate of immigration, the community has become more heterogeneous, resulting in more special interest groups competing in the political arena. As resources become scarce, especially the federal and state revenues which fund many municipal services, competition for these resources has become more intense.

In this chapter, we will examine the political institutions which play a role in the political system of Nome and identify some of the issues which characterize the local political arena.

Formal Government Institutions

City Government

Nome was established as a first class city in 1901. It is governed by a mayor and a six member city council, but the day-to-day administration of the City is handled by a City Manager. As a first class city, local government has the following powers and responsibilities: taxation, police protection, educational services, streets, water, power, sewerage and solid waste disposal.

The organization of the City government is presented in Figure 6. There have been some changes in organization since 1980. For instance, there are fewer active boards and commissions. Other boards, such as those of the library and

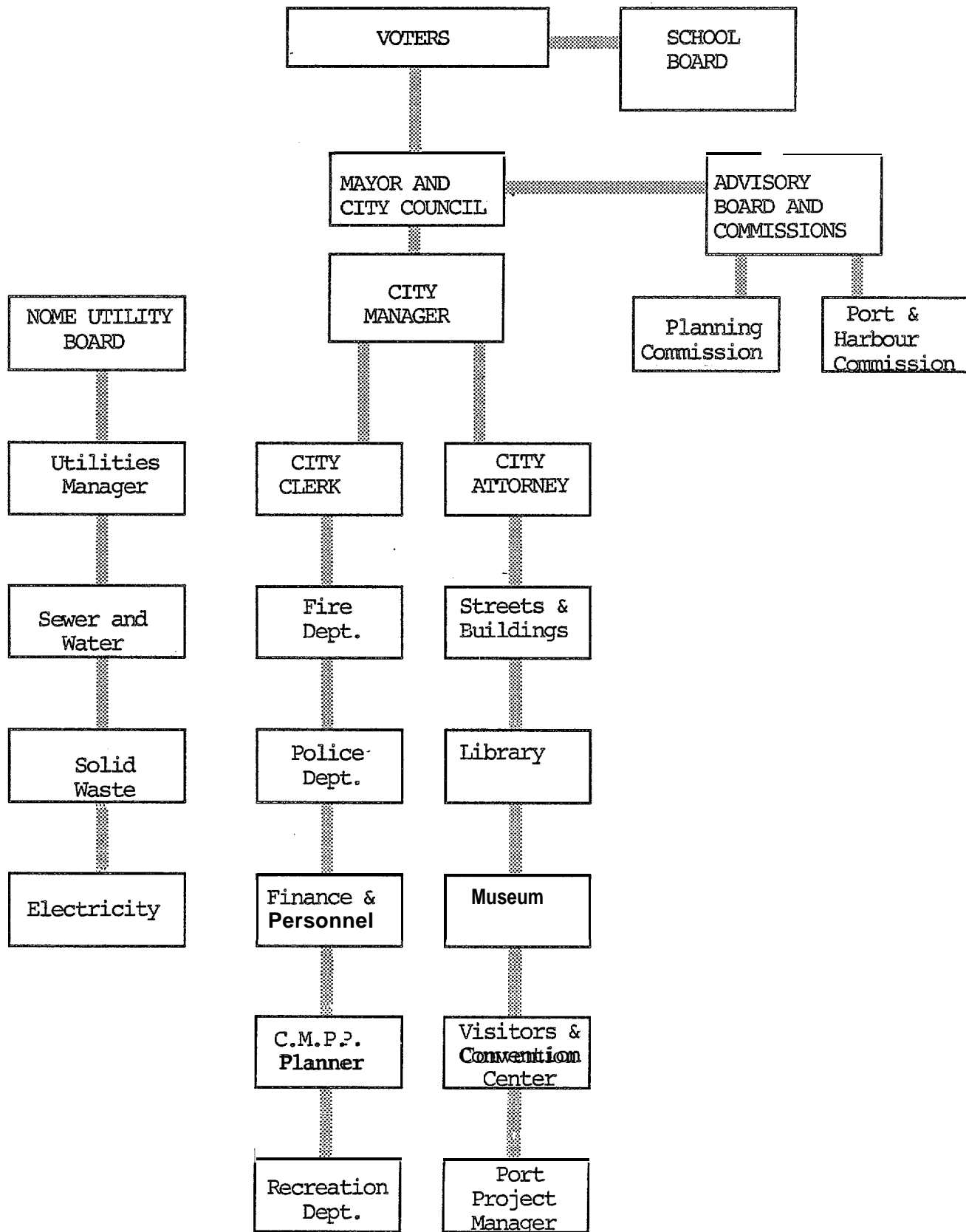


FIGURE 6
CITY OF NOME ORGANIZATION CHART, 1986

museum, have become full-fledged administrative departments with their own operating budgets. The City Council also acts as the Port/Harbor Commission.

Progress towards increasing formalization of city government appears to **have** accelerated somewhat over the past ten years. **A** strict adherence to the goals **laid** out **in** late 1979 and early 1980 has been **evident** in efforts by city officials to secure funding for the development of the local infrastructure from state and federal sources. The city's success in the annexation of surrounding land, developing its port/harbor facility, and attracting new businesses to the region are realizations of these **goals**.

During this period, city government has also exhibited an increasing complexity in its organization as well as the rules and regulations it has established for local economic development. The increasing bureaucratization of the city government has been noted in other studies (John Muir Institute 1984). This bureaucratization is the result of the complex nature of local development needs as well as the background of administrative personnel recruited from outside the community.

Along with the expansion of city government to fulfill the increasing needs of the community, and concomitant with the process of bureaucratization, there has been a reduction in scope of each department. Rather than assuming responsibility for several different aspects of community life, each department has become more specialized, creating the potential for intra-government rivalries for funding, especially at a time when sources of revenue are beginning to diminish,

The City has maintained a generally favorable attitude toward economic development in the region. This attitude has been expressed in the 1980-81 and 1985 Overall Economic Development Plans and the 1983 Nome Coastal Management Program. Especially noted in each of these documents is the prospect of oil development. It was the prospect of such development, and the necessity to have local control over

future economic growth resulting from such development, that impelled the City to push for annexation of surrounding lands. The prospect of oil-related development in the region was also an underlying factor in the efforts to develop the port/harbor facilities. Such development has been perceived by City officials during the past six years as potentially of enormous benefit to the community. However, as has been the case in other western Alaska communities, there is an underlying concern that such development could extend beyond the control of City government and the community would suffer negative consequences.

Federal and State Involvement

Several federal and state agencies have jurisdiction in Nome and the surrounding region and play an important role in the community's political and economic organization. The Federal Aviation Administration has maintained the major presence in the community, operating a regional flight service station from the Nome airport. The National Weather Service also maintains a station at the Nome airport. Until recently, one of the largest federal agencies in Nome was the Bureau of Indian Affairs. The BIA administered several housing, government, and human service programs from its offices in Nome. However, these activities are to be severely reduced by next year. Other federal agencies represented in Nome are the U.S. Post Office, the U.S. Fish and Wildlife Service, and the Bureau of Land Management. The headquarters of the Bering Land Bridge Natural Preserve are located in Nome.

The largest state agency represented in Nome is the Alaska Department of Transportation and Public Facilities (ADOTPF) which maintains the airports and highways in and around the community. Other state entities include Northwest Community College, the Department of Community and Regional Affairs, the Anvil Mountain Correctional Center, the Alaska State Police, Alaska Department of Fish and Game, and a District Court, which together represent a major state presence in the

community. This presence has remained relatively constant throughout the past six years.

In addition to the array of federal and state programs and regulations which influence the community in a variety of ways, both **levels** of government have an important role in the political system of Nome by virtue of the community's dependence on these agencies for employment and for revenues. **As** will be detailed in the Chapter Six, as much as half of the operating budget **of** the City of Nome during the monitoring period was derived from federal and state programs. Federal and state agencies also were responsible for as many as twenty-two percent of **the** wage-earning jobs during the 1980-1986 period. Consequently, declines in **the** revenues provided by these levels of government or reductions in the number of jobs with local branches of federal and state agencies could potentially have a significant impact on the community's economy. Reductions in funding or employment could restrain further economic development and preparations for oil-related industries. Community services such as health, education, and municipal services would also be reduced by reductions in the involvement of these levels of government in community life. The withdrawal of the Bureau of Indian Affairs from the community, discussed in the next chapter, is the most dramatic recent example of this type potential impact.

Informal Political Institutions

There are several Native institutions which **play** important roles in the political system of **Nome**. While several of these are organized as political institutions, these entities have a variety of other functions in Native life; others are by their organizational structure not primarily political institutions, but serve political functions as well. These institutions include: the **Sitnasuak** Native Corporation, the Native village profit corporation of **Nome**; the Nome Eskimo Community, the traditional IRA council; the Bering Straits Native Corporation, the

regional **profit making** corporation headquartered **in Nome**; and **Kawarek Inc.**, the regional non-profit. corporation, **also centered in Nome.**

Sitnasuak Native Corporation

Sitnasuak started with a **total of 2,054** original shareholders. However, **deaths of** original shareholders **and share transfer by** inheritance (and division of shares **among** offspring) has **resulted in an 93** additional shareholders. Records show a **total of 2,668 shareholders but** corporate officials **place the actual number of** living shareholders **at about 2,147. The number of Sitnasuak** shareholders living in **Nome itself** is estimated **by** corporation officials **to** be somewhere between **1,500 and 1,600.** Corporation shareholders are regarded **as** a stable population with migration between villages and Nome accounting for the variation **in actual** composition of this population. **In** addition to **Sitnasuak** shareholders, approximately 200 individuals make up the remaining portion of the **Native** population of **Nome, many** of whom are shareholders **in the King Island** Native Corporation.

The primary source **of the Sitnasuak** Corporation's political **clout** is its **title to the surface** rights of **several** thousand acres of **land in** the region. **The** Corporation received conveyances of 161,280 acres under **12(a)** of **the Alaska** Native **Claims** Settlement Act of **1971.** Because its shareholders comprise **a** large segment of **the** population, the Corporation acts as a political voice for the Native community of **Nome** as well.

The Sitnasuak Native Corporation is governed **by** a **eleven member** board of directors, elected by the shareholders at large. Officers include **a** President, First and Second Vice Presidents, Secretary and Treasurer. Currently, **there** are **six** different committees which establish the policies **and** principles of the Corporation: By-Laws Committee, **Elders** Committee, Executive Committee, Finance Committee, Land Committee, and Scholarship Committee. The Executive Committee and the Finance Committee have the greatest voice in the management of the corporation. In the first

few years of the monitoring period, **there** was also a Reindeer Committee; however, when the corporation decided to get out of the reindeer herding business, this committee was dissolved.

As has been the case with the city government, the **Sitnasuak** Native Corporation has undergone a process of increasing formalization which has accelerated during the past six years. Established for the purpose of making a profit for its shareholders, the corporation has engaged in long-range planning efforts with this objective in mind. In the process of expanding its business activities, the corporation has also become more bureaucratized. It cannot afford to run its affairs in an informal manner and utilizes professional expertise when needed. Although it frequently serves as a political interest group to meet the needs of its membership, unlike many other Native Corporations it has sought to remain outside the political arena and not compete directly with the city government. Consequently, the conflict which has characterized Native corporations and city governments in some other communities has been relatively absent in **Nome**.

Sitnasuak has always been supportive of on- and off-shore development where such development can be shown to be environmentally safe. The corporation has an aggressively pro-development attitude and maintains that in order for its shareholders to weather the decline in federal and state funding, as well as declining revenues from the Bering Straits Native Corporation, they will have to develop their own resources. Their policy is that these resources can and must be developed.

Nome Eskimo Community

Nome Eskimo Community is the community's traditional council organized under the provisions of the Indian Reorganization Act of 1934. Under the terms of this act, those powers which are lawfully vested in an Indian tribe are not, in general, powers delegated by express acts of Congress, but rather inherent powers

(pre-existing the creation of the U.S. Government) of a limited sovereign which has never been extinguished; including the power to: (1) adopt and operate a form of government of the tribe's choosing; (2) define conditions of tribal citizenship (membership); (3) regulate domestic relations of citizens; (4) prescribe rules of inheritance; (5) levy taxes; (6) regulate property (possibly includes eminent domain) within the tribe's jurisdiction; and (7) control conduct of tribal citizens.

Although these powers are not currently exercised by the Nome Eskimo Community, it has the potential of utilizing this authority to protect the lands owned by the Natives of Nome and currently managed by the Sitnasuak Native Corporation once this property becomes subject to taxation and public sale to non-Natives in 1991.

The relationship between the non-profit Nome Eskimo Community and profit corporation has not been overly cordial. This pattern of increasing friction and differentiation between profit and non-profit Native corporations is shared with many Alaskan communities. The sovereignty movement on the part of IRA Councils throughout rural Alaska has been given substantial impetus by the provisions of ANCSA which specify that by the end of December 1991 all ANCSA Native corporations will become public corporations subject to the laws of any other State of Alaska corporation. The concern is that under the right circumstances, profit Native corporation shareholders might be induced to sell their shares to outside interests, weakening Native control over their community and their destiny,

The Nome Eskimo Community seeks to insure Native control of the land and, under certain circumstances, place the land back under the trust responsibility of the U.S. government. This is diametrically opposed to the profit objectives and options available to the profit-making corporations which are mandated to make a profit for their shareholders; it is their legal fiduciary obligation to do this and they can be sued for failing to meet this obligation. The non-profit corporations, on the other hand, base their services and survival on federal and state grants which, unfortunately, are beginning to dry up.

The Nome Eskimo Community has adopted a position **on the issue of** oil and mineral development which is in opposition to the position of the **Sitnasuak** Native Corporation. This conflict was evident in the recent efforts of Inspiration Mines, Inc. to develop mineral resources in the area. Nome **Eskimo** Community brought in a group **of conservationists**, the “Trustees of **Alaska**,” in an effort to **block** the approval **of** operating permits for the company. Along with Kawarek Inc., these groups **finally** reached an agreement with Inspiration Mines in which the **developers** were **allowed** to obtain their permits. Representatives of **Sitnasuak Native** Corporation, however, viewed the efforts of this coalition as unnecessary, insisting that the company possessed the technology to assure that the environment would be protected **and** were intent on protecting their name and the good will of the community in their development.

Bering Straits Native Corporation

Bering Straits Native Corporation (**BSNC**) was incorporated on June 23, 1972 as one of the thirteen regional corporations established by the Alaska Native Claims Settlement Act of 1971. The headquarters of the corporation is based in **Nome**. The majority of the 6,535 shareholders live in the seventeen villages which, along with **Nome**, lay within the geographic area of corporate land holdings.

When the interim conveyance process with the U.S. Bureau of Land Management is complete, BSNC will own 151,934 acres of surface estate and 2,242,384 acres of subsurface estate of lands in the southern and western three-fourths of the **Seward** Peninsula and the eastern shore of Norton Sound. As a major landowner in the region, potentially the BSNC has a great deal of influence in the political processes of **Nome**. This influence could increase in geometric fashion should OCS development proceed beyond the exploration phase. However, the **BSNC** has lost much of its “political clout in recent years because of a series of poor financial investments and a tremendous indebtedness. Although this has not hampered corporation dealings with

the city government, it does appear to have affected its ability to influence the policies of the Sitnasuk Native Corporation and the cloud of bankruptcy has had a major effect on its other operations in the region.

Kawerak, Inc. “

Kawerak i’s the regional non-profit Native corporation which is responsible for educational, health, and social services to residents in Nome and the other communities in the Bering Straits region. Because it is the largest community in the region, Nome serves as the headquarters of Kawerak. Many of the programs financed by Kawerak are administered from Nome and are available to Nome residents. Thus, the corporation controls a significant amount of federal and state revenues which gives it a, certain measure of political influence in the community.

Other Political Entities

In addition to the formal and quasi-formal political entities which comprise the political system of Nome, there are several groups which often become engaged in the political arena in an effort to represent their own interests or the interests of their constituencies. The Business Owner’s Association and Chamber of Commerce, for example, have been actively engaged in promoting economic development in the community. Their attitude towards oil-related development has generally been favorable. Several members from these groups have obtained seats on the Nome City Council or elected positions on civic and advisory boards during the past six years. Other groups which promote their own interests in the political arena include the Nome City School District, Nome Joint Utilities Board, and Norton Sound Health Corporation.

Political Issues and Conflict

The primary issue affecting the political system of **Nome** throughout the monitoring period has been the benefits and disadvantages of potential oil-related development. Some segments of the community, Native and non-Native alike, have actively sought to promote economic development **by** developing the **local** infrastructure required to facilitate the location of oil-related industry in Nome. These segments have been represented at the institutional **level by** the Nome City Council, **Sitnasuak** Native Corporation, Bering Straits Native Corporation, and on the informal **level** by the Business Owner's Association and Chamber **of** Commerce. Other segments of the community are opposed to such development, viewing it as constituting a threat to Native subsistence activities and Native culture in general. Concern for the rapid influx of non-Natives who neither share nor understand the value system of Native residents has motivated certain entities such as the Nome Eskimo Community and Kawerak to oppose unrestricted economic growth and oil-related development. Consequently, opposing viewpoints have led to political conflicts. For example, Kawerak was instrumental in organizing the majority of the region's communities into a Coastal Resource Service Area for the purpose of producing and implementing a coastal development program. These efforts were stimulated by concerns for subsistence practices and maritime resources in the face of the proposed Bering-Norton **lease** sale. The City Council of **Nome**, however, rejected a proposal by Kawerak in **1979** to form a single CRSA and developed its own Coastal Management Program instead after obtaining a grant from the Alaska Department of Community and Regional Affairs for this purpose. This action was in part due to a conflict of priorities with the City of Nome being more concerned with preparation for economic development and **Kawerak** being more concerned with the preservation of subsistence resources (**Ellanna 1980:313-314**).

CHAPTER FIVE

SOCIAL COMPLEXITY

Introduction

This chapter **“examines the social** organization of Nome and identifies the major criteria **locally used for social** differentiation. **Few** primary data **on this - topic** were **available** outside of those **collected during the** brief field periods of **this study**, so the networks of **social** interaction among Nome residents are not as well known as **would be** desirable. Moreover, **there is little in the** published secondary literature regarding patterns of **social** organization in Nome, and because **of this, the** analysis of the role of kinship and voluntary associations in community life is relatively brief. A **brief** discussion is also provided **on the role** of religion in community life.

Social Differentiation

Nome has been characterized in earlier studies as a community with a strong sense of **local** identity based on two characteristics. **One is the** community's history as a non-Native **gold** mining town and the permanence of many of its residents despite a history of economic fluctuations. The second stems from its contrast with the **other** communities in the region. Many Nome residents were former residents of these villages, and many continue to be bound to these communities by ties of kinship and friendship. Nevertheless, these former village residents are distinguished from current village residents by economic activities, greater involvement in the Euro-American world outside the region, and their cultural system--i. e., world view, attitudes, and values.

Additionally, important distinctions are made within Nome itself on the basis of **ethnicity**, kinship, political and economic interests, neighborhood, and communities of origin of Nome immigrants. With few exceptions, the bonds from

domestic groups, **to** neighborhoods, and **to** the entire city result from aggregation “ rather than determined, **mutual** integration (John Muir Institute 1984:99).

Nome was founded as a result of commercial exploitation of **local** gold deposits, and has remained essentially a mining-oriented community in the subsequent years. In recent years,” however, the demographic composition of the community has undergone significant change. **Nome** has gone from a predominantly Euro-American community with an admixture of “attached” Natives many years ago, to one where Natives were in the majority, **to** the Nome of today where Natives and non-Natives populations are roughly equivalent in their influence on **Nome’s** social structure, with Natives still exceeding non-Natives but with the number of non-Natives growing faster than the Native population (through immigration).

Natives and non-Natives are distinguished by several different characteristics. One is kinship. As with most of the **Inupiat** and Yuit residents of northwestern Alaska, kinship affiliation is the primary governing **or** defining force of social interrelationships for Native residents of Nome today. Although based on a biological **model**, kinship ties are in no way restricted to individuals who can readily trace genealogical links to one another. The Native kinship systems are means of classifying individuals perceived to be related to one another through links based on blood, social parenthood, adoption, marriage, and so on, over vertical expanses of time and horizontal or collateral affiliation (**Ellanna 1980:367**). For every class of kinsman as defined in **Inupiat** and Yuit culture (i.e., **elder** brother, younger brother, grandparents, parallel cousins, or cross cousins), there is a very well defined and rigid code of interpersonal behavior (**Burch 1975**). This code is notably absent in social relations among most non-Native residents who **are** more often bound together by ties of friendship, political affiliation, **or** economic activity. According to **Ellanna (1980:367)**, not only have behavioral restrictions and expectations between relatives persisted to the present, but an inflexible order of loyalties continues to prioritize relationships by kinship roles rather than personal

preferences **more common in the** Euro-American society. "**Such** loyalties involve a **complex** network of reciprocal obligations that **result in a very** contemporarily viable system of social and economic interdependence" (Ellanna 1980:367-368).

Sharing networks within the community are complex and diverse, depending in part on whether members of such networks are **Native or non-Native** and whether these networks include permanent residents of **Nome** or relative newcomers, from other villages in the region if **Native**, or the **lower 48** states if **non-Native**. For instance, subsistence goods are customarily **given to and received from several villages in the Bering** Straits region, Many households receive goods such as walrus parts and **muktuk** from more than one village outside of **Nome**. The **Native** households with kinsmen in **Nome** are embedded in bilateral sharing networks with parents, grandparents, uncles, aunts, brothers, sisters, nephews, nieces, and more distantly related kin and friends. **These** networks are reinforced through the harvesting and distribution of subsistence goods. **Such** goods are routinely given to the old and **needy of the** community. In contrast, non-Native households often do not have many kinsmen with whom they can share subsistence goods, Rather, these households harvest and consume these resources as individual units. **These** same people find themselves adopting practices and values that set them apart from their kinsmen who live in the lower forty-eight states. They identify with subsistence activities and the small-town character of **Nome** despite the fact that they may not have traditional family roots in Norton Sound communities (John Muir Institute 1984:102)

Sharing networks also divide segments of the Native community on the basis of community of origin. Ellanna's data on subcommunities of Nome (King Island village and previous residents of **St. Lawrence** Island, Little **Diomed** Island, and **Wales**) suggest that resource distribution networks for subpopulations that have previously migrated to Nome from a village in northwestern Alaska are most well

developed **within** that **subpopulation** and between Nome and the community of origin (Ellanna 1983:112).

Natives and non-Natives also are distinguished by socioeconomic status. A survey conducted in 1984 by the Norton Sound Health Corporation found significant differences **in mean** income among Natives and non-Natives. **Level** of education varies by ethnic group as well, with non-Natives tending to be better educated than Natives. According to 1980 Census data, 42.3 percent of Nome's Alaska Native population had attended only elementary school and only 1.2 percent had college degrees. **In** contrast, 43.5 percent of the non-Native population had **college** degrees, one consequence of this is that non-Natives as a group are better qualified for many of the higher paying jobs available in **Nome**.

Concomitant with differences in socioeconomic status, Natives and non-Natives are distinguished by their residence location in the community. Non-Natives tend to reside in the more recently constructed homes in the **Icy View** subdivision and around the **Nome-Beltz** High School. Natives tend to reside in older homes near the center of town and in the Bering View and King Island housing project subdivisions. Along with the different neighborhoods, the two groups are also stratified in terms of the quality of housing available, as noted in Chapter 2. In 1980, **Ellanna** reported that:

Although some non-Natives occupy very substandard housing and some of the more affluent Native families (primarily business owners and employees in professional or paraprofessional **full-time** jobs) occupy above average housing, the most common pattern in Nome is for Native families (particularly those of recent or transient village origin) to occupy almost solely government low income housing or privately owned, small, usually cold, and haphazardly constructed and maintained houses (1980:385).

While this situation has been alleviated somewhat by the greater availability of apartments and privately-financed homes among Natives, this pattern of social stratification with respect to housing is still evident.

Nome has been fortunate **enough not to have** experienced **political conflict** between a non-Native dominated city government and **the local** Native corporation **which** has occurred in other regional service centers and the larger communities **in rural Alaska**, though there. have **been marked** shifts **in non-Native/Native** representation **in the local government**. Four **of** six members **of the City Council which held** sway for period **of** 1982-1985 were Native leaders. **In the** previous **years of the** monitoring period control **of** the City government was **in the hands of non-Natives**. **The** balance **of** power appears to have shifted back **to the non-Native** community, however, as **there are no** Natives **on** the current **(1986) City Council**.

Ethnic relations might accurately be described **as** "surface **calm**," with some subsurface resentment. existing. **As** noted earlier, **the** community **began** as a non-Native mining town. Until recently, Native residents typically either **had to** become acculturated to the dominant Euro-American **sociocultural** system or **leave and** the **rules** for social conduct were even more rigid and demanding **than is the** case today. However, the community has served as a **cultural** crossroads, providing **an** opportunity for Natives from the Norton Sound/Bering Straits region **to** interact with non-Natives seeking to exploit locally available natural resources. Residents of surrounding villages have relatively open and easy access to **Nome**. Consequently, both Natives and non-Natives have been acculturated **to** some degree to each other's values **and** customs. Nome is tied **to** the traditional **world of the rural Native** communities **of the** region and the modern Euro-American world outside the community.

If there is any general trend in the relationship between non-Natives and Natives it is that the Natives are becoming more proficient at utilizing their ethnic identity for political, social, and economic benefits. During the monitoring period, a trend toward the enhancement **of the** value of ethnic identity has **been** evident **in** the political arena with respect to the promotion of Native interests **in** the management of institutions such as the Nome School District and Northwest Community

College. Most Native residents of **Nome**, however, view their ethnic heritage from **an** individual perspective as something positive **within** an otherwise uncomfortable overall social situation. Positive valuation of ethnic heritage has also been used by Native leaders **as** a tool in combatting the growing problem **of** alcohol abuse in the community.

Segments of the Native and non-Native populations of Nome are divided on the issue of resource development, with more residents concerned about issues of Native subsistence than in the past. Many Native residents share the value systems of their relatives and neighbors **in** the rural **villages** surrounding **Nome**. These systems give greater priority to traditional **Inupiat** culture and maintaining the status quo as much as possible as opposed to planning for future economic growth and industrial development. These residents are also less inclined to give the mining companies the free rein they enjoyed in the past. This segment of the population may be viewed as one extreme on a continuum. The other extreme is shared by non-Native businessmen and politicians along with many individuals who have recently arrived to seek employment opportunities associated with the prospect of oil-related development. This population segment has wielded considerable political **clout** during the past six **years**. This group tends to favor any kind of economic development that **will** improve prospects for **local** commerce, and until recently oil has been perceived as the most lucrative means of fueling such development. It is clearly the case that not **all** non-Natives share this perspective, however, nor do all Natives oppose economic development per se. Many of the long-term Native residents have become active participants in the wage-earning economy of Nome and tend to view oil-related development in favorable terms. Thus, there is no consensus on particular projects within either ethnic group as a whole.

It should be emphasized, however, that the Native/Non-Native distinction is only one element of the social, political or economic differentiation in the community. After individuals reside in Nome for a period of time these factors fade

and residents **tend to no longer see issues** as **Native or** non-Native. **The Sitnasuak** Native Corporation, **for** instance, is viewed in the community more as a **single** important business, among others, than as the leading “Native” enterprise or organization. **People relate** to each other **on** the basis of criteria **other than** **Native/non-Native ethnic** identities. **While there** may be some **covert** hostility between **ethnic groups based on** non-Native fears **of** Native economic **power**, Native concerns of non-Native domination **of** the public sector, **and** competition for subsistence resources, factionalism **within the community** cannot be generalized in **terms of** Native/non-Native differences. **Ellanna (1980:394)**, for instance, observed:

Nome can probably best be described as a regional center with **multiple** economic and **hence** political factions in which **the villages and Nome-based** Natives **play** both a direct **and** indirect **role** through their membership in **BSNC, Kawerak, and Sitnasuak and** through **ANCSA** land rights. **As** a result, Nome **clearly lacks a** **single** dominant **politicoeconomic** body. Thus, factionalism exists **not only** between **ethnic groups (i.e., Native and** non-Native) but **also** between special interest groups **and** individuals whose priorities focus **on** subsistence and environment and other Native **groups and** individuals whose priorities **are** basically integration into and success **in** Western economic development. **Thus, the** many competing loyalties and objectives that **all** Native organizations cope with are pronounced here, and both individuals and groups share commitment to some issues but remain antagonistic **on** others.

The factionalism described by **Ellanna during** the **late 1970s** remains in effect. Within **the** Native community, for instance, **the** pro-development attitude and objectives **of** the **Sitnasuak** Corporation are perceived **to be in** conflict with **the** environmental and subsistence objectives of **the Nome** Eskimo Community. Another division within the Native community appears to be between Natives **who** ardently **follow** Christian prohibitions against excessive use of **alcohol** and those **who do not** (**John Muir Institute 1984:106**).

Religion

The **religious** organization **of** Nome is unusual for rural Alaska **in** several respects. Unlike other smaller communities which are dominated by one or two Euro-American religious traditions, several religious institutions exist in **Nome**. These institutions exert a strong influence on community life and, among -Native residents, have helped to promote the adoption of Euro-American values. Due to a strong missionary zeal and a **long** and continuous history of religious missions to Nome, locally represented Christian denominations early on underwent a shift in emphasis from serving primarily as institutions of the non-Native community to catering to the Native population of the region. The tradition of the various Christian doctrines fostered rapid adoption of different cultural patterns. The churches that came to the community stayed longer, were more persistent and understanding of the Native culture and beliefs, and have been more successful in maintaining their converts than was the case in many other parts of the state.

Today, there are twelve churches in the City of **Nome**. Each church belongs to the Nome Ministerial Association. The two largest religious institutions in the community in terms of membership are St. Joseph's Catholic Church and the Covenant Church. The Covenant Church had a membership of 579 in 1986. The congregation of the Catholic Church is estimated to have increased from 100 members in 1980 to 125 in **1985**. The churches with the greatest rate of growth between 1980 and 1986 have been **the** Church of the Nazarene, which grew from eighteen to fifty-one members; the United Methodist Church, which grew from forty-five to seventy-five members; and the Seventh Day Adventist Church which grew from eight to thirty-eight members. The membership levels of the United Presbyterian Church (twenty members), Lutheran Church (**eighty-** five members), Nome Community Church (twenty-five members), Assembly of God Church (sixty members), Bible Baptist Church (forty-five members), Church of Jesus Christ of the Latter Day Saints (forty-five members), and the Nome Gospel Home (ten members)

have remained relatively constant throughout the past six years. With the possible exception of the Covenant Church of Nome, all of the local churches operate at a deficit and receive assistance from umbrella organizations.

Churches and religious leaders in Nome today see as one of their primary roles opposing what is “perceived to be a growing problem with alcohol, drugs, and the collapse of traditional social institutions and moral obligations. A particular effort has been committed to drawing the Native population of the region into the fold. The two Nome radio stations are operated by the Catholic and the Covenant churches and reach even the more remote villages of the region. Religious programming is broadcast in both Inupiaq and English.

CHAPTER SIX

ECONOMIC ORGANIZATION

Introduction

Central to the analysis of the economic changes which have occurred in Nome **during** the past seven years is an understanding of the community's **role** as a regional service **center**. A large share of the region's economic activity and accompanying employment is centered in **Nome**. Assuming adjustments for calculating FTE employment **in the** region and Nome, Ender and his associates estimated that **62 to** 66 percent of **the** region's employment was in Nome in 1980. In addition, much of the activity occurring throughout the region has been supported or headquartered in Nome during the past seven years. Transportation, communications, services, governmental functions and a portion of" trade uses Nome as the regional hub with the most concentrated industries being state government, services, transportation, utilities and communications (**TUC**), and mining (Ender 'et al. 1980:45).

Several changes have taken place in **Nome's** economy since 1980. The number of jobs increased by 23 percent between 1980 and 1986, although many local residents require job training, education, and development of skills to function in the cash economy. Consequently, many of the new jobs have been taken by immigrants from outside the Bering Straits region. The community infrastructure which provides the foundation for economic and demographic growth has been improved dramatically, but there are still large gaps in that infrastructure. City officials and local businessmen assert that the Nome economy still needs a significant component which will export products and bring in revenue. Construction of a port facility is widely regarded within the community as having the potential to generate greater economic development and more jobs, and represents the City's most significant project in recent years. Other projects regarded as important in the effort to diversify and broaden the economic base of the community are tourism, capitalizing on oil

development, and taking advantage of public sector construction and provision of services.

Changes in economic institutions in turn have had profound impacts on other aspects of the sociocultural system of Nome. Shifting demands of the local economy, due in part to the community's increasing role as a community service center, have contributed to a widening differentiation of the population on the basis of socioeconomic status. A gap between the professional class of government and service workers and seasonal laborers is particularly noticeable. With the increase in economic opportunities and rise in income levels, values have experienced some changes during the monitoring period, reflected in the increasing tendency toward acquisition of consumer items such as motor vehicles, three-wheelers, video cassette players, and recreational equipment. Changing values have brought with them changes in activities. For instance, many of these purchases reflect continued or renewed commitment to subsistence activities. The demand for vocational skills and locally available education have led to changes in the educational system of the community. Finally, the prospect of OCS development and the development of the community's infrastructure over the 1980-1986 period has influenced the growth in population and increase in social heterogeneity.

Sectors of the Nome Economy

Our discussion of the organization of Nome's economy is divided into a description and analysis of the public and private sectors, community infrastructure, employment, income, and subsistence activities.

Public Sector

The City of Nome is one of the largest employers in the community and provides a considerable amount of revenue for economic growth. One of the best measures of the fiscal health of the City and its role in the economy of the

community is the combined statements of revenues and expenditures. Data on the General Fund revenues and expenditures for the City of Nome during the 1981-1985 period is provided in Table 10. An examination of total revenues indicates that the rate of increase appears to be leveling off. Much of this can be attributed to the stabilization of the rate of increase in property and sales taxes and significant declines in the sale of property and equipment and interest incomes. Declines in income from federal and state sources were evident in 1983. Funding from these sources fell from fifty-one percent of total General Fund revenues in 1982 to a low of thirty-nine percent in 1984. Despite slight increases in 1984 and 1985, revenue from these sources showed a decline in 1986 and are expected to decline even further in 1987. The only consistent increases in revenues have been in the categories of charges for services and licenses, permits and fees.

In response to the leveling off of revenues, the City elected to reduce its spending. This is particularly evident after FY1983. Expenditures for the administrative, fire, roads, buildings and utilities departments peaked during that year and have shown declines in each succeeding year. After the construction of facilities such as the library, museum, and convention center, expenditures in these categories have increased during the past two years, adding to the overall deficit. The only department in which expenditures have increased consistently during this period is the Police Department. The City Clerk's office has also shown an increase since 1983.

The expenditures reveal the extent of local commitment to economic development. Throughout this period, roads, buildings and utilities comprised the third largest share of the general fund, behind nondepartmental funds and the police department. It is important to note that this does not include special funds which provided the bulk of revenues for infrastructure development during this period.

TABLE 10**City of Nome Combined Statement of Revenues and Expenditures, General Fund, 1980-1985**

	1981	1982	1983	1984	1985
Revenues					
Property & Sales Taxes	\$1,357,596	1,145,277	1,429,390	1,880,549	1,798,446
State sources	1,443,205	1,733,986	1,302,676	1,440,946	1,629,359
Federal sources			52,446	49,044	35,560
Licenses, permits & fees	20,149	22,327	28,158	43,903	78,202
charges for services	51,015	68,669	34,232	115,869	243,974
Fines & forfeitures	3,620	4,333	7,038	5,478	4,216
Sales of property & equipment	280,875	137,182	231,446	130,015	6,351
Interest income	.		194,649	167,955	128,480
Other	125,794	283,612	30,969	.	2,306
Total Revenues	3,282,254	3,395,386	3,311,004	3,833,759	3,926,894
Expenditures					
Legislative	34,212	35,501	37,770	46,419	35,344
Administrative	374,168	488,495	602,309	427,796	406,290
City Clerk	42,107	144,578	86,053	95,121	98,117
Police department	409,122	446,310	565,321	604,049	640,173
Fire department	27,315	44,922	106,896	86,060	52,064
Roads, buildings & utilities	509,907	897,954	1,076,900	453,157	535,335
Recreation center	.	-	-	463,067	294,131
Museum	.	-	123,887	55,981	65,685
Library	38,972	64,349	140,639	122,383	124,810
Convention Center & Visitors Bureau		.	-	91,549	66,346
Nondepartmental	862,620	1,338,175	1,327,599	1,333,675	1,340,159
Total Expenditures	2,324,255	3,504,299	4,067,374	3,879,257	3,658,454
Excess (deficiency) of revenues over expenditures	957,999	(108,913)	(756,370)	(45,498)	268,440

Source: City of Nome Combined Statement of Revenues, 1981-1985

However, this share has been reduced from a high of 26.5 percent of the budget in 1983 to a low of 14.6 percent in 1985. This appears to be due more to a lack of funds and the completion of many projects than to a decline in commitment.

One indicator that the commitment to community development remains high is in the amount of municipal indebtedness.. In 1981, the general obligation bonded debt of the City was \$550,000. As of August 1985, the municipal debt of the City of Nome included capital improvement bonds for \$2.1 million and revenue bonds for \$515,000. The City passed two bonding issues **totalling** \$6.7 million, combined with state funding of \$7.5 million, for construction of a new school. In addition, the City just sold **\$7** million worth of General Obligation bonding for construction of the port and are seeking another \$4 million to extend it even further. (General obligation bonds **pledge** tax revenues; revenue bonds are based on revenue derived from a specific project). In order to meet these additional costs the City will have to raise city sales taxes from three to four percent (a thirty-three percent increase). Local property taxes are expected to rise as well.

The City is expected to lose from eight to ten percent of state municipal assistance payments during the present year, and to lose ten percent of state revenue sharing funds. Federal revenue sharing payments are expected to fall from \$127,500 in **FY1986** to about \$64,000 in **FY1987**. Overall, the City budget should decline by about \$300,000 to \$500,000 in the next fiscal year (**FY1987**). By **FY1988**, the City is expected to lose another fifteen percent of state revenue sharing funds and lose all of its federal revenue sharing funds.

In order to handle the projected deficiency between revenues and expenditures, the City government is expected to implement cost cutting measures such as the consolidation of utility and city offices in the same building and the joint use of equipment between departments reducing the number of employees. The City is expected to eliminate a few positions in order to cope with the anticipated deficit in 1987, but the job cuts are not expected to correspond to the anticipated ten to fifteen percent reduction in revenues. Rather, nonessential programs such as the

library and museum are the best candidates for budget cuts at present. This decision also has certain implications for the sociocultural system, reflecting the operation of existing community priorities and the values upon which these priorities are based. At this time, provision of employment, even at reduced levels, is considered to be more important than the provision of certain communities services.

In addition to providing revenues for the General Fund used to operate the City government, state and federal agencies help to fuel the Nome economy by providing revenues for special construction projects and non-profit educational and service organizations. The legislative appropriations for the Bering Straits region for fiscal year 1987 include the following funds for the City of Nome, contained in Table 11.

TABLE 11

State Legislative Appropriations Pertaining to Nome, FY1987

Airport Runway Repair	\$450,000
Elementary School Bond Retirement	1,000,000
Elementary School, Phase I	5,670,000
Nome Community Center (for Child Abuse Prevention Program)	87,400
Nome Community Schools	32,000
Nome Port Project	1,500,000
Nome Youth Facility	988,900
Nome-Council Highway:MP 32 East Construction	4,381,000
Nome-Taylor Highway:MP O North Resurface	600,000
Subtotal	17,709,300
Northwest Community College	2,358,700
Norton Sound Health Corporation	2,549,400
Kawerak, Inc.	909,700

Source: State of Alaska Appropriations, Juneau, Alaska, FY 1987.

Private Sector

Native Corporations: The largest organization in the private sector of Nome is the **Sitnasuak** Native Corporation. The economic activities of the local Native corporation include the following retail sales, property leasing and management, support services, construction, and investments.

Nome Native Community Enterprises, **Inc.**, which does business under the names of Bonanza and Nome Hardware Country Store, is a completely owned subsidiary company which was incorporated on March 17, 1975. The company officers and directors are also the directors of the **Sitnasuak** Native Corporation. Currently Nome Native Community Enterprises employs sixteen full-time and temporary employees as needed. Bonanza is organized into five departments: 1) Bonanza Store, which is a recreational sales, parts and service center, a dealer for Honda and Ski Do, a distributor for NAPA parts as well as batteries and accessories; 2) Bonanza Service Station, which sells gasoline and unleaded fuel; 3) Bonanza Fuel, which delivers home heating fuels; 4) Bonanza Rent-A-Car, which rents vehicles on a daily, weekly, or monthly basis including pickups and vans; and 5) Bonanza Shop, which provides light vehicle maintenance and also repairs Bonanza, Country Store and **Sitnasuak** vehicles and heavy equipment.

In June 1980 the **Sitnasuak** Native Corporation purchased the Nome Hardware Store. The combination and consolidation of Nome Hardware with the Country Store in order to eliminate the duplication of expenses and inventories was completed on April 1, 1985. The Country Store was opened on December 4, 1984 as a home building center. Nome Hardware Country Store provides inventories of building materials and supplies, hardware items, furniture, large and small appliances, electric and plumbing supplies, carpeting and vinyl, a full line of paints, and a self-service gas station.

Land leasing and management is another important part of the Corporation's involvement in Nome's economy. For example, the Corporation is involved in rentals

of seventy-seven apartment units (these are low income rentals in which there were no more than three or four vacancies at any one time during 1985). The Corporation also owns two office buildings and fourteen VIP apartment rentals.

The Corporation has its own contracting firm and license, and builds its own units. It can build cheaper than other firms because of its retail connections through Seattle (True Value Hardware); it bids out for labor only and can provide supplies and materials at lowest possible prices through its own outlets and at contractor rates through other vendors. The Corporation can also fund construction projects out of pocket, thus avoiding the high cost of bank construction loans. In 1985 the corporation completed a ten-plex building for the Norton Sound Health Corporation.

Sitnasuak Native Corporation is also able to provide support services to local industries. For instance, the Corporation expects to have between fifteen and thirty of their shareholders employed in one way or another in the Nome Marine Placer Project currently being undertaken by Inspiration Mines, Inc. The Corporation's role will be to act in a support capacity, providing some labor, but mainly expediting parts, materials, and vehicle and equipment rentals.

Investments constitute another important source of income for the Corporation. In the past it has followed a policy of making only the most conservative investments such as U.S. and Municipal tax-free bonds. The Corporation also has its own finance company, SNC Finance Company, which finances only goods and services sold through its own retail stores.

Evidence for the Corporation's increasingly important role in the Nome economy as well as its fiscal health is provided in the balance sheets prepared for 1981 to 1985 and summarized in Table 12. A steady rate of increase has characterized short-term investments, accounts receivable, and merchandise inventory. Total current assets increased by twenty-four percent during this period. In contrast,

total current liabilities increased **by only** 0.65 percent. The current portion of the long-term debt has declined steadily since **1981**.

Figure 7 also provides a comparison of sales and earnings from **Sitnasuak** Native Corporation Investments during this period. Revenues from gross sales, net rental income, and retained earnings have grown steadily during this period. Net earnings and earnings per share appear to have been highest in 1982. However, expenses appear to have cut into the average earnings per share.

Last year (1985) **Sitnasuak** incurred an additional \$500,000 in costs to generate an additional \$120,000 of profits, according to corporation officials. They maintain that this relationship reflects a slow-down in the economy, As a business trying to make ends meet and still provide its shareholders with sufficient income and employment incentives, the Corporation is constantly faced with the need for precise fiscal planning. Five percent of employees' salaries are paid into a pension (profit-sharing) plan by the Corporation.

In contrast to the **Sitnasuak** Native Corporation, the Bering Straits Native Corporation (**BSNC**) has suffered drastic financial **losses** during the monitoring period and has filed for Chapter 11 bankruptcy reorganization. It has a history of financial investments that have turned out poorly beginning in 1976-1977 when it bought into Alaska pipeline construction firms shortly before a major downturn in their profitability. In its 1985 annual report, the BSNC reported an accumulated deficit as of June 30, 1985 of \$50,193,156. In the previous fiscal year, the accumulated deficit was \$50,342,624. The Corporation was able to reduce its deficit somewhat by the recognition of 7(i) revenues from other regional corporations as income. In addition, the funding of the Nome port facility provided a financial boost to the BSNC which sold the rock for its construction. In 1985, the corporation also received its first oil related contract in a joint venture with Monterey Drilling of California. The **Sitnasuak** Native Corporation is somewhat protected from

TABLE 12

**Sitnasuak Native corporation and subsidiary Consolidated
Balance Sheets, 1981-1985**

<u>Assets</u>	1981	1982	1983	1984	1985
Current Assets					
Cash	48,972.	150,662	126,366	240,030	149,912
Short-term investments	6,077,102	6,167,993	6,221,665	6,417,964	6,720,442
Accounts receivable	173,329	236,522	233,273	267,316	502,260
Merchandise inventory	708,659	810,287	1,096,111	1,200,008	1,274,268
Due from Alaska Native Fund	35,181	.	.	.	.
Insurance proceeds receivable	.	725,000	.	.	.
Other current assets	9,520	14,353	17,556	68,462	107,297
Total current assets	7,052,763	8,104,817	7,996,148	8,193,780	8,754,179
Property & equipment at cost/net of accumulated depreciation	3,868,765	4,065,588	4,508,574	4,709,588	4,688,424
Due from Bering Straits Native Corporation	2,390,108	2,390,108	2,383,777	2,383,777	2,383,777
Other Assets	17,864	6,265	11,644	12,214	14,709
Total Assets	13,329,500	14,566,778	14,900,143	15,299,359	15,841,089
<u>Liabilities and Stockholders Equity</u>					
Current liabilities					
Current portion of long-term debt	44,900	79,200	63,100	35,745	10,900
Short-term note payable to bank	.	.	.	.	100,757
Accounts payable	301,824	167,208	231,061	174,258	232,462
Federal and Alaska income taxes payable	156,890	82,000	.	70,000	79,000
Other liabilities	30,880	41,884	35,288	46,658	113,811
Total current liabilities	534,404	370,292	329,449	326,661	537,883
Long-term debt	152,545	897,216	852,977	521,273	537,883
Deferred income taxes	.	161,000	242,500	272,500	274,000
Stockholders' equity					
Contributed capital	12,378,198	12,378,198	12,378,198	12,378,198	12,378,198
Retained earnings	264,353	760,072	1,097,019	1,500,727	1,840,103
Total stockholders equity	13,329,500	14,566,778	14,900,143	15,299,359	15,841,089

Figure 7a

Sitnasuak Gross Sales, 1981 - 1985

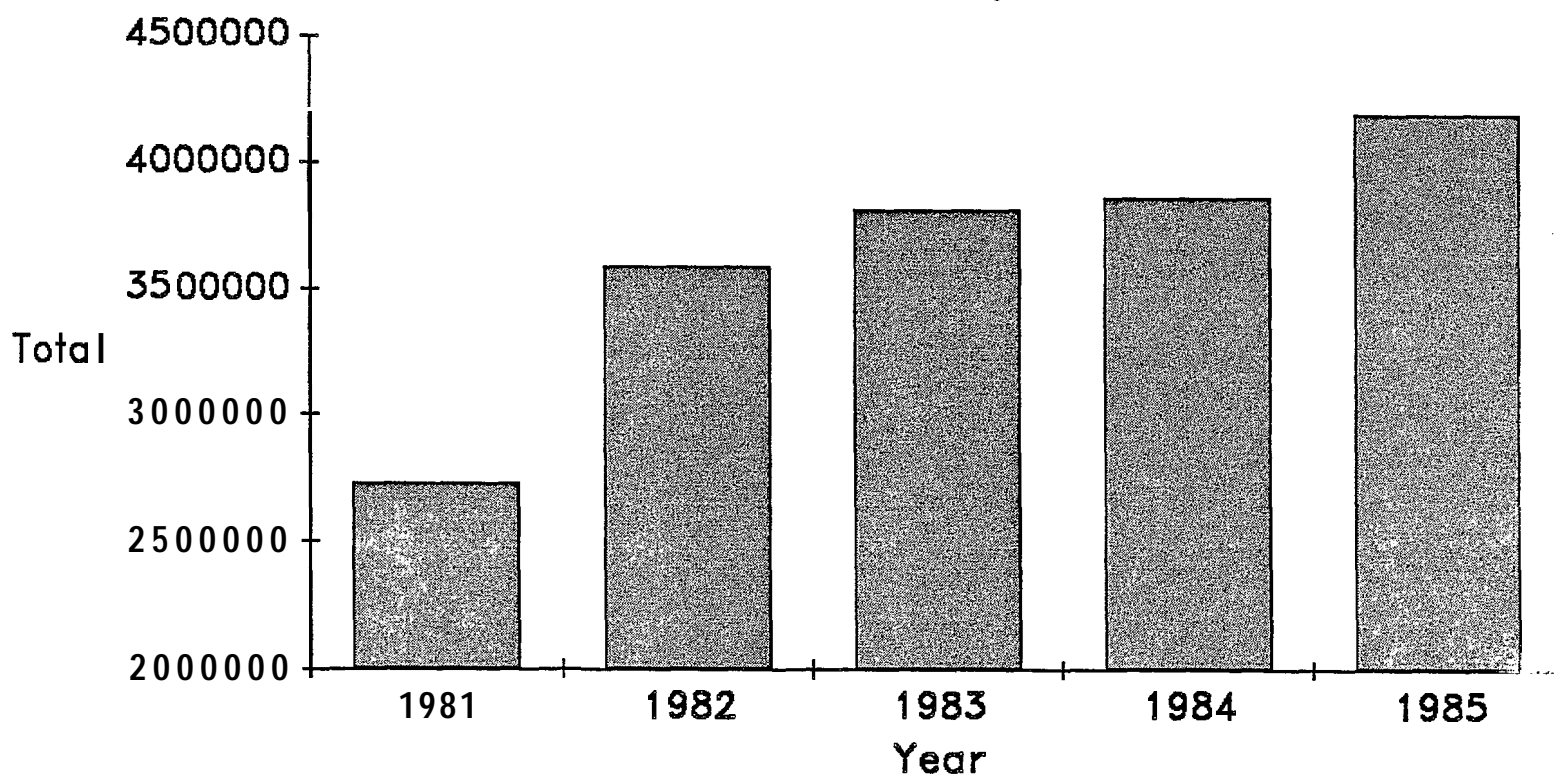


Figure 7b

Sitnasuak Net Rental Income, 1981-'1985

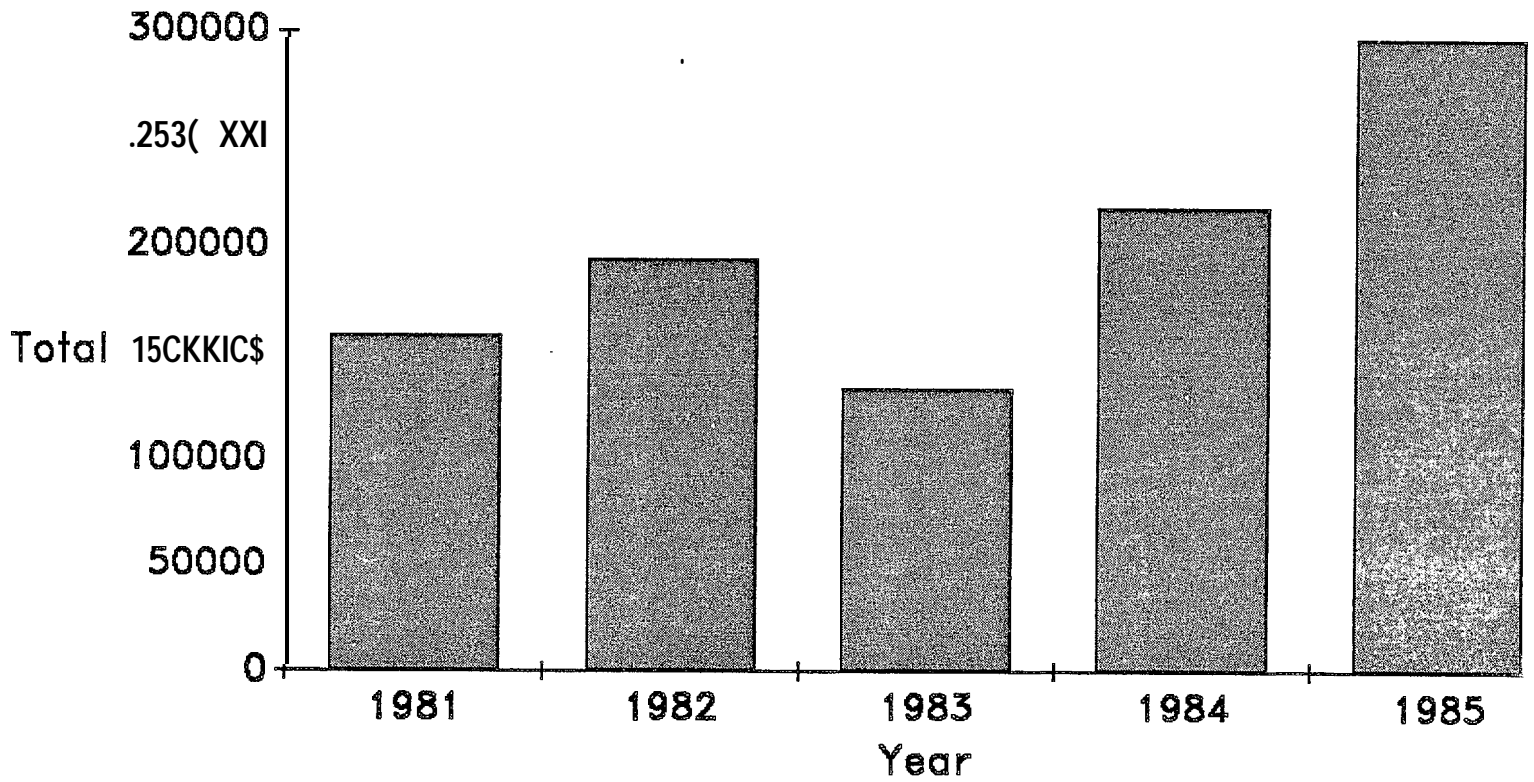


Figure 7c

Sitnasuak Retained Earnings, 1981 - 1985

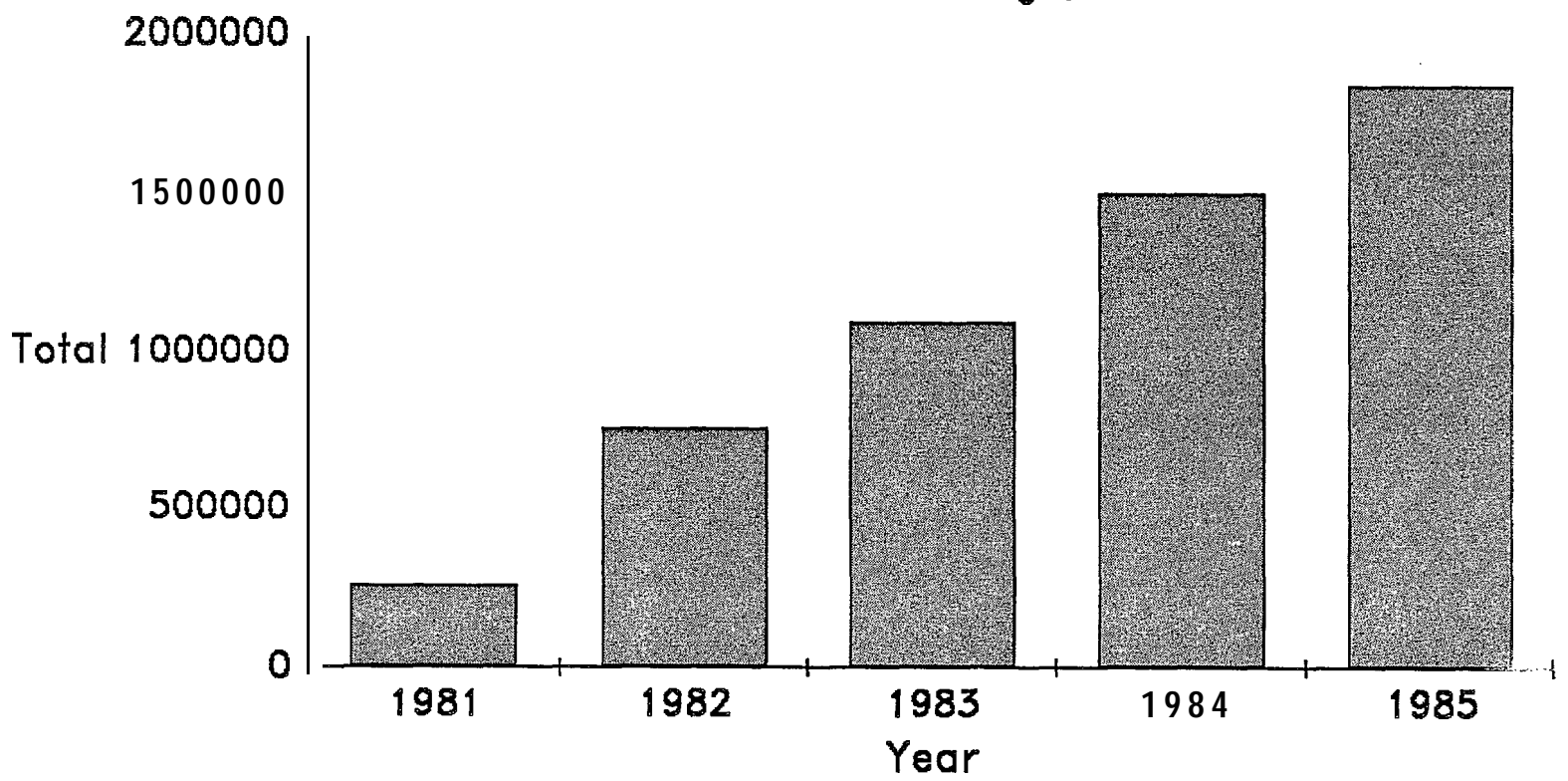


Figure 7d

Sitnasuak Net Earnings, 1981-1985

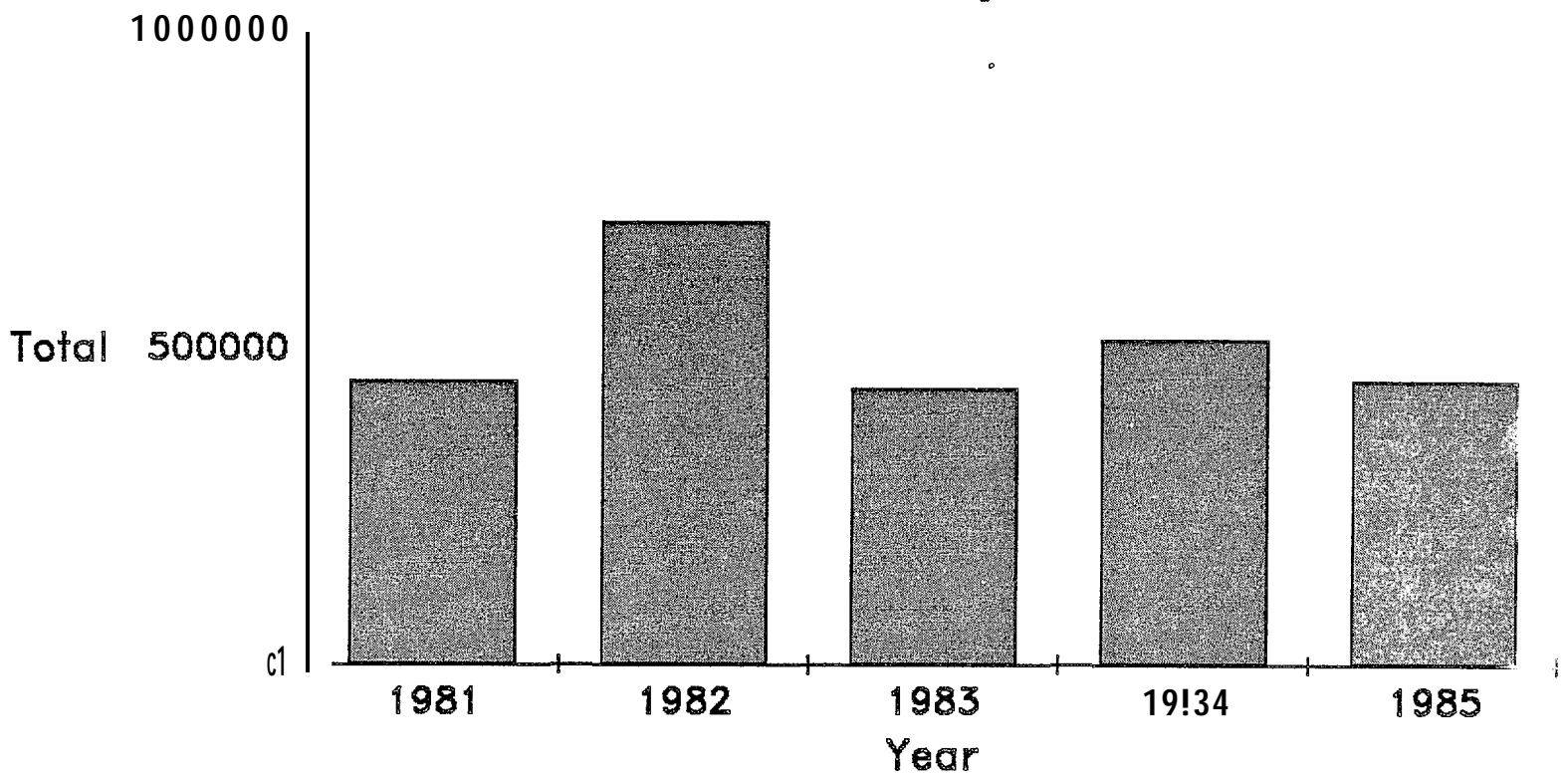
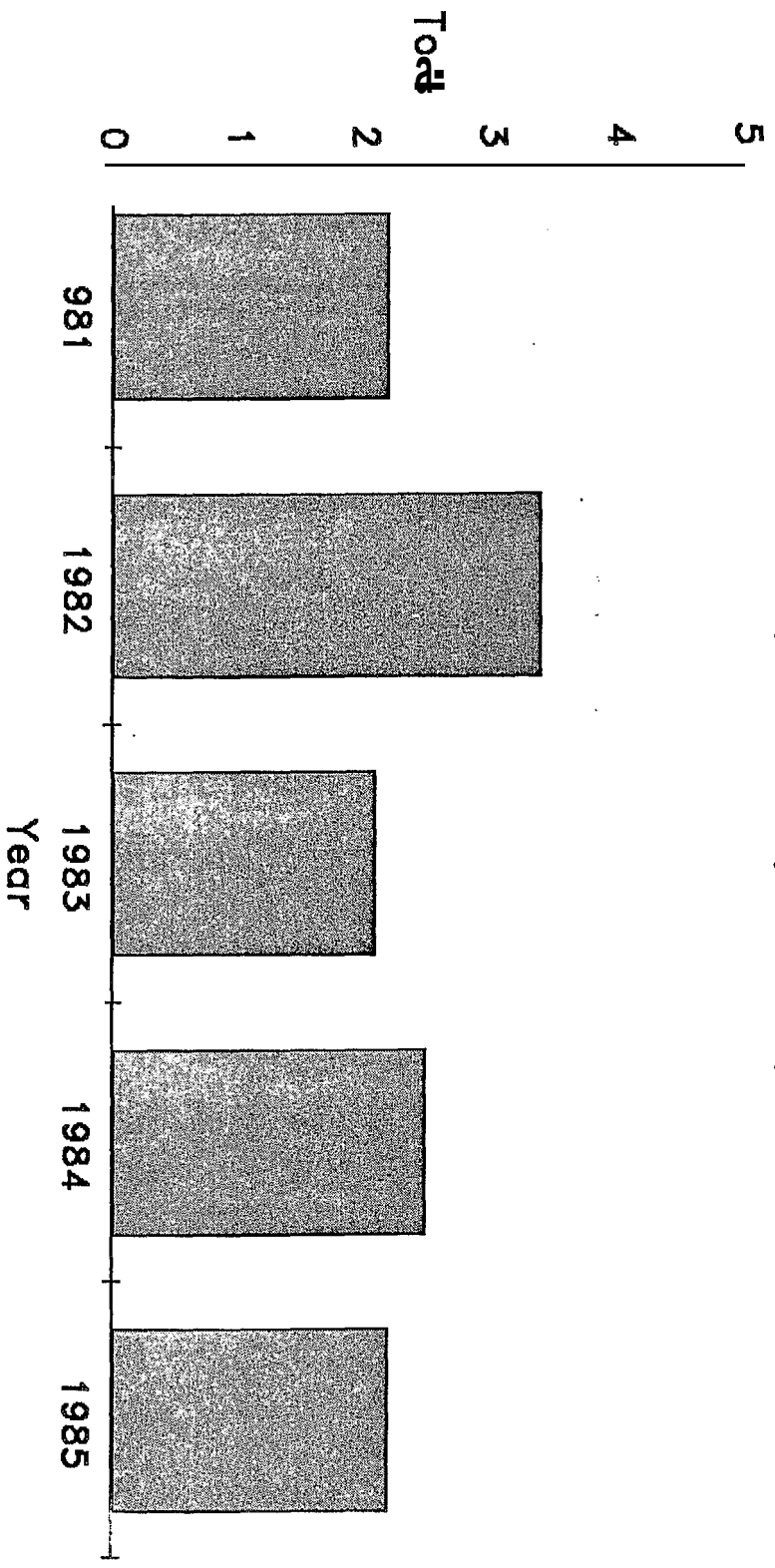


Figure 7e
Sithnasuak Earnings Per Share, 1981 - 1985
(in dollars per share)



this situation because it obtained deeds of trust to its surface estate in 1980-1981 in order to insulate itself from the problems of the regional corporation. Should the Bering Straits Native Corporation collapse, the local corporation would still retain its assets.

Commercial Fisheries: In many other parts of coastal Alaska, the commercial sector of the economy is dominated by fisheries. Nome, however, has not played a significant role in the fishing industry of the Norton Sound region, which is centered in Unalakleet and Golovin; hence the impact of changes in this component of the local economy on the sociocultural system has been minimal. Of a total of 177 commercial salmon entry permit holders in the Norton Sound fishery in 1979, only sixteen gave a Nome address. Other commercial fishing opportunities include herring and crab. However, development of a herring fishery has run into opposition from Kawerak which has sought to protect the fishery for subsistence use. In addition, attempts to commercially fish for crab in the early part of the monitoring period were unsuccessful.

Data provided by the Alaska Department of Fish and Game for the Nome subdistrict of the Norton Sound region (subdistrict 1) indicates that in 1985 nine commercial fishermen caught 21 chinook, 6,219 chum, and 356 coho salmon for a total harvest of 6,596 salmon in the Nome subdistrict. Comparative commercial catch data is provided in Table 13. The number of commercial fishermen who participated in the fishery was the second lowest since 1971 and below the average of sixteen fishermen. Due to reduced fishing time in this subdistrict, several fishermen who normally fish in the Nome subdistrict moved to other subdistricts or did not fish. The catch was purchased by one buyer, and the fish were iced and flown to processors in other areas.

Generally, chum salmon have been less abundant than pink salmon in subdistrict 1 streams, but the commercial fishery has targeted this species. The relatively large chum salmon catches in this subdistrict, together with lack of local

Inspiration **Mines** has a corporate **policy** not **to initiate a** development project unless it has between a 20- and a 50-year development **cycle**. Company officials believe that this mining operation will continue **at** least twenty years and probably many more. They are committed to the community **in** which they operate and their philosophy is to "**stand** by their word" and the community, as employees will be **living** in Nome for a very long time, making community relations important for them. Thus far they have answered to every **local** objection and met permit requirements to the letter, and appear to have created no ill will in the process. It is estimated that five to ten employee's families **will** ultimately be living in Nome year round.

Nevertheless, the outlook for employment of current residents **in** this operation is not as rosy as previously perceived due to the fact that the Bema barge/dredge used by the company is a technologically sophisticated mechanism which must be operated **by** professionals. It will not require as much local support as anticipated based on the use of the previous dredge. In addition, the company plans to use helicopter support rather than shore-based support, which will also reduce the numbers of anticipated local jobs.

Tourism: Tourism is a significant part of **Nome's** economy. Each day during the three summer months, there are forty to eighty tourists who spend a day and an overnight in **Nome**, usually on package tours out of Anchorage. These short tours brought an estimated 10,000 visitors to Nome in 1980 and the number has been increasing at a rate of approximately eight to ten percent each subsequent year. Hotels, restaurants, and gift shops are the primary recipients of tourist dollars in **Nome**. Overnight tours in Nome stay at the 47-room Nome Nugget Inn. For the visitor, the air fare to and from Nome represents the major part of the tour costs. The region's Native heritage and its history of gold mining are **Nome's** most important tourist attractions. Carved walrus ivory and other Native crafts are the main items in the gift shops. Some

visitors come to Nome for the birdwatching as well. Twenty to thirty travel agents a week come to Nome in the winter months for an overnight visit.

Completion of the port project in 1986 is expected to increase the number of visitors to Nome. In the past, passengers from the cruise ships had to be transported to shore via skiffs and small boats, but with the construction of the port passengers will be able to disembark directly.

Nome has a large number of visitors in the month of March associated with the Iditarod Dog Sled race from Anchorage to Nome. Although we have no reliable estimate of the number of visitors to Nome during this month it is locally estimated to be in the neighborhood of 1,000 individuals.

Oil Exploration and Development: Oil exploration is another facet of Nome's commercial economy that is most active in the summer months. Since 1980 the prospect of oil development has beckoned in the Norton Basin. Oil company activity has brought as many as 40 seasonal employees through the community on their way to and from drilling and exploration sites. This has had some impact in stimulating the purchase of goods and services, but the changes generated by this activity has been disproportional to the level of activity. It seems that the prospect of oil and oil-related economic opportunities, rather than the actual level of activity, has drawn people to Nome in recent years and generated a net population increase.

The first outer continental shelf (OCS) lease sale of the Norton Basin planning area was held by the Minerals Management Service in March 1983. The second, scheduled for October 1985, was cancelled due to lack of industry interest. Exploration for oil on the OCS of Norton Sound south of Nome began in summer of 1984. Two continental offshore stratigraphic test (COST) wells have been drilled in the Norton Basin to date (1986),

Approximately twenty-five oil-related workers have been based in the Nome area during the summer, and about seventy workers have been based on each of the two

oil **r**igs located offshore. The offshore workers were rotated **in** and **out** of the area from other parts of Alaska and **the** lower 48 states. **Of** the twenty-five onshore workers about ten were hired **locally** to tend the water barge with other onshore workers hired from outside. Although exact figures are unavailable, it is estimated locally that approximately \$500,000 of goods and services were purchased in Nome for such items as food, lodging, and minor equipment. The oil rigs and most drilling equipment were brought in from outside.

Nome airport was used for long-range helicopter support of these wells, and marine support came from **Unalaska/Dutch** Harbor. Construction of the new medium-draft harbor/port facility was in part intended to help support the production of petroleum resources. The oil companies participating in Norton Basin development, should it occur, may add piers along this long causeway. The City's plan has been to provide storage areas and a base for operation of oil-related supply boats. Additionally, oil produced offshore could be transported to shore in two ways. The first is offshore loading of tankers at the production site. The second, which is favored by the lease-sale stipulations, is a marine pipeline to shore. This method could involve tanker loading facilities onshore or perhaps a land pipeline to some other point, the **Trans** Alaska Pipeline System (TAPS) for example. However, a pipeline from Norton Sound to TAPS is not considered economic and is unlikely to be constructed.

The Nome area has been generally considered as a suitable onshore terminal site. When ranked among the four federal OCS planning **areas** in the Bering sea, however, the Norton Basin has the lowest potential for petroleum yield. There is a fourteen percent chance of a commercial find which would lead to significant increases in employment. Nome may be used as a staging base for aerial support for **oil** exploration in the Navarin Basin 400 miles south-west of **Nome**. Oil company plans for the **Navarin** Basin that may affect Nome are uncertain at this time.

Trade: As a regional service center, **trade** comprises an important part of the Nome economy. With the exception of a few stores which sell goods on a wholesale basis, trade is almost all retail and averages five employees per business. The largest employers are Alaska Commercial Company, Polar Enterprises, and the Board of Trade. As noted earlier, Sitnasuak Corporation is also heavily involved in the trade sector through Bonanza and Nome Hardware Country Store. Bars and liquor stores also constitute a significant portion of this group.

Finance and Real Estate: The finance and real estate sector in Nome has grown rapidly over the past six years. As noted in the chapter on land, real estate sales appeared to have peaked in 1981 and have subsequently declined slightly. Financial resources in Nome are in part connected to the banking institutions with headquarters in Anchorage. In addition to the local branches of the Alaska National Bank and United Bank of Alaska, financial services are provided by the Bering Straits Federal Credit Union. Local loans are made on their investment potential as compared to other investments statewide. Banks have made numerous loans for residential construction since 1980, nearly all of which are backed through the state-subsidized loan program. As noted above, SNC Finance Company also provides loans to local consumers for retail purchases.

Construction: Although a considerable amount of construction has taken place during the past six years, local contractors have not benefited proportionately. Most state and city contracts go to non-local contractors because the local contractors are not large enough to get bonded. In the past, these nonlocal contractors have hired some local residents and subcontracted some of the work to local firms. For instance, the port is being constructed by Kiewit-Pacific, Inc. The contract has no local hire provision, although the City secured an informal agreement from the contractor to hire local workers for the project.

Services: **The** service sector is one of the largest components of **the Nome** economy, **largely due to the** fact that the community provides services to residents of the entire region. The sector may be divided into the following subcategories: industrial, health, **human** services, Native Corporations, and other. The industrial *services sector* is relatively new-to the **community**, having grown particularly since **1983 in** response to the prospect of oil-related development. This sector includes several machine and welding firms and electronics firms. The Norton Sound Health Corporation provides health care services to residents throughout the Norton Sound region. Much of this care is provided through the Norton Sound Regional Hospital and other facilities located **in Nome**. Human service organizations operating in Nome include Nome Child Care, Nome Eskimo Community, the Nome Senior Citizen Center, Arctic Native Brotherhood Club, and Nome **Receiving** Home. Other services include legal services, hotels, travel offices, hairdressers, and janitorial services.

Community Infrastructure

Transportation

Marine Transport: Historically, Nome's primary access has been by sea. During the six months of the year when the Bering Sea and Norton Sound is frozen, accessibility to Nome is limited. The shipping season in Nome is from June to October, with ice conditions making waterborne travel unsafe in the remaining seven months. Despite this environmental limitation, as **well** as the increased importance of aviation, the sea remains the primary route for bulk quantities of fuel, food, and supplies. Marine transport also provides the most economical method of exporting bulk raw materials for mining and oil-related operations in the region (Environmental Services Limited 198 1:2-37).

The centerpiece of the transportation facilities serving Nome has been the new port/harbor facility, including a 2,500-foot rubble mound causeway with berthing facilities for one 400 foot barge and reaching an average depth of 18 feet. A single

diesel fuel line is guaranteed, but fittings **will be included to expand to a second fuel line** and a water line as soon **as the money** is available. **Onshore** facilities **will** include a ten-acre handling and storage area to include two **main** buildings of 9,600 and 4,200 square feet. **The** operation of the port is **still open to** negotiation. **While it will** be controlled **by** the Port Authority, **actual** operation **could be bid out** to a **coalition** of barge companies or **a single private firm**.

Air Transport: Most passenger **travel, mail delivery** and imported **fresh** foods **are** transported to **Nome** by aircraft, **and much of the air** transportation of **people** and goods to villages **in the** Bering Straits **region** passes through **Nome**. **Nome** is served by two airports - **Nome Field** and **Nome City** Airport.

Nome Field is **less** than two **miles** east of downtown and is **owned** and operated by the Alaska Department of Transportation and **Public** Facilities. With **the** annexation **of 1982**, the airport now lies within city limits. The airport has two **paved** runways - 6,001 feet **by 150** feet (runway **9-27**, the east/west runway), **and 5,576** feet **by 150** feet (runway **2-20**, north/south). The **larger** of the **two** runways has a complete instrument landing system including markers, a **glide** slope and high intensity approach lights. The FAA operates a **Flight** Service Station at the airport that serves **all of** the Norton Sound and Seward Peninsula **area**. There is **also** a National Weather Service Station at the airport. Airport facilities include five hangars, two terminals, and facilities for minor aircraft frame **and engine** repair.

Alaska Airlines provides **daily** nonstop Boeing **737** jet service from Anchorage and **Kotzebue**. Regularly scheduled air service between Nome and **the smaller** communities throughout the region is provided **by** Alaska Airlines, Ryan Air Service and Cape **Smythe** Air Service. **In 1980** Ryan Air Service, based **in Unalakleet**, was a subcontractor for **Wein Air Alaska** Airlines. Alaska Airlines resumed service to **the** Nome area in 1980 after a five year absence. Several other carriers are based **in** Nome and provide charter service to the smaller communities throughout the region.

The number of charter carriers has risen dramatically from three in 1980 to seven in 1986.

Nome City Airport is also located within city limits and has one 3,200 foot gravel airstrip. There are no navigation aids and the southern approach conflicts with the main approach route to Nome Field (Environmental Services Limited 1981:2-47). The **field** is not maintained in winter and **only** lightly maintained by ADOTPF for summer use. It is used mostly by private pilots.

Ground Transport: There are three state highways linking Nome to other communities. One route extends from Nome **72 miles** west to the community of Teller. The second route extends from Nome 73 miles east to the community of Council. The third extends from Nome to the village of Taylor, 131 miles to the north. All three routes are maintained by the Alaska Department of Transportation and Public Facilities. These and a few other state roads are gravel, and are not maintained beyond the immediate Nome area during the winter. Only the first 81 miles of the **Nome-Taylor** highway is maintained by the ADOTPF, the remainder is a trail which is best when frozen. The road system provides access to hunting, fishing, berry picking, and mining, as well as many cabins and camps, and could provide access to major mining operations on the Seward Peninsula. Vehicle ownership in Nome is much higher than in other rural communities in the region, due in part to the existence of this road system (Environmental Services Limited 1981:2-47). During the past six years, significant additions and improvements have been made on each of these roads, facilitating travel between Nome and the smaller villages in the region.

Communications

Local telephone service is provided by the privately owned General Telephone Company. In 1984-85 the company installed a new computer phone system,

greatly increasing the number of lines available for local use. Television is provided via an Alascom ground station and Nome Cablevision.

The region currently has two radio stations, both operating out of Nome. KNOM is owned and operated by the Catholic Diocese of Nome and KICY is owned and operated by the Covenant Church of Nome. KICY offers both an AM and an FM station, the latter broadcasting 24 hours a day. Both offer local, state, and national news, regional hotlines, meeting announcements, weather service, and such other local broadcasting as requested or paid for by local subscribers. Most of the programming is composed of music, national talk shows, and religious entertainment or programming. The Nome Nugget is a weekly newspaper published in the community.

Utilities

One of the major arenas of economic development and institutional change during the past six years has been the city's utility system. Responsibility for the City's utilities is assumed by the Nome Joint Utility Board which is comprised of five elected members. During this period major projects has been initiated or completed, upgrading the system to accommodate further population and economic growth.

Water: In Nome water is supplied to customers in two ways. It can come from Moonlight Springs to a reservoir and then to customers via a piped distribution system, or it can be delivered by truck to customers who are not hooked up into the piped distribution system, In mid-1982, according to the Annual Report of the Nome Joint Utility Board, 660 customers were hooked up to the piped water distribution system. Another 200 customers received their water from the trucked delivery service (John Muir Institute 1984:D49). In September, 1985, there were 911 piped water customers and an additional 153 trucked water customers.

Ender et al. (1980) noted three main problems with the water system as it existed in 1979. First, the water source at Moonlight Springs, though adequate most

of the year, was thought **prone to** low flow **levels** during break-up of the ice, with increasing danger of a seasonal water shortage as consumption rose. Also, the City's reservoir capacity of less than two days supply was considered below standard and compounded the potential **supply** problems. Second, **the** pumping capacity for the piped water system was judged substandard for **firefighting** purposes and needed **to be** upgraded. Third, the rate structure was deemed to overcharge piped-water customers while undercharging trucked water customers. This, along with the high cost of hooking up residential plumbing systems, discouraged **full** use of the water distribution system within the service area, thus denying the community the full benefit of the public investment in the water system.

Since this evaluation was made, however, several changes have taken place. **In 1984, \$2** million in bonds for the construction of water and sewer systems were sold. The City Council adopted a mandatory subscription fee which was charged after service had been available for one year. This has caused local residents to hook up to the water and sewer systems. A new 1 million **gallon** reservoir was also constructed and is currently helping to alleviate some of the shortages in supplies.

Sewer: A comparison of the types of sewage treatment systems available in Nome in 1980 with the systems available in the villages in 1980 is provided in Table 14. Like the water system, Nome's sewage collection system has two major components. The first component is a piped system in which sewage is collected and treated. In mid-1982, 650 customers were connected to this system; by 1985 there were 888 customers. The second component is a **sani-can** (honey bucket) service provided by the Joint Utility Board through a private contractor. In mid-1982, 170 customers has **sani-can** service; by 1985 this figure had dropped by almost half to 92 customers. Thus, the piped system has expanded its service from sixty-one percent of the community in 1980 to almost ninety percent in **1985**.

TABLE 14

Percentage of Year-Round Housing Units by Sewage Disposal Method, 1980

	Public Sewer	Septic Tank/Cesspool	Other
Villages	18.1	0.6	81.3
Nome	60.9	3.2	35.9

Source: Nome Facilities Survey, unpublished data.

There are also a few onsite septic systems and a separate small treatment plant for the FAA housing. The Nome Baseline update report indicated that an unknown number of households had no arrangements for the proper disposal or treatment of sewage wastes, a situation which posed a threat to public health (John Muir Institute 1984:55-56).

Power: The City's electric power utility serves all users within the community, with the exception of the Alaska Gold Company which owns and operates a separate generating and distribution system. In mid-1982, the Joint Utility Board reported that it provided electricity to about 1,240 customers (John Muir Institute 1984:59). By September 1985, 1,621 customers were being served by the utility.

Motivated by the ongoing need to replace or modernize obsolete equipment and distribution lines, the Joint Utility Board spent nearly \$400,000 in 1981 for improvements to the Snake River and Belmont Point generating units and related facilities and another \$400,000 to improve, upgrade, and extend the electric distribution system. Both projects were funded almost entirely from state funds (John Muir Institute 1984:59). In 1985 a new 2,800 KW generator was installed, making it the largest generating unit in the system. With this addition, the generating capacity increased from 8,350 KW in 1980 to 11,150 KW in 1986.

Electric rates have risen steeply since the beginning of the monitoring period (1980). The uniform rate of service for all classes of consumers in 1979 was set at about \$0.15 per KW. By mid-1982 this rate had risen nearly fifty percent to about \$0.214 per KW. Rising fuel prices accounted for a large share of this increase (John Muir Institute "1984 :D59). In September 1985, however, electric rates began to show a decline. Rates to customers within city limits fell to \$0.15 per KW with a fuel surcharge of \$0.0454 per KW for a total of \$0.1954 per KW. Out of town customers were charged a rate of \$0.20 per KW hour plus a fuel surcharge of \$0.0454 per KW hour for a total of \$0.2454 per KW hour. Power cost assistance from a state subsidy is available, however, for all customers. The assistance amounts to seven and eight cents per KW hour for the first 750 KW hours.

Solid Waste: Solid waste collection service is provided on a user charge basis by the same local firm that operates the **sani-can** sanitary waste collection service. Solid wastes and sanitary wastes are both disposed of at the city landfill, now within the City post-annexation boundaries (John Muir Institute 1984:6 1).

In 1980 Ender et al. reported that the refuse collection service had 400 customers. By mid 1982, there were an estimated 690 customers, according to the Joint Utility Board's annual report. By September 1985 this figure had climbed to 989.

Employment

Nome's employment trends during the past seven years and a projection of the expected number of jobs in 1987, based on a survey conducted by Impact Assessment in April 1986, are presented in Table 15. In keeping with the city's role as a regional service center, the government and service sectors account for the largest number of jobs over the past seven years. In fact, the three largest employers during this period have been the Norton Sound Health Corporation, Nome City School District, and Alaska Department of Transportation and Public Facilities. The trade sector accounts for the third largest number of positions, followed by mining and transportation.

The size of the labor force increased steadily from 1969 through 1980, leveled off in 1981 and 1982, and increased in 1983. Since 1969 state and local government have shown a steady increase from 303 in 1969 to 349 in 1983. Services have shown a general increase and are the second largest sector of the labor force. Some employment figures are probably inaccurate. For example, there were a number of construction projects in Nome and the region during this period. However, the construction firms often have home offices in Anchorage, Fairbanks or other places outside the region and thus their employees are not counted within the Nome Census District. Also many construction workers in Nome are self-employed and are not counted by the Alaska Department of Labor.

Within the industrial sectors, fishing remained stable during this period while mining showed some decline after peaking in 1982. However, the number of jobs in mining increased in the past two years. Projected employment in mining during 1987 indicates a level which exceeds the previous high of 1982. The local construction industry also exhibited relative stability during this period, with the exception of the employees of Kiewit-Pacific during the construction of the port facilities in 1985-1986.

The service sector saw a dramatic increase in employment during the 1980-1986 period. The number of jobs in transportation increased by 108 percent, largely because of resumption of air service by Alaska Airlines and the growth of charter services. The number of jobs in communication increased by 140 percent. The trade sector remained fairly stable throughout the past seven years. Services, on the other hand, rose by 47.5 percent. Much of this was due to the expansion of services provided by the Norton Sound Health Corporation. Finance and Real Estate also showed a 110 percent jump in jobs during this period, reflecting the speculation in the local real estate market that coincided with the prospect of OCS development in the region in the early 1980s.

TABLE 15
NOME EMPLOYMENT
BY PLACE OF WORK
(1980-1986 actual, 1987 forecast)

SECTOR	YEAR							
	80	81	82	83	84	85	86	87
FISHING	1	1	2	2	2	2	3	3
FISH Co.	1	1	2	2	2	2	3	3
MINING	162	172	192	162	158	107	149	197
Alaska Gold	160	170	190	160	125	70	70	100
Inspiration Mines	-	.	.	.		.	40	60
Windfall Mining	-	.	.	.	25	30	30	28
Lute Rock and Gravel	-	.	.	.	4	4	4	4
Martinson Gravel	2	2	2	2	4	3	5	5
CONSTRUCTION	14	16	22	27	29	71	71	26
Kiewit-Pacific	-	.	.	.		45	45	-
Robert Barron Builders	1	1	1	1	1	1	1	1
Johnson Brothers Construction	5	5	5	5	5	5	5	5
Miller Construction	-	.	5	5	5	5	5	5
Outsiders Construction	4	4	4	4	4	4	4	4
Tyree Brothers Plumbing	-	.	.	2	3	4	4	4
Winks Plumbing and Heating	4	4	5	7	7	4	4	4
Alaska Finish Carpentry	-	2	2	3	4	3	3	3
MANUFACTURING	9	9	9	9	9	9	9	9
Nome Nugget Newspaper	9	9	9	9	9	9	9	9
TRANSPORTATION	63	68	73	99	116	132	131	137
Air Carriers and Services								
Alaska Airlines	-	.	.	.	15	16	16	16
Ryan Air	-	.		25	25	25	22	22
Bering Air	6	8	10	12	14	18	23	23
Evergreen Helicopters	4	4	4	4	3	3	3	3
Foster Aviation	4	4	4	4	4	4	4	4
Anvil Aviation	1	1	1	1	1	1	1	1
Olson Air Service	7	7	8	8	8	8	8	8
Cape Smythe Air Service	-		.	.	.	7	7	10
Fish River Air Service	-	2	4	5	6	8	8	10

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SECTOR	Y E A R							
	80	81	82	83	84	85	86	87
Marine and Land								
Arctic Lighterage	5	5	5	5	5	5	5	5
Nome Storage Co.	2	2	2	2	2	2	2	2
Northland Service Co.	1	1	1	1	1	1	1	1
Q Trucking Company	8	8	8	8	8	8	4	4
Alaska Cab	10	11	11	11	11	11	12	12
Yellow Cab	5	5	5	3	3	5	5	6
Checker Cab	10	10	10	10	10	10	10	10
COMMUNICATIONS,	5	6	5	9	10	11	12	12
Nome Cablevision	-	-	-	3	4	5	6	6
Alascom	1	1	1	1	1	1	1	1
GTE	4	5	4	5	5	5	5	5
TRADE	222	225	230	235	238	236	225	224
General and Food								
Stop, Shop, and Save	20	20	20	16	14	13	13	13
Alaska Commercial	46	46	46	46	46	44	40	38
Mere Meats	3	3	3	3	3	3	3	3
Bilikin Bakery	4	4	4	4	4	4	4	4
Eating, Drinking Establishments								
Board of Trade	11	11	11	11	11	11	11	11
Fort Davis Roadhouse	11	11	11	11	11	11	11	11
Starlight Lounge	1	1	1	1	4	4	4	4
Anchor Tavern	6	6	6	6	7	7	6	6
Polar Bar and Liquor	60	60	60	60	60	50	40	40
Polaris Bar	4	4	4	5	5	5	5	5
Breakers Bar	5	5	5	5	5	5	5	5
Milano Pizzeria	6	6	6	6	6	6	6	6
Twin Dragon	6	6	6	6	6	6	6	6
Fat Freddie's	-	-	-	-	-	6	6	6
Gold Dust Lounge	4	4	4	4	4	4	4	4
Nacho's Restaurant	-	-	-	4	6	7	8	9
Other Trade								
Midnight Sun Enterprises	-	-	-	1	2	1	1	1
Nome Liquor Store	3	3	3	3	3	3	4	4
Wallace Liquor Store	6	6	6	6	6	6	6	6
Arctic Trading Post	1	2	2	2	1	1	2	2
Arctic Arm and Sporting Goods	-	-	-	1	1	1	1	1
Nome Outfitters	1	1	1	1	1	1	1	1
Tropical Touch	1	2	2	2	2	2	2	2
Nome Video	-	-	-	2	2	2	2	2
Gold Rush Video	-	-	1	2	1	2	2	2
Blizzard Enterprises	7	7	7	7	7	7	7	7

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SECTOR	Y E A R								
	80	81	82	83	\$4	85	86	87	
Builders Industrial Supply	5	5	5	5	5	5	5		5
Fagerstrom Enterprises	.	1	1	1	1	1	1	2	2
Fagerstrom Oil	-	-	2	2	2	2	2	2	2
M'Lord and Ladies" Shop	2	2	2	2	2	2	2	2	2
Bilbo's Books	2	2	2	2	2	2	2	2	2
Bering Sewing Machines	.	.	.	-	.	.	1	1	1
Sandpiper	1	1	1	1	1	1	1	1	1
Robert's Appliances	1	1	1	1	1	1	1	1	1
Polar Jewelry	2	2	2	2	2	2	2	2	2
Music Mart	2	2	2	2	2	2	2	2	2
Bush Unlimited	.	.	1	1	1	1	1	1	1
Perkins Brothers Enterprises	.	.	1	1	1	2	3	3	3
C and A Enterprises	.	.	.	.	.	1	1	1	1
Evans Ivory and Fur Shop	1	1	1	1	1	1	1	1	1
SERVICES	242	261	285	306	353	355	357	356	
Industrial									
Anderson Machine and Welding				-	-	-	1	1	3
Arctic Energy Systems	.	.	.	.	.	5	3	3	3
BOATEL Alaska	.	.	.	1	4	4	4	4	4
Nome Machine Works	.	.	.	.	.	1	1	1	1
J and A Electronics	.	.	1	2	1	1	1	1	1
AQ Electronics	.	.	1	2	1	1	1	1	1
Alaska Bussel Electric	2	2	2	2	2	2	2	2	2
Health									
Norton Sound Health Corporation	99	117	128	150	178	175	181	181	
Nome Dental Offices	5	5	5	5	5	5	5	5	
Human Services									
Nome Child Care	6	6	6	6	6	6	6	6	6
Nome Eskimo Community	10	10	10	10	12	10	8	8	8
XYZ Senior Citizen Center	7	7	7	7	7	7	7	7	7
Arctic Native Brotherhood Club	6	6	6	6	6	6	6	6	6
Bering Sea Women's Group	.	.	.	4	3	2	1	2	2
Nome Receiving Home	6	6	6	6	6	6	6	6	6
Native, Village Corporations									
King Island Native Corp.	9	9	9	9	9	9	6	5	5
Kawerak	7	7	7	8	10	9	10	10	10
Bering Straits Native Corp	22	22	22	12	12	12	12	8	8
Bering Straits Housing Authority		3	4	4	4	4	4	4	5
Sitnasauk Native Corp dba Bonanza	4	4	8	8	12	16	16	18	18

SECTOR	YEAR							
	80	81	82	83	84	85	86	87
Other Services								
Alaska Legal Services	5	5	5	5	5	5	1	1
Meruskiyes	2	2	2	2	2	2	2	2
Travel Center	-	-	-	-	2	2	2	2
Polaris Hotel and Liquor	10	10	10	11	11	11	11	11
Nome Nugget Inn	12	12	12	12	13	6	12	12
Thrasher and Associates	7	7	7	7	7	7	7	7
Silvers Engineering	2	2	2	2	2	2	2	2
Law Office	3	3	3	3	3	3	3	3
Golden scissors	1	1	1	1	1	1	1	1
BOT Hairstyling	-	-	-	-	-	2	2	2
Betty Ann's Beauty Salon	2	2	2	2	2	3	3	3
Genesis Hair Studio	3	3	3	3	3	3	3	3
Morgan Enterprises	4	4	6	10	10	11	11	11
Hung's Janitorial	-	-	-	-	6	6	6	6
Anderson Services	-	-	1	2	3	2	2	2
Harris Painting and Carpeting	-	-	-	-	-	-	1	1
Blizzard Laundromat	2	2	2	2	2	2	2	2
Nome Autobody -	2	2	2	2	2	2	2	2
Nome Veterinary Hospital	1	1	1	1	1	1	1	1
FINANCE, REAL ESTATE "	10	10	10	10	19	25	21	21
Alaska National Bank	8	8	8	8	1	0	1	0
United Bank Alaska	.	.	.	.	5	10	9	7
Bering Straits Credit Union	2	2	2	2	2	2	2	2
Frontier Realty	.	.	.	.	2	3	3	3
GOVERNMENT								
Federal	104	107	107	98	93	93	93	77
National Guard	30	30	30	30	30	30	30	30
National Park Service	-	1	1	2	2	3	4	4
Fish and Wildlife Service	2	2	2	2	2	0	0	0
Bureau of Land Management	1	1	1	1	1	1	1	1
Bureau of Indian Affairs	28	28	28	18	13	13	13	3
Federal Aviation Administration	23	23	23	24	24	25	25	23
National Weather Service	6	6	6	6	6	6	6	5
Congressional Delegation Office	1	1	1	1	1	1	0	0
General Services Administration	1	1	1	1	1	1	1	1
Public Health Warehouse	1	1	1	1	1	1	1	1
U. S. Post Office	8	10	10	10	10	10	10	10

SECTOR	YEAR							
	80	81	82	83	84	85	86	87
State	201	218	211	219	216	218	214	196
Governor's Office	1	1	1	1	1	1	0	0
Legislative Affairs	2	2	2	2	2	2	1	1
Motor Vehicle Division	1	1	1	1	1	1	1	1
State Troopers	9	9	9	9	9	9	9	9
Department of Transportation	33	43	40	40	42	45	52	49
Northwest Community College	18	18	19	20	21	22	23	20
Univ. AK Coop Extension Service	4	4	4	4	3	2	3	3
Public Defender	3	3	3	3	3	3	3	3
Housing Authority	1	1	1	1	1	9	3	3
Election Supervisor	1	1	1	1	1	1	1	1
Div. of Government Assistance	2	2	2	2	2	2	2	2
Dept. of Community and Regional Affairs	2	2	2	2	2	2	1	1
CETA	70	65	60	55	50	45	40	35
Div. of Housing Assistance	1	1	1	1	1	1	1	1
Adult Probation Office	3	3	3	3	3	3	3	3
Dept. of Corrections	21	21	21	21	21	21	34	34
Nome Youth Center	.	13	13	13	13	13	3	0
Court System	7	8	8	8	8	8	8	8
Dept. Environmental Conservation	1	1	1	1	1	1	1	1
Dept. Fish and Game (office)	4	2	2	2	2	2	3	3
Subsistence	.	.	.	4	4	4	2	0
Commercial Fisheries	.	.	.	3	3	3	3	2
Game	.	.	.	5	5	5	7	7
Family and Youth Services	8	8	8	8	8	3	4	4
Public Assistance	4	4	4	4	4	5	5	5
Nome Job Service	2	2	2	2	2	2	1	2
District Attorney	3	3	3	3	3	3	3	3
Local	133	136	138	130	131	133	135	119
Nome School District	103	106	108	100	101	103	109	97
City of Nome	33	52	46	45	45	52	45	40
TOTALS	1169	1251	1300	1321	1389	1415	1439	1395

In contrast to many of the other sectors of the local economy, the government sector remained relatively stable between 1980 and 1986 but could experience a decline in 1987 due to a reduction in available revenues. A slight reduction is expected in the number of federal government positions, with the projected loss of twelve employees from the local Bureau of Indian Affairs office in 1987. The number of state government positions has grown slightly between 1980 and 1986, but is expected to fall as budget cuts begin to affect the Alaska, Department of Transportation and Public Facilities and Northwest Community College. The ADOTPF permanent full-time employment has been stable, averaging fifty-three positions since 1980. Employment in the Design and Construction Division is seasonal, ranging from fifteen to thirty-five positions with an average of twenty-five employees between mid-May to mid-October since 1980. The Maintenance and Operations Division is also seasonal with an average of fifteen positions from mid-May to mid-October. By 1991, ADOTPF officials expect to cut the number of positions in the Design and Construction Division from fifteen to two and reduce the number of positions in Maintenance and Operations from thirty-seven to thirty-two.

The City of Nome is expecting a reduction in its labor force in 1987 after relatively stable employment levels for the past seven years. There is an anticipated loss of twelve positions with the School District and five municipal positions.

In sum, the number of jobs in the Nome economy rose by 24.2 percent between 1980 and 1986 or 3.5 percent per year. The number of jobs is expected to drop by 2.8 percent in 1987, however, largely accounted for by a decline in the number of jobs in the government sector.

Seasonal Fluctuations in Employment

Nome has distinct seasonal **fluctuations** in employment, with a rise in employment during the” summer months and a decline in the winter. Ender and Associates (1980:45), for instance, reported that **July 1977** employment was 143 percent of the January 1977 level and **July 1978** was **134** percent, A representation of this seasonal fluctuation is provided in the graph in Figure 8.

Many seasonal workers come from outside **Nome**. Depending on employment availability and **level** of skills required, many of these seasonal employees come from villages throughout the region. More skilled seasonal **labor**, however, is usually obtained from Anchorage or Fairbanks or the **lower** forty-eight states. The Alaska Gold Company is at full strength in the six to eight warmer months with 80 to 150 employees, and down to forty in the colder months. Road construction jobs in and near Nome are available in the summer and are inactive October through April. Construction is most active in the summer. Marine transport occurs only **in the ice-free** months from about mid-May through mid-September. Most of the wage-labor positions available for residents in the Norton Sound region are located in **Nome**. Road construction jobs and some limited mining jobs are outside the city. The villages may have a rise in summer employment for construction, but are otherwise primarily tied to subsistence activities. The official data from the Alaska Department of Labor reflect this seasonal fluctuation in employment and unemployment (**Table 16**).

During the summer approximately two hundred to three hundred people come from the villages to work in or around **Nome**. For example, in 1985 seasonal employment was available on several projects including the upgrading of local and state roads, on the port facility, and in Inspiration Mines. It is common for a number of state government employees come to Nome and stay for several months, for example a six- to nine-man state survey group spent the entire summer of 1985 in the community.

Figure 8
 Seasonal Variation in Labor Force,
 Nome Census Division 1983-84

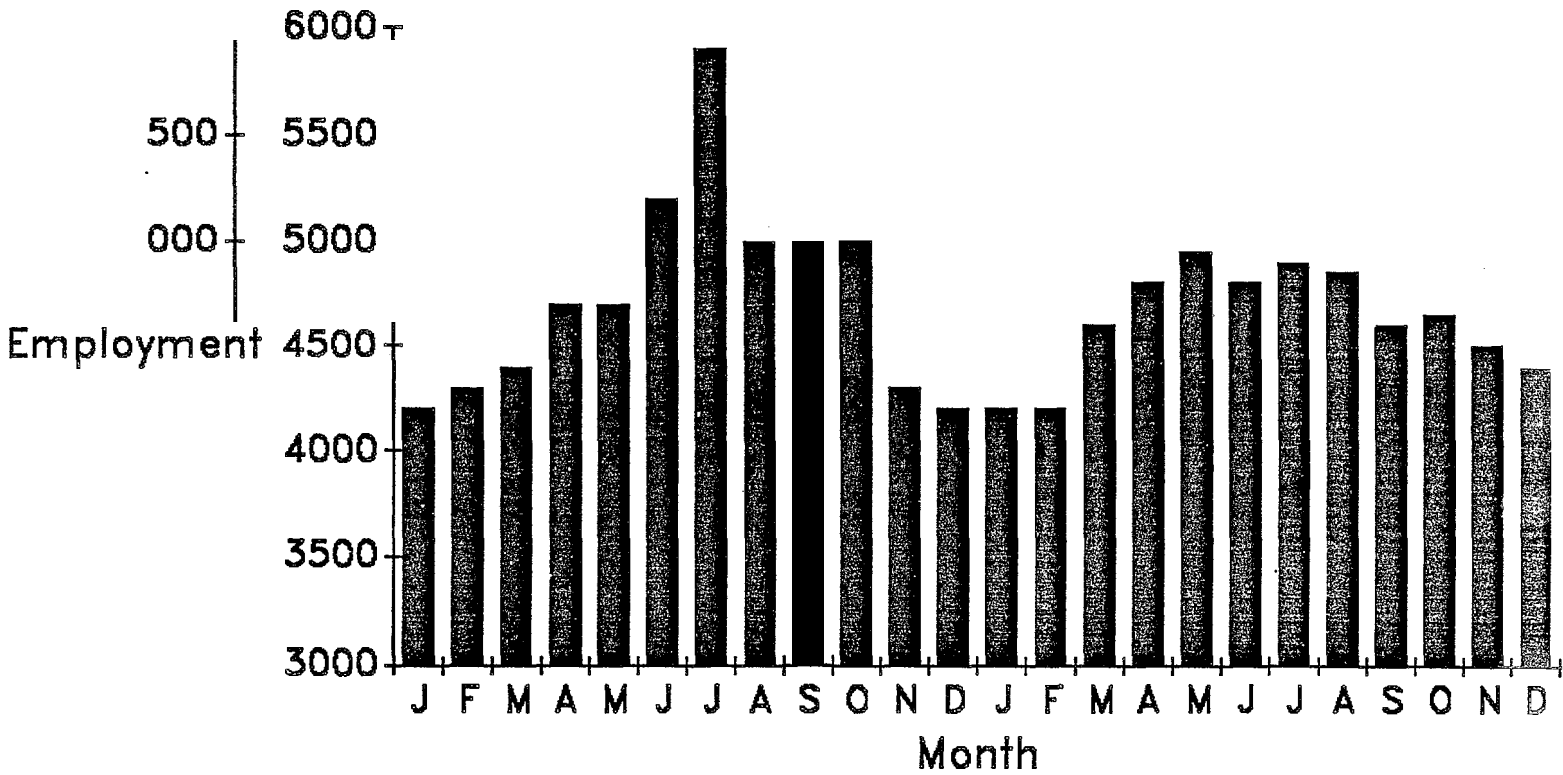


TABLE 16

Labor Force and Unemployment of **Nome** Census Division, 1982-1984

	<u>Labor Force'</u> Nome Census Div.	<u>Unemployment Rate</u> Nome Census Div. State of Alaska	
<u>1982</u>			
Dec	4,288	9.3	10.5
<u>1983</u>			
Jan	4,390	10.0	12.9
Feb	4,524	9.2	12.9
Mar	4,776	10.2	12.5
Apr	4,754	10.2	11.5
May	5,236	8.7	10.8
June	5,851	8.6	10.1
July	5,037	8.8	8.9
Aug	5,023	9.0	8.6
Sept	5,045	6.9	8.0
Ott	n.a.	n.a.	n.a.
Nov	4,371	8.4	9.9
Dec	4,335	11.2	10.9
<u>1984</u>			
Jan	4,383	10.2	13.2
Feb	4,656	11.5	13.1
Mar	4,812	10.2	12.2
Apr	4,955	12.8	11.8
May	4,713	9.8	10.6
June	4,879	12.0	9.9
July	4,758	8.8	9.1
Aug	4,623	8.4	8.5
Sept	4,702	8.1	

n.a. - Not Available

*Source: Alaska Department of Labor***Unemployment**

Official data on unemployment for Nome are embedded in figures for the Nome Census Division, which includes surrounding villages in the region. Because of the relatively few wage-earning jobs in these communities, the unemployment rate in the rural villages will likely be higher than the rate for Nome residents. Thus, the census division figures may overestimate the rate of employment in Nome. In September 1982, the Nome Census Division had an unemployment rate 1.20 times the

national unemployment rate for **the** previous **two** -years (Alaska Department of Labor 1982). However, as suggested **by the** figures **in Table 16**, **this rate** has **been less** **than the** statewide unemployment rate for the same period.

Labor Force Participation

The unemployment rate can **be used in conjunction with the** employment rate to estimate **the** labor force participation rate (**LFPR**). **Ender et al.** (1980:39) reported **an** increase in the **labor** force participation rate from **61.5** percent **in 1975** to **68.1** percent **in 1979**. This compared **with a LFPR** of **82.6** percent **in** Anchorage. **The LFPR** for the balance **of the region during this period** increased from **35.1** percent **in 1975** to **43.5** percent **in 1979**. The **almost 25** percent difference between Nome and **the** surrounding villages was due to **fewer** employment opportunities **in the villages** **which** stimulates greater participation **in** and greater reliance **on** subsistence lifestyles.

Labor Force participation Rates **also** differ with respect **to sex**. According to data provided **in the 1980** Census, **the labor** force participation rates for men **and** women in **Nome** were **83** and **73** percent respectively. This was contrasted with **the** LFPRs of **69** and **53** percent respectively for men and women in the rural villages in the Norton Sound region,

The majority of Nome residents participate **in** the wage labor economy **with** **urban** types of **jobs**. When faced with **the loss of** jobs they **file** for unemployment benefits, look for work **in Nome** as **well** as more **urban** parts **of** Alaska, and often move out of the **Nome** area. Another part of the community is partly dependent **on** cash jobs **but also** on subsistence hunting and fishing. These people may not be as skilled for most **wage** labor positions as they are for subsistence activities. Many **people** from surrounding villages migrate to **Nome** seeking wage labor positions, find temporary work but subsequently become unemployed. However, they may not file for unemployment benefits and thus are not officially counted as unemployed.

Job Training

Job training is considered to be essential to the growth of participation in wage-labor jobs among the permanent residents of the community. Many of the new **jobs** which have **been** created over the monitoring period have been **filled** by non-Natives from **outside** the community who are **better** qualified and earn higher salaries accordingly. Thus, **while** more jobs have become available and the **labor** force participation rate has increased, there has not been a proportionate increase in the **number** of jobs available to long-term residents.

To address this situation, several job training programs operate **in the** Nome area. The three most prominent are run by the State of Alaska, **Kawerak**, and Northwest Community College. These are oriented toward vocational **skills** such as carpentry, mechanics, clerical skills, and teacher training.

Income

As with employment data, income figures for Nome are usually embedded within the figures for the Nome Census Division which also includes the surrounding villages. However, as is the case with employment, there are important differences in income levels of Nome residents and residents of the surrounding communities. Differences in the distribution of income are evident in Table 17. These data were derived from a **1984** survey conducted by the Norton Sound Health Corporation (**NSHC**). The Nome sample generally reported higher incomes, the village sample reported incomes at the lower end of the wage scale. A much higher percentage of households in the villages reported incomes below the poverty level than households in **Nome**. Further analysis revealed that Alaska Natives in **Nome** had income **levels** considerably **lower** than non-Natives.

TABLE 17

**Annual Household Income Levels, Bering Straits Villages and Nome,
1984 General Survey**

Income Level	Percent of Population	
	All Villages	Nome
less than \$3,000	11%	3%
\$3,000- \$11,7399	36%	8%
\$12,001 - \$24,999	25%	12%
\$25,000 or more	13%	55%
No answer	14%	22%

Source: Norton Sound Health Corporation 1986:28.

The NSHC survey also asked heads of households to indicate how they provided for their daily needs. Table 18 shows survey results. Subsistence goods are much more important in the villages than in Nome. Nearly twenty percent of village residents rely on subsistence for their daily needs and fifty-six percent rely on jobs. This compares with nine percent and eighty percent respectively for Nome residents. Food stamps also appear to be more important in villages than in Nome.

In 1982 total personal income per capita in the Nome Census Division was \$10,627 compared to \$18,429 in Anchorage and a U.S. per capita income of \$11,124 (U.S. Bureau of Economic Analysis, 1984). The Nome Census Division figure is forty-two percent below the corresponding Anchorage income and four percent below the U.S. average income, if differences in living costs are not considered.

It must be recognized, however, that the purchasing power of a dollar of income in the Nome census division is much less than that of a dollar of income in

TABLE 18

Nome and Village Residents Primary Sources of **Economic** Support,
Bering Straits Region, 1984 General Survey

Type of Economic Support	Percent of all support	
	Villages	Nome
Jobs	56%	80%
Subsistence	20%	9%
Food Stamps	8%	1%
Other Entitlement Programs	7%	2%
Other	6%	2%
No Answer	3%	6%
Total	100%	100%

Source: Norton Sound Health Corporation 1986:23.

Anchorage, due to higher living costs in the Nome census division. Even greater differences exist between the Nome area living costs and the average U.S. living costs. Consequently, the purchasing power of a **dollar** in Nome is considerably less than the purchasing power of a dollar spent in any community with average U.S. living costs. Information presented in Table 19 indicates that living costs in the city of Nome are 62.8 percent higher than living costs in Anchorage for a Nome family which obtains no food from subsistence activities and receives no major subsidies for medical care or housing and energy costs (see Row 3, Column 3).

A more conservative living cost index for the Nome area, which assumes that subsistence activities provide one-fourth of all food and that half of all families receive major subsidies for medical care and housing and energy costs, is presented in Row 3, Column 1 of Table 19. The costs of living in the Nome Census Division in 1982 was approximately 41.5 percent higher than living costs in Anchorage. For low income families, figures supplied by the U.S. Bureau of Labor Statistics indicate that living costs in Anchorage were 50 percent higher than average U.S. living costs, as shown in Table 20 (see Row 3, Column 2). The ratio of living costs, as shown in

the Nome Census Division to average U.S. living costs was computed by multiplying the Nome/Anchorage living costs ratio of 1.415 by the Anchorage/U.S. living cost ratio of 1.5, resulting in the ratio of 2.122 shown in Table 20 (Row 3, Column 3). This ratio indicated that living costs in the Nome Census Division were 112.2 percent higher than average U.S. living costs.

When compared to the Anchorage income figure of \$18,429, after adjusting the Nome figure downward by the living cost ratio of 1.415, the Nome Census Division per capita income of \$10,627 was fifty-nine percent less, in terms of purchasing power, than the average Anchorage income. When compared with the U.S. per capita income of \$11,124, after adjusting the Nome figure downward by the living cost ratio of 2.122, the Nome Census Division per capita income was fifty-five percent less.

The above analysis was presented as part of the Nome OEDP of 1985 and used U.S. Bureau of Economic Analysis figures for total personal income per capita. The official definition of these income figures includes estimates of income received in the form of food stamps and housing subsidies. Total personal income figures were defined to also include estimates of income received from subsistence activities. However, in Alaska the income received from subsistence activities such as hunting, whaling, and fishing is believed to be almost entirely omitted from the estimates of total personal income. An alternative set of figures for income are the estimates of money per capita income provided by the U.S. Census Bureau. This set of income figures makes no attempt to include income from subsistence activities. The money per capita income figures also do not include the value of food stamps or housing and energy subsidies.

In 1982 money per capita income in the Nome census division was \$6,528 compared to \$13,477 in Anchorage and a U.S. average of \$8,693. The Nome census division figure, before adjustment for living cost differences, is fifty-two percent lower than the Anchorage income figure and twenty-five percent below the U.S. figure.

However, when **the differences** in cost of living discussed above **are used to adjust the Nome income** figure downward, to account for the decreased purchasing power of a **dollar in Nome**, the regional per capita money income in 1982 was sixty-six percent below the level of income in Anchorage and sixty-five percent **below** the U.S. per capita money income.

Subsistence

Much of the subsistence activity engaged in by **local** residents is for sport **or** recreational purposes rather than economic necessity. The data from previous studies, however, suggest that subsistence activity has been widely practiced throughout the community and in fact has increased during the past six years. Ender et al. reported in 1980 that a significant proportion of the Nome population maintained a subsistence food diet only supplemented by food available on the retail market. Even the non-Native population was said to use the locally available food sources. These foods include salmon (though this fishing is concentrated elsewhere and **Nome's** subsistence salmon catch is moderate), moose (forty-seven percent of the moose harvested in 1978 on the peninsula were taken by **Nome** hunters), migratory fowl (especially in the rookeries east to Cape **Nome**), and sea mammals (especially among the King Island community) (**Ender et al. 1980:44**).

A household survey conducted by the John Muir Institute (1984) found that all Nome households surveyed engage **to** some extent in subsistence pursuits. The extent of this participation, however, appears to be less than is the case among village residents. This difference is evident in the responses to the 1984 general survey conducted by the Norton Sound Health Corporation (Table 21).

Most of the households interviewed by the John Muir Institute staff took an average of several hundred salmon of various species, about fifty trout, one hundred or more **tomcods**, fifty or so **grayling**, twenty pike, one or two seals, and thirty or

TABLE 19

Comparison of Family Living Costs in the City of Nome to Living Costs in Anchorage Alaska (September 1982)

	(1)	(2)	(3)	(4)
	City of Nome	City of Anchorage	Ratio: Col 1 Col 2	Food & Non-Food Shares of Total Living Costs
1. Cost of Food at Home for one week for a family of 4 (assuming no food is obtained from subsistence activities)	\$149.04	\$77.30	1.928	Food costs 30%
2. All other Living Costs (approximate Nome/Anchorage ratio of all living costs except food, based on available information described below under Sources)			1.500	All Other Living costs 70%
3. Weighted Nome/Anchorage Ratio - Total Living Costs			1.628	100%

The ratio of 1.628 in Row 3 above, representing the Nome/Anchorage ratio for total living costs, is believed to be a reasonably accurate figure for a low income family which obtains no food from subsistence activities and receives no major subsidies for medical care, housing, or energy costs.

Sources for this table include: *Nome Overall Economic Development Plan, January 1985*. Food costs in Nome and Anchorage are from the report entitled "Food Costs at Home a Week" prepared by the Cooperative Extension Service, University of Alaska, based on a survey conducted in September 1982. The food costs figures are for a low cost family food plan. The survey of September 1982 did not obtain comparative Nome and Anchorage figures for living costs other than food. However, a survey in March 1984 did provide Nome and Anchorage prices for the items listed below:

Nome Prices (as percent of Anchorage prices)

Electricity	.255%
Heating Oil	135%
Gasoline	166%
Lumber	170%
Propane	243%
Water & Sewer	252%

TABLE 20

Comparison of **Family Living Costs in Nome and Norton**
Sound Communities to Average **U.S.** Living Costs
Autumn **1982** (for Low Income Families)

	(1) Ratio of Nome-Norton Sound Living Costs to Anchorage Living Costs	(2) Ratio of Anchorage Living Costs to Average U.S. Living Costs	(3) Ratio of Nome-Norton Sound Living costs to Average U.S. (Col 1 x Col 2)
1. Families which obtain no food from subsistence activities and receive no major subsidies for medical care or housing and energy costs	1.628	1.500	2.442
2. Families which obtain half of all food from subsistence activities and also receive major subsidies for medical care and for housing and energy costs	1.202	1.500	1.803
3. Families which obtain about one-fourth of all food from subsistence activities and about 50 percent of which receive major subsidies for medical care and housing and energy costs	1.415 [average of 1.628 and 1.202]	1.500	2.122

Sources: *Nome Overall Economic Development Plan, January 1985. In Column 1, Row 1 the ratio of 1.628 is from Table 19. In Column 1, Row 2 above the ratio 1.202 is assumed. The source notes to Table 19 explain how the ratio 1.628 was developed. In Column 2 above, the ratio 1.500 is the index of comparative living costs based on a lower budget for a 4-person family published by the U.S. Bureau of Labor Statistics. The index compares living costs in Anchorage to average U.S. urban living costs for a low-income family of four in the autumn of 1981. (See Autumn 1981, Urban Family Budgets and Comparative Indexes for Selected Urban Areas.) No comparative indexes for 1982 are available. However, both the U.S. Consumer Price Index and the Anchorage Consumer Price Index increased by 5 percent from September 1981 to September 1982, indicating that the ratio of living costs in Anchorage to average U.S. living costs remained unchanged during that period.*

forty gallons of wild berries each year. These goods are stored for later use and frequently exchanged for goods that might be in short supply. Many households barter services for goods, and vice versa (John Muir Institute 1984:103).

TABLE 21

**Proportion of Food Sources Derived from Subsistence Activities,
Nome and Village Residents, Bering Straits Region,
1984 General Survey**

Proportion of Food Sources	Percent of Population	
	Nome	Villages
All of it	3%	14%
Most of it	9%	31%
About half of it	20%	22%
Some of it	46%	24%
None of it	14%	3%
No Answer	9%	5%

Source: Norton Sound Health Corporation 1986:26.

Subsistence forays are conducted by extended families, nuclear families, occasional kin, and friends. According to Ellanna (1980:240), four different types of subsistence activities are pursued by Native residents of the Norton Sound region: (1) small sea mammal hunting, inland hunting, and fishing; (2) large sea mammal hunting; (3) fishing and coastal and inland hunting; and (4) Yukon Delta fishing and small sea mammal hunting. Among the Native residents of Nome, former residents of rural communities throughout the region tend to follow the subsistence patterns of their place of origin if possible. Thus, former residents of King Island continue to practice the large sea mammal hunting pattern. The seasonal round for subsistence activities for selected species is provided in Figure 9.

In 1982 the Subsistence Division of the Alaska Department of Fish and Game conducted a survey of Nome households to determine use patterns. The results are summarized in Table 22. Salmon was the most frequently harvested species. Moose was

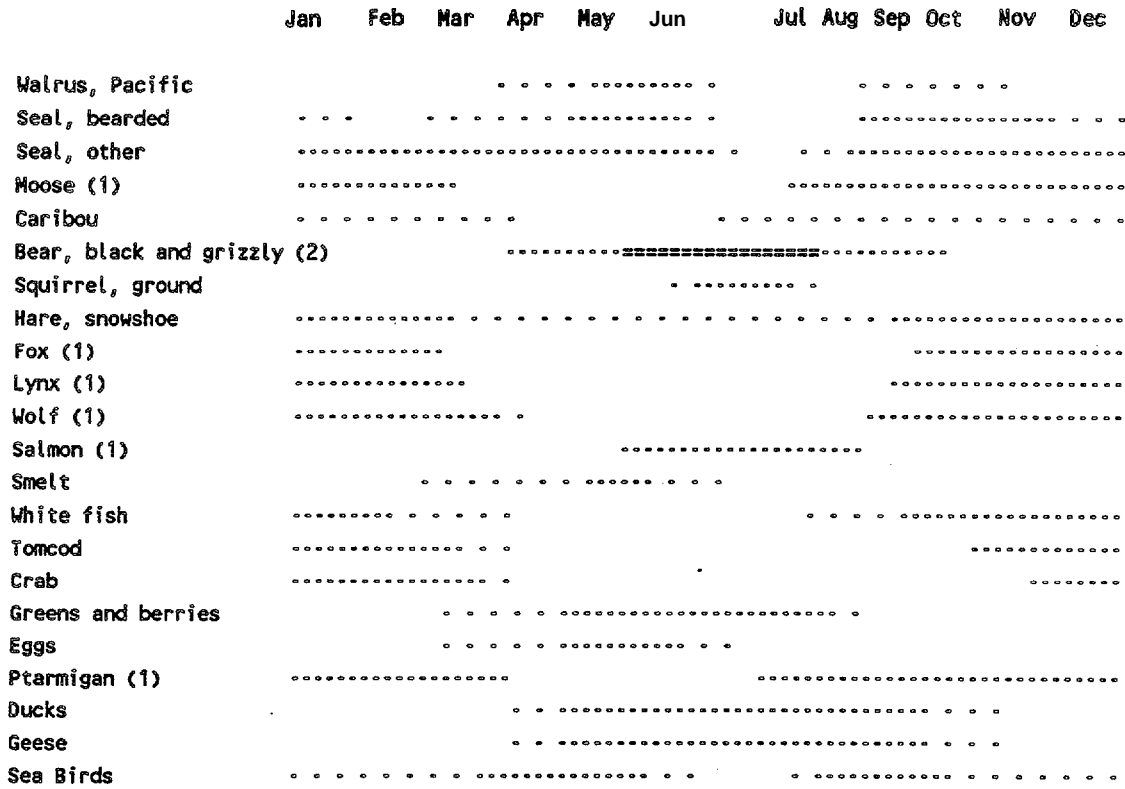
also widely used, having been harvested **by** over 60 percent of the households reporting. With the exception of moose, caribou, bear, char, halibut, and pike, households from towns and villages in northwestern Alaska harvest the species which appear in Table 22 in greater numbers than households from elsewhere in Alaska or from outside the state.

The cash economy has influenced subsistence in that those most successful in the cash economy are **also** those most proficient in gaining subsistence resources. These subsistence activities are undertaken **at** considerable expense by **Nome** residents, **at least** \$6,000 per year in most instances. Harvests are large, particularly for the most prosperous households which earn about \$80,000 per year. Members of these households outfit themselves with an extensive array of subsistence equipment such as rifles, nets, snow machines, three-wheelers, fishing rods, **four-**wheel drive vehicles, and aircraft (used to gain access to subsistence resources), all of which require a heavy investment. Because of the increase in income over the monitoring period, there is more money available to devote to subsistence pursuits, thus contributing to a rise in subsistence activities even though participation in these activities is constrained by the amount of time required for wage-labor jobs. The increase in numbers of residents from smaller villages within the region has also contributed to an overall increase in subsistence activities.

Subsistence fishing has been conducted in the Nome subdistrict on a permit system since 1974 because of increased access to the resource, an increase in numbers of fishermen, advances in technology, and limited chum and coho salmon stocks in local streams. Subsistence fishermen are required to report the number of fish taken by permit to Alaska Department of Fish and Game personnel, thereby documenting the harvest. The permit system also distributes fishing effort by limiting the number of fish that each family can harvest from each river. There is no catch limit in ocean waters. Fishing is restricted by regulation to four days per week from June 15 through August 31.

FIGURE 9

Seasonal Round of Harvest Activities for Selected Species, Nome



-- ° ---- Intensive harvest activity
 Some harvest activity
 ===== Dispatching nuisance or dangerous animals

(1) Harvest periods are determined by Alaska Department of Fish and Game regulations.
 (2) Harvest periods are determined by Alaska Department of Fish and Game regulations, occasional taking of nuisance or dangerous animals also occurs in summer

Source: Ellanna S983.

TABLE 22

Percentage of Households Harvesting Specific Resource Categories,
City of **Nome**, 1982

Resource Category	Percent of Households (n = 104)
Salmon	84
Herring	8
Tomcod	47
Whitefish	28
Capelin	32
Ling Cod	15
Char	47
Trout, Grayling	68
Halibut, Flounder	11
Pike	23
Duck, Geese, Crane	50
Ptarmigan	66
Egg Gathering	17
Greens, Roots	43
Berries	80
C r a b s	55
Clams	9
Arctic Hare, Rabbits	38
Bear	8
Caribou	12
Moose	63

Source: *Elianna 1983*.

Two hundred and four subsistence permits were issued for the Nome subdistrict in **1985** compared with the previous five-year average of 223. The reported harvest from the **195** permits returned was 56 chinook, 114 sockeye, 1,054 , coho, 2,117 pink and 5,667 chum salmon for a total of 9,008 fish. The total subsistence salmon harvest was sixty percent below the recent five year average of 22,700 salmon. Rather than indicating a declining interest in subsistence fishing, however, the very low subsistence **salmon** harvest was attributed to combined poor returns of pink, chum, and coho salmon (Alaska Department of Fish and Game 1985).

In addition, it is **very likely** that **these figures do not** accurately **reflect the number of** subsistence fishermen **or the number of** fish caught. **As** has been the case elsewhere (Pettersen, 1981), rural Alaskans engaged in subsistence activities are reluctant to report their **catch** for fear that **it will lead** to further regulation **of the** resource or **interfere with** their traditional access to the resource.

Economic Development

One of the **key** elements **of** the economic system is **the** process **of** economic development. This process relates **to** institutional response **and sociocultural change** in several different ways. **By** observing this process over a period **of** time, a **better** understanding is attained of **the sociocultural** and political-economic factors contributing to a changing economic structure. **In the** case of **Nome**, economic **goals** and accomplishments reflect community values that have given high priority to the development of a community infrastructure in anticipation of OCS development and related growth **in** population, **as well as other** economic endeavors such as **the** development **of** the tourism industry and **job** training programs **in** the effort to diversify the community's economic base. Economic development **goals** and accomplishments also are a product of the complex interplay of **endogenous** and exogenous factors which alternately promote and constrain such development. These factors include the availability of and stipulations attached to development funds from federal, state, and **local** sources; **the** extent **of** community's willingness to participate **in** economic development **as** indicated **by** the passing of **local** bond issues for **the** purpose of developing local services and utilities; and **the** limits of that willingness as expressed by local ordinances and regulations.

Accomplishments 1980-1985

Since the publication of the Overall Economic Development **Plan (OEDP)** in June, 1980 for **FY80-81**, the City has made substantial progress **in** implementing projects which have enhanced the economic development potential of the community. In

the FY 80-81 OEDP, **23** projects were listed, **Many of these** have been completed and are now major components **of** economic development in **Nome**. The status of these projects, described below, were summarized in the **1985 OEDP**. Several other projects have been conceived since the last **OEDP**, some of which have been completed. These have also contributed to economic development during the monitoring period, and are also described below.

1. **Drainage System.** Road and drainage improvements on Sixth Avenue, East D Street and East **N** were completed in **1980** with EDA grant assistance. Water runoff now drains through culverts under 6th Avenue and **N** Street. The road construction has already facilitated residential **development** and is expected to continue to do so.

2. **Phase III Water and Sewer Extension.** Water and sewer lines were constructed in 1982 to serve nearly **all** of the areas of the city already developed but lacking piped water and sewer systems at a cost of approximately \$5 million. This provided a significant addition to the City infrastructure and increased the potential for improved health for residents.

3. **Sewage Treatment Plant.** The City of **Nome** Joint Utilities applied to the **Alaska** Department of Environmental Conservation for funds to build a new sewage treatment **plant**. To date, this project has not been initiated.

4. **Salt Water Hydrant System.** This project has not been completed and is not scheduled for completion.

5. **New Water Reservoir.** A new water reservoir was built in 1983 adding one million gallons of storage capacity, greatly enhancing the fire fighting capacity of the City, supplementing the water supply for domestic and industrial use, and reducing the need to ration water in the late spring as previously required. The additional water could also enable the City to provide water to oil exploration activities in Norton Sound while conserving adequate supplies for its own use.

6. **Power Distribution Lines.** Since 1980 power lines have been extended to **N** Street along 3rd, 4th, and 5th Avenues.

7. **Existing Water and Sewer System.** Extensive repairs are needed in the existing system which relies heavily upon wooden and metal **utilidors**. The wooden **utilidors** rot and cave in over time and the metal **utilidors** have caved in by freezing and thawing of the ground. The City has requested funds from the Legislature, but so far none has been forthcoming.

8. **Generator.** A new 2500 KW electrical generator was installed in **1979**. In early 1985 the City Council on the advice of the Utility Board decided to purchase an additional generator to respond to increasing demand. This 2800 KW generator was installed in November 1985.

9. Tourism. **The City has taken** several steps to promote tourism in the past six years: **The Visitors and Convention Bureau has a full-time director whose purpose is to promote tourism as well as conventions. A building to house the bureau has been constructed on Front Street to make it easily accessible to visitors. The City in 1980 remodeled the facade of city hall in a frontier motif. Since then four other buildings have been refurbished in the same style -- all with private funding. The City museum has been upgraded somewhat and attracts many tourists. An old bowling alley has been remodeled for tourist and convention activities as well as community events.**

10. Roads. **East N Street, East K Street, 3rd, 4th, 5th, and 6th Avenue between N and K Streets were constructed mostly in 1980 and 1981. Since then approximately fifty houses have been built near the new roads.**

11. Annexation. **In 1980 a petition was denied to annex 260 square miles from Cape Nome 14 miles east of the townsite to the Sinuk River 16 miles to the west. The primary reason for this petition was to annex land that might be used by oil companies for staging land-based operations for exploration and production on the Outer Continental Shelf of Norton Sound. A subsequent effort by the City succeeded in annexing of approximately 17 square miles of the surrounding area in 1982. The annexation extends the City's jurisdiction by one and one-half miles into Norton Sound, which facilitates local control of the port.**

12. Hydroelectric Power. **The Nome Joint Utility Board completed a report showing that hydroelectric power was not a viable alternative to the current method of using diesel generators. This conclusion was confirmed by another study which was conducted by the U.S. Army Corps of Engineers.**

13. Scavenger Heat. **The Nome Joint Utility Board authorized a study on the use of waste heat from its power plants. A contract has been let to construct facilities for conversion of waste heat. The waste heat recovery project should ultimately lead to lower cost electricity or at least retard the rate of increase in electricity rates.**

14. Fish Hatchery. **From 1980 to 1982 some investigations and applications were made for developing a fish hatchery particularly for herring. The City, however, has no current plans or applications pending.**

15. Swimming Pool. **A swimming pool was constructed in 1982 and opened in January 1983. In addition to serving as a recreational facility, it was hoped that the pool would enhance water safety awareness and help reduce water-related accidents and drownings in the region.**

16. Small Boat Harbor. **Approximately \$1 million was allocated by the Alaska Department of Transportation and Public Facilities for a small boat harbor in Nome. A design was produced and then modified as a result of public response. An economic analysis prepared by the City's consultant indicated that long-term maintenance and operation was financially feasible. However the City Council did not want to risk the financial liability and decided not to build the project.**

17. Port. The **port** project continues to be the central **focus of** the City's economic development program. The City Council has given the project high priority since the late 1970s. Site selection analysis and a master **plan** was completed by **Tetra** Tech engineers in 1980 and 1981. Design engineering, including wave modeling and ice modeling, were completed by TAMS engineers. An initial design was for a rubble mound causeway extending 3,600 feet from the shore to a depth of 30 feet with an 'L' at the end to provide partial shelter. Four **fuel** pipelines would extend the length of the causeway. The cost estimate for this was \$35 million to \$40 million. By 1984 it became clear that this **level of funding** would not be forthcoming "from the Legislature. Consequently the **scale of** the design was modified to extend the causeway only 3,100 feet to a depth of **25** feet, eliminate the 'L', and provide only one fuel **line**. The cost estimated for this design is \$19 million. A **total** of \$12 million has been committed by the Governor and the Legislature. The project was advertised to bidders **in** the summer of 1984 under a "creative, private financing" concept. The bid was on **cargo** tariffs rather than the amount to construct. Revenue was **to** be generated through operating and maintaining the port for 20 years. Financial analysis indicated that baseline cargo projected 20 years in the future **would** generate sufficient revenue to pay for \$9 million, the difference between the \$12 million grant from the state and the \$21 million estimated cost, in revenue. However, no feasible bids were received under the private financing concept. The project financing package was then restructured.

18. Offshore Oil Impact. Norton Sound Lease Sale 57 was **held** in March, 1983 and had approximately \$300 million in winning bids. Exxon and **ARCO**, the companies with the majority of tracts leased, drilled exploratory **wells** in summer **1984**. Exploration continued through 1986. Depending on the results of exploration further exploration and potentially a commercial find could **lead** to production. On the other hand, OCS activity in Norton Sound could end after only two years of exploration. A lease sale for the **Navarin** Basin was held in April **1984**, another is scheduled for Norton Basin in **1985**, and a second one for the **Navarin** Basin in 1986. Aerial support for **Navarin** Basin activity has been staged from Nome and may continue to be in the **future**.

19. Nome Coastal Management Program. The Nome Coastal Management Program was initiated in 1980 and the regulatory component was adopted in 1983. As part of this program steps are being taken to minimize the impacts on Nome of potential rapid development resulting from OCS activity. Impact on the community should be minimized by the requirement that any new large-scale employer must present a plan to provide housing for workers. In addition, **18** months' notice must be given to the city for any public facilities that will be required such as additional classrooms, sewer and water line, and so on. Water quality also is protected through regulations on mining and oil drilling. Applications have been written for sewer and water facility extension, dilapidated housing removal, and park development.

20. Replat. The City has worked on replanting the **townsite**. Many blocks were platted incorrectly. This was compounded by houses being placed across property " lines. From 1980 to 1984 \$393,000 was spent on the project. An additional \$125,000 was allocated by the 1981 Legislature. This project will facilitate bank loans and construction on lots that previously had legal platting problems which inhibited development.

21. Summer CETA Projects. Since 1980 the City used CETA funds for hiring youth for construction of two parks and removal of dilapidated structures. With the elimination of the CETA program by the federal government, however, these funds are no longer available.

22. Nome Youth Center. Nome Youth Center, a correctional facility designed for nine youths, was built in 1981. Thirteen full-time staff are employed there.

23. Freezer Locker. In 1982 the Nome Eskimo Community and King Island Community obtained funding through an EDA grant to build a freezer for the use of Nome citizens. The locker is typically used to store subsistence-related items such as marine mammals, fish, moose, edible plants, and berries.

24. Cultural Facility. Between 1980 and 1984 the City of Nome worked to develop a cultural facility for the community. At the present, however, no source of funds appears to be available for such a project.

In addition to the projects listed in the Fiscal Year 1980-81 Overall Economic Development Plan, several other projects have been initiated over the past six years. A summary of these projects is provided below.

1. Lot Sale. In 1982 the City purchased 30 lots from the Alaska Gold Company in the area where roads have been extended between K and N Streets and 3rd and 6th Avenues. These were resold to individual bidders with a requirement that a house be constructed within two years after water and sewer lines are extended. Originally this was scheduled for 1982, but the project was actually completed in summer 1984. Even without piped water and sewer lines approximately 50 housing units were constructed in the area between 1980 and 1984.

2. Phase 11 Water and Sewer Extension. At a cost of \$5 million, 10,000 feet of water and sewer lines were extended to streets where road improvements have been made since 1980 including 3rd, 4th, 5th, and 6th Avenues and N and K Streets. Availability of water and sewerage will greatly enhance housing construction. Upgrading the quality and quantity of housing is a long-term community development goal. The construction of 10,000 feet contracted for the summer of 1984 was expected to facilitate housing construction. Improvement of community health is of course a considerable benefit of the project also.

3. Front/Bering/Seppala Street Improvements. The State started street reconstruction in 1983 on these three streets in the central part of Nome. Utilidors were replaced with a direct-bury, larger-sized pipe in Front Street. The streets were paved with asphalt in summer 1984, thereby improving the surface condition of Nome's main streets, reducing the maintenance required for local motor vehicles, and improving the drainage. The project cost \$5 million.

4. Nome-Cape Nome Road Improvement. This road, from two miles east of downtown Nome to Cape Nome 14 miles east of the City, was realigned and resurfaced in summer 1984 for \$7 million. This is the **only** access road to Cape Nome, a source of granite armor rock, a rare commodity in Western Alaska which may be exported after the port is completed.

5. Nome Bypass Road. A road from Front Street east of N Street to Bering Street north of the townsite was constructed in 1983. The primary purpose of this construction was to have a road for trucks hauling rock for the port construction that would avoid developed **parts** of the City.

6. New Nome Jail. The State programmed \$9 **million** for construction of a new jail. Construction on the Anvil Mountain Correctional Facility started in summer 1984 and was completed in the **fall** of 1986.

7. Recreation Center. The City **built** a \$2.3 million recreation facility to offer an alternative to alcohol abuse in the community. The center is large and the central gymnasium can be used for special community events.

8. Bering Land Bridge. The Bering Land Bridge National Preserve was established in 1981 in the northern part of the Seward Peninsula. The administrative office is in Nome and has two employees, but it is possible that as many as ten staff could be located **in** Nome in the next five to ten years. Interpretive programs and information could be provided to park visitors, nearly all of whom would pass through **Nome**.

9. Mini-Convention Center. In an effort to promote tourism, the City remodeled an existing building in 1981 that has an office, a wet bar, and one large area for meetings. It has been used for a wide range of community activities including shows for tourists, community events, entertainment, and conferences.

10. Rocker Gulch Park. The City acquired a gold dredge and put in an interpretive trail explaining the working parts of the dredge. The City plans to acquire adjoining land to put in a road and parking area and a wooden elevated walkway so that tourists will be better able to view the facility. A grant for \$125,000 was applied for in 1984 from the U.S. Department of the Interior, but **it** was not approved.

11. Anaconda Copper. During the summer months of 1982 and 1983 the Anaconda Copper Company conducted exploratory work in the central Seward Peninsula for tin, thus employing about 60 persons. Employees and material were transported through **Nome**. The status of future exploration or development by the company is unclear at this time, however.

13. FAA-Flight Center. The Federal Aviation Administration is consolidating flight control activities in Alaska into three centers. The City of Nome and **Sitnasuak** Native Corporation put a proposal together to the FAA in order to attract the 30 to 35 jobs. However, the Nome proposal was not selected.

Current Development Efforts

Current planning and development activities are carried out by a wide array of private and public institutions and include:

<u>Agency</u>	<u>Function</u>
Alaska. Dept of Transportation and Public Facilities	Transportation facilities & State Buildings
Sitnasuak Native Corp.	Business, construction, land management
Bering Straits Native Corp.	Land management, subsurface resources, businesses
Kawerak	Job training, social services
Northwest Community College	Education, job training
Regional Strategies (Kawerak)	Coordination of projects and programs in the region
Bering Land Bridge National Preserve	Land management
- Alaska Dept. of Natural Resources	Land management
Bureau of Land Management	Land Management
Alaska Airlines, Mark Air, and several local carriers	Air transportation and ground facilities
Numerous private businesses in Nome	Business

Source: Nome Overall Economic Development Plan 1985.

The goals of the current economic development efforts in Nome are represented in the funding requests made to the Alaska State Legislature over the past two years. These requests were made for the following projects:

1985 requests:

1. Port: During the 1984 session the Legislature appropriated **\$12 million** for the construction of the Nome Port. This additional appropriation **was** needed in order to assure that an economically feasible project would **be** built to a water depth adequate to accommodate ocean going barges (including **fuel** barges) and to provide for funding to install the originally planned **fuel**, water, and utility lines. Request: \$7,000,000

2. Elementary School: The existing elementary school is deficient **in** that it **falls severely** short of health and safety standards. Funds are requested for construction of a new 50,000 **sq.ft.** elementary school for 500 students in Kindergarten through 6th grade. **Request:** \$12,000,000

3. Sewage Treatment Plant Construction: Design and construction of a new waste water plant and ocean outfall to replace the existing plant and outfall to the Snake River. Request: \$2,100,000

4. Water and Sewer Line Extension - Icy View Subdivision: The project will eliminate the potential for health hazards caused by a hauled water system and septic systems installed in permafrost. The area is extensively developed, and growth in Nome will compound the problem. Request: \$6,180,000

5. Utility Surveillance - Equipment and Controls: This telemetering system will bring operational surveillance and control information to a centralized point which is presently staffed 24 hours per day and thus result in instant adjustments to correct any malfunctioning units of the water and sewer facilities. **Request:** \$250,000

6. Electrical Power Generator: It was planned to replace three obsolete 600 KW generators with a new 2,800 KW generator which would also increase the total capacity of the generating system to 8,500 KW. Request: \$2,000,000

7. Tourism Development: The City has been making a deliberate effort to broaden, stabilize, and increase its economic base. It was believed that the first effort towards reaching that goal should be in the area of tourism development. These funds would be used to provide preliminary planning and layout type activities. Request: \$50,000

8. Improvement of Mini-Convention Center: Needed improvements at Nome's Mini-Convention Center included variable lighting for staging area, **full** kitchen facilities for convention and conferences, a new security system, permanent public address system, and a functional air conditioning system. This project would facilitate tourist activities as well as community events. Request: \$50,000

9. Water and Sewer Services to Airport: This project will provide piped water and sewer service to the airport area and surrounding business community. The project includes 5,000 lineal feet of 4-inch force main and a package pumping station; 2,000 lineal feet of 6-inch water supply line; 2,000 lineal feet of 3-inch water return line and a circulating pump. Request: \$1,878,000

10. Dump Improvements: At present, the City countenances several substandard practices with regard to waste disposal at the dump. These include: open burning of refuse; insufficient daily cover of dump site; windblown litter on area surrounding dump site; interference in dump operations by salvaging; and dumping of honeybucket wastes into unconfined pits without proper disinfection. Request: \$90,000

11. Day Care Subsidy: The Nome Child Care, Inc. would not have been able to open in January or September without a subsidy from the City. With the increase in the number of mothers working out of the home and the child care enrollment at maximum capacity, it was considered that the community truly needed this service. The quality of the program for the children is accepted as being higher than the available alternatives and it was considered better to subsidize the operation than be left with no child care at all. Request: \$30,000

12. River Street Improvements: This project is to make improvements to River Street from Front Street to the Mini-Convention Center. Pedestrian access will be improved from the Nugget Inn Hotel, where most tourist and conventioners stay, down the 400 feet to the Mini-Convention Center. Paving of a parking area 200 feet west of the Mini-Convention Center will be used mostly by local residents for activities at the Mini-Convention Center. Request: \$910,000

The following requests were made for FYI 986:

1. Elementary School Construction: This request is similar to the one made in FY1985. Request: \$12,000,000

2. Port Construction: Additional funding for the completion of the Port Facility. Request: \$5,100,000

3. Utilidor Upgrade: Finish upgrading the wooden and metal utilidors in the city. Request: \$2,000,000

4. Water and Sewer to Icy View Subdivision: This request is similar to the one made in FY1985. Request: \$6,000,000

5. Nome-Beltz Classroom Additions and Code Improvements: To add on to the present high school to compensate for the increasing enrollment and to improve on building codes. Request: \$2,000,000

6. Alternate Water Supply Study: A study of alternate water sources is needed so that the city can have a plan for developing alternatives to the current single source of water. Request: \$50,000

7. Tourism development: This request is similar to the one made in FY1985.

Request: \$150,000

8. Paving in the area of the Mini-Convention Center: This request is similar to the one made in FY1985. Request: \$90,000

9. Historic restoration: Restoration to add to the tourist experience.

Request: \$125,000

10. Phase 3. Replat, Including Cemetery: To replat the cemetery and to replat lots so that property lines are between buildings and surveys are properly done. Request: \$125,000

Potential for Future Economic Development

Goals and Objectives: Guidelines for future economic development in Nome have been established in two separate documents, the 1983 Coastal Management Program and the 1985 Overall Economic Development Plan. These documents list the goals and objectives of future economic development and identify some of the constraints on such development

Coastal Management Program (to preserve or minimize adverse effects on air, water, and land quality):

Objectives

1. Developments should adhere to state air, water and land quality regulations and standards.
2. Petroleum projects and toxic substances should not contaminate open water or ground water. Facilities to clean up oil spills should be provided.

Shoreline Protection (to reserve the Nome shoreline for those uses which require a waterfront location in order to conduct their operations):

Objectives

1. For lands near the coastal shoreline, priority should be given to water-dependent uses and activities.
2. Construction or alteration of shorelines, natural waterways, **tideflats** and wetlands should be done so that damage to natural resources or property is limited.
3. Use of piers, cargo handling facilities, storage areas and other accessory facilities should be cooperative when possible.

4. **Heavy truck** traffic, **such** as hauling rock from **Cape Nome** for construction of the port causeway, **should be** routed around the City on a **bypass** road rather than down **Front** Street.

5. Navigable waters should be “kept free of hazardous or obstructing development. Existing navigation channels should be used for waterborne or **iceborne** transportation. Navigation channels may **be** dredged in accordance with federal and **state** regulations.

6. **Adequate parking**, support services, and **public** access **should be** provided in conjunction with port and marine development, provided **that** any **non-water-dependent** or related accessory uses are located **inland**.

7. Commercial and industrial uses requiring a waterfront or overwater location, **such as** boat **fuel** station, should be permitted **to locate** waterward of the ordinary **high water** mark or **the** mean high water **line**.

8. The City **will** promote and maintain port development **resulting in** improved **marine** transportation services to **Nome**, including continued efforts towards the completion of the **Nome** port facility as outlined in the Port **Master Plan**.

9. The City **will** reserve the **land** adjacent to the port site for storage and staging areas for both immediate and long-term needs. A long-term leasing agreement will **be** pursued between the City of **Nome** and **Alaska Gold** Company for use of **land** as needed.

10. A speedy and cost-effective method of sewage treatment **must be** developed for **Nome**.

11. Adequate water **supplies** should be provided **to the** port facilities.

12. The City will seek to acquire and maintain **visual** and physical access points to the shoreline at end of Bering, **Steadman**, Campbell, **K**, and **N** streets, and **along** the turning basin of the Snake River.

Develop Seafood Industry (to develop a health seafood processing industry in Nome by designating appropriate areas and providing necessary facilities):

Objectives

1. To promote **local** development of **bottomfish**, salmon, crab, and other fisheries, including **aquaculture** and fish enhancement projects and the development of servicing and processing facilities, particularly a **cold storage plant**.

2. Seafood processing facilities **should** be located in the industrial area near the Snake River and proposed port facilities.

3. Port development and expansion should provide for the existing and potential needs of commercial and subsistence fishing boats.

4. Priority **should** be given to the use of subsistence fisheries over commercial uses when conflicts arise.

Develop Mining Industry (to encourage mining and mineral processing in a manner consistent with economic needs and natural resource protection):

Objectives

1. New mineral extraction operations should employ measures to protect adjoining **lands** and waters from adverse impacts.
2. **In** cooperation with the Alaska Gold Company, previously dredged areas that are not intended for further mining should be reclaimed for housing or other development.
3. **In unmined** areas near the City where mining is unlikely **in** the next ten to twenty years, temporary energy efficient modular housing **could** be developed on **leased lots**.

Enhanced Transportation Facilities (to ensure that Nome **is** served by an efficient year-round transportation system that meets the needs of residents and visitors and to encourage future economic development in Norton Sound and the Seward Peninsula:

Objectives

1. The City will coordinate with the district, state, and federal agencies on planning transportation and utility routes and facilities in the coastal area so that they are compatible with district programs.
2. New transportation and utility routes and facilities should be sited inland from beaches and shorelines in order to minimize wave damage.

Recreation

Objectives

1. The City will pursue a program, as time and funds permit, to acquire properties listed **below** for recreational purposes through ownership, lease or easement:
 - a. Beaches within the City
 - b. Visual and physical access to the shoreline of the end of Bering, **Steadman**, Campbell, K, and N streets, and along the turning basin of the Snake River.
 - c. Dry Creek north of the townsite boundary for a skiing and snowmobile trail.
 - d. Gold Hill
 - e. Chicken Hill
 - f. Property at 5th and K
2. The water areas of Norton Sound, with the exception of the area of the proposed port and the Snake River, should be available for recreation uses.

3. **The** shoreline east of East **N Street should be** preserved, as a portion of Nome historical beach.
4. **The** City **will** seek to develop a community park on city property **along the** shoreline on **the** west end of Belmont Point.
5. The City **will seek** to develop a central park **at the** existing recreation area **on Steadman Street to be used** for winter **and indoor** recreational pm-poses as **well as a summer** playground.
6. A **track** for **dogsled** races **should** be maintained beginning **at the end of Steadman Street and** extending **along Dry Creek.**
7. The City **will** seek **to** establish additional neighborhood **parks and** playgrounds, particularly **on the east and** west ends of **the City.**
8. **The** City **will** seek to acquire **land near** existing and proposed schools **to** develop for park use. **Trail** right-of-way **should** be *-acquired and* developed **to** connect schools with open space **and** residential areas. .

Historic and Archaeological Resource Protection

Objectives

1. Historical and archaeological sites **should** be protected from incompatible development.
2. Development **along Front Street should be** regulated **to ensure** compatibility or consistency with a common **theme** such as the original **gold rush** character of **the** area.
3. The City encourages the restoration **of** important historical structures **by** **the** private sector.
4. The City encourages the current efforts to continue to identify and preserve areas that **will** contribute to knowledge **and** appreciation of the native history, **gold rush era** and culture of **the** area. **Of** particular concern are cemeteries and historic **places** identified pursuant to **ANCSA Sec 14(h)(I).**
5. The City **will** periodically review and update the list of historic sites **and** structures used to delineate the historic overlay district **in** the Coastal Management Regulation. The City Historic Landmark Preservation Commission **will** make recommendations to the city council concerning new additions as **new** data becomes available.
6. The City of **Nome**, in cooperation with the **Alaska** Division **of** Parks and **the** **Iditarod** National Historic **Trail** Project, should **obtain** funding **for** a visitor interpretation center for the historic **Iditarod Trail** in **Nome.** Such a **center** **should** be located downtown or at the east end park.

Future Energy Development

Objectives

1. Within the City of Nome, OCS energy facilities of an industrial nature should be located near the mouth of the Snake River and to the west of the Snake River along the shore of the Bering Sea.
2. A program to provide onshore housing for permanent and temporary workers should be submitted by companies holding **OCS** leases that may affect Nome.
3. In the event of a major OCS find in Norton Sound, the City will immediately review local housing programs and encourage accelerated housing development. The City will coordinate activities with OCS development firms and explore the possibility of obtaining emergency funding programs.
4. Permanent housing should be provided to the extent that it **could** be occupied on a long-term basis after the “boom” period. Any temporary structures **should** provide adequate water and sewage facilities and the developer should pay the cost of such facilities.
5. Companies holding OCS leases or the federal government should pay all or a proportionate share of the cost of public facilities and services provided by the City and listed below. A determination of **all** of the costs of proportionate share should be negotiated **by** the City or other appropriate institution such as the Nome Public **Schools**, and **federal government** or companies holding OCS leases, on the following items:
 - a. Water and sewer lines from the City necessary for new housing identified in 2 above.
 - b. Sewage treatment facilities for housing identified in 2 **above**.
 - c. Water transmission lines and water storage facilities necessary to provide fresh water for drilling operations.
 - d. Police and fire services, where demand is generated by oil company workers whether they reside in the City, outside the City, **or** offshore.
 - e. Roads necessary for housing identified in 2 above.
 - f. Roads necessary for any new onshore development required solely by the oil industry.
 - g. Medical facilities and services.
 - h. Facilities and educational services of the Nome Public Schools.
 - i. Recreation facilities.
6. The federal government should provide financing for public facilities and services listed in 5 above for population increases indirectly resulting from OCS activity. The indirect population increases referred to here are those people, plus their dependents, working in activities that support the OCS employees.
7. Where demand for electricity and telephone service is projected to increase substantially as a result of oil and gas activity, a program meeting those needs should be established.

- 8. For any activity** requiring a substantial increase in public facilities and services, companies **should** provide an advance notice to **the City or** relevant local institution so **that** sufficient time **is** available to provide the facility or services **in an** adequate manner.
9. A proportionate share of airport or marine port facilities **used by the OCS lease** holders **should** be paid for **by the lease** holders.
- 10. The City** encourages the **reuse or conversion** of any temporary OCS-related facilities **by other** industries.
- 11. The City will review** and comment on **oil** industry development and production **plans and** permits related to OCS activity.
- 12. The City of Nome and ADOTPF will pursue** reservation of **land** for OCS-related storage **and** staging **areas** adjacent to the port facility.
- 13. ADOTPF should** reserve **land around** the airport for airport-related **uses**, including hangars, air freight, aircraft parking, and **OCS helicopter** staging areas.
14. The State of **Alaska should** assess any major state-funded port facilities in the region relative to their impact on use of the Nome facility.
15. The City **should** determine the **amount of land** needed for **urban** development should onshore facilities and urban land needs **be located in Nome. The City should** determine the most appropriate location for various types of **urban** development, including residential, commercial and industrial **and should revise** the Coastal Management Program as necessary.
16. **All public** facilities and services should be programmed to accommodate anticipated development in **an** orderly and efficient manner. Schools, fire stations, community centers and other services **should** have optimum access **and be near the** population served.
17. The City should provide for the continual upgrading of equipment for adequate **firefighting** capability.
- 18. The City will cooperate with the school** district to **ensure that** development does not exceed the capacity of the **school** system to accommodate additional growth.
19. The City encourages the training and employment of qualified **local** residents during construction of any energy related facilities.
20. The job training program for permanent jobs **in the oil** industry carried out by the **University** of Alaska should continue to be offered to residents of the Norton Sound region.
21. At the request of the City or local institutions, **oil** companies **should** assist in recruiting professionals to provide services as, for example, in the provision of health care.

22. Fish and **game** resources in waters **of** Norton Sound and adjacent **land** areas **should** be managed by the Alaska Department of Fish and Game so that those resources are not significantly diminished by increased fishing and hunting generated by a population increase associated with oil exploration and development.

23. The term “companies holding OCS leases” as used above means companies holding leases which may affect the City of Nome in the Outer Continental **Shelf**, subcontractors, or agents of those companies.

24. The term “**energy** facility” as used in these objectives means “major energy facility” as defined under **AAC** 80.000. **Also** “energy facility” as used in these objectives means a facility to support energy operations for exploration or production purposes including onshore housing for workers and facilities and services to support workers and their families housed onshore (sewer, water, sewage treatment, police, fire, educational, and medical facilities and services). “OCS energy facilities” as used in the Industrial District **of** the Coastal Management Regulations means only facilities of an industrial nature.

25. The City is seeking that OCS lease holders pay a proportionate share of public facilities and services and provide housing for workers and their families residing onshore near Nome.

26. As a result of impacts from OCS activity the City may have needs for acquisition of land for a variety of public uses and will seek to acquire outright ownership, leases or easements.

27. The development of alternative energy sources should be investigated.

Protect Habitat Areas and Values

Objectives

1. Tidelands and nearshore waters should be managed for habitat protection. Water-dependent and related shoreline developments should not disturb habitat. Maintenance and enhancement of fisheries should be given priority when reviewing shoreland use proposals that might adversely impact fisheries habitat, migratory routes, and harvest **of** significant fish or shellfish species. Shorelines with banks, beaches, and beds critical to the preservation or enhancement of the fisheries resources **should** be maintained.

2. The Snake River estuary, adjacent uplands and Dry and Bourbon creeks should be managed to ensure adequate water flow, natural circulation patterns, and nutrient and oxygen levels, and to avoid the discharge of toxic wastes and silt or destruction of productive habitat. **Tideflats** and wetlands should be managed to ensure adequate water flow, nutrient and oxygen levels, and to avoid adverse effects on natural drainage patterns or the destruction of important habitat.

3. The City should extend drainage management and planning for wetlands to the area annexed in March, 1982 as time and funds permit.

Protection from Natural Hazards

Objectives

1. Development in identified flood hazard areas **should occur only if** adequate safeguards have been provided to avoid risk to **life and** property.
2. Structures **should** be located away from watercourses **or** above **the 100-year** floodplain **in order** to reduce the **impact of flooding and to allow** for natural drainage. Exceptions may be made for water-dependent **uses**.
3. **Riprap and** other shoreline or **streambank** protection measures **should be** permitted if erosion seriously threatens established development.
4. **Water** storage capacity should be expanded **to meet** possible **needs for firefighting**.

Protect Subsistence Lifestyles

Objectives

1. Traditional subsistence activities by area residents are recognized as a priority use **of** available natural resources. Available natural resources are **the Snake River** estuary, adjacent uplands, Dry Creek, Bourbon Creek, tideflats, wetlands that serve as important habitat, **and** waters of Norton Sound.

Overall Economic Development Plan

The **OEDP of 1985** identified three major areas as **critical** for **the** community's future economic development: transportation; tourism; and **small** business, local hiring, and job training.

Transportation: The centerpiece for future economic development **in Nome** is the development of its port facilities. **Nome already** serves as a regional distribution center **for** goods and services to the surrounding region, but a reduction in lightening costs could enhance this economic activity. Twenty-five percent of the cost of shipping from dock to dock--Seattle **to Nome--is** for lightening the last half mile. In addition, medium-draft **barges** from Seattle require fifteen **to twenty** feet depth. The port/causeway project- is expected to eliminate **lightering which, in turn,** could result in goods and services costing **less**, directly or indirectly. Greater disposable income in Nome and the region could then stimulate purchasing of goods and

services in Nome and thus generate more jobs. Finally, **the port could** facilitate increased **mining** on the Seward Peninsula and oil exploration and development in **Norton Sound**.

The City anticipates that the port will be more than **just an** offloading facility, however. It' could serve as the major transshipment point for the entire region. Since this' is the first major port development in Western Alaska, **the** potential exists not only for a substantial reduction in the costs **for** barged goods **but** other benefits as well. For instance, having a port means that a support facility is available, not only for known barge tie-up, but **for** innumerable kinds of vessels which might otherwise not even consider coming to the area. Fishing vessels, processing ships, and tourist ships could all be accommodated by the facilities. Lower direct freight costs should also cut the cost on imports considerably. For many years various hard rock mines throughout the Seward Peninsula have **been** sitting idle or simply haven't been pursued at all. Once the port is complete and transportation presumably cheaper, and certainly more predictable, the area could be ripe for mineral extraction. In the long run, seventy-five to four hundred new jobs could be generated in mining in large part due to the port.

Yet another fringe benefit accruing from port development is continued long-term use of the Cape Nome quarry. The quarry, owned jointly by the Bering Straits Native Corporation and **Sitnasuak** Native Corporation, is considered to be one of the best rock quarries in the state, particularly because of the hardness of the granite capable of withstanding extreme pressure and wave action over many years. The demand for this resource is tied to the huge erosion problems looming in the future in villages throughout western Alaska. In the past, when a village was threatened by erosion, villagers frequently moved the entire village. But now, with accelerated municipal grants and the heavy amount of capital projects invested in villages, it has suddenly become more imperative and more expedient to protect these investments than to abandon them. Upwards of eighty areas throughout the state have

been identified by the Alaska Department of Transportation and Public Facilities as needing erosion control in the near future. Rock from the Cape Nome quarry has, therefore, the economic potential to service communities from the Yukon-Kuskokwim delta to the North Slope Borough. During construction, a 30(3-foot rubble mound jetty will be built at Cape Nome, thereby leaving the quarry as an operable business beyond completion of the dock.

Greater volumes of air and marine traffic could reduce fares and freight costs. Increased tourism would also mean more air traffic. Finally, operating costs could be reduced by providing adequate infrastructure and flight service by state and federal agencies at both the port and the airport.

Work on the Nome port facility was approximately fifty percent complete by January 1986. A usable facility was completed in the Fall of 1986, and within 17 percent contingency of its overall budget. In January 1986, however, the City indicated that it required an additional \$4 million for the following: (1) cost overrun due in part to lower than anticipated yields at the rock quarry; (2) extension of the length of the causeway to allow in somewhat deeper draft barges and thus further reduce shipping costs; (3) two more fuel lines for more efficient handling of different fuels and one water line; and (4) a container building and a vehicle maintenance building.

It was argued that the additional funding could be used to make the port facility more economical to operate by adding these features to the basic facility now under contract. The cost overrun was incurred because the rock quarry did not yield large rock (six to twenty tons) at the rate projected and the fact that the condition of the thirteen miles of road between the quarry and the project site was so poor until freeze-up that delays in hauling were incurred. The additional length of the causeway would enable fuel barges with about three feet deeper draft to use the facility, thus reducing the need for a docking barge and other facilities. Two

additional fuel lines for jet **fuel** (**plus** the one line already planned) would allow transfer of three kinds of **fuel** without the **time** and cost of cleaning a single line. A water line **would** facilitate sale of water to all types of users. Oil companies in recent years have used large amounts of water from **Nome**. A container freight station, and a vehicle maintenance building would facilitate handling containers and make more efficient **use** of equipment. These two buildings and facilities are projected to cost **\$2 million. The City has a \$1 million grant** from the federal Economic Development Administration which requires fifty percent or **\$1 million** in matching funds. The \$4 million cited above is in addition **to** the amount for the project as it is now contracted. The port as currently under contract **will** cost \$21.3 million for construction and \$2 million for royalties to Bering Straits Native Corporation for the rock quarry. The port as designed **will** be operational and generate revenue adequate to retire debt on the \$7 million of revenue bonds passed by the City of Nome and to reduce shipping costs significantly. The legislature in 1983 and 1984 appropriated \$13.9 million for the project. Funding for the remainder under contract is from other sources.

Tourism: Tourism has a great potential for expansion in the Nome economy. As noted above, the number of tourists to Alaska has been increasing generally over the last ten years. **Local** businessmen and city officials maintain that Nome could attract **an** increased share of that market through better promotion and by providing more **local** accommodations. Most tourists come to Nome in the summer. One strategy for balancing out the seasonal demand would be to promote conventions in the off season.

Small Business, Local Hire, and Job Training: **Small** businesses form a substantial part of the existing Nome economy and potentially **could** make an important contribution to future expansion of the local economy. Local hiring requirements could increase the number of local jobs and revenue in the local economy, however,

many local residents require education and job training in order to participate effectively in the wage labor market. The prevailing attitude among local businessmen is that with more residents employed in higher-paying wage labor jobs there would be more revenue in the local economy.

Local commercial fisheries are believed to have some untapped potential, however, costly fish hatcheries, fish processing plants, and marine equipment are needed to promote commercial salmon, crab, and other fisheries.

Finally, the needs of various kinds of businesses for space for storage, maintenance, manufacturing or some other business or industrial use were identified in the 1985 OEDP. An industrial park with building space, roads, and other infrastructure was proposed as a way of enabling existing businesses to expand and new ones to locate in Nome. Moreover, it was suggested that such an industrial park would best be located near the airport or around the marine port site in order to capitalize on the transportation facilities. Oil companies in particular were considered potential users of such space.

Constraints on Economic Development: To some extent, Nome's location is an economic asset because of its proximity to offshore oil lease sale areas and mineral resources and because tourists come to western Alaska in part for frontier adventure. However Nome's location is also a disadvantage for many economic reasons. The cost of living is high because it is removed from production centers, and most goods and services must be imported into Nome and its environs. In the cash economy high wages are needed to match the high cost of living. Furthermore, the pool of highly skilled local residents is rather limited; the work force does not have a high proportion of professional and skilled workers. When jobs are available qualified people are often brought in from outside Nome. Such an economic and geographic situation deters many businesses from deciding to locate in Nome.

CHAPTER SEVEN

HEALTHANDSOCIAL WELFARE

Introduction

Changes **in the health and** social welfare **system** of Nome during the past six years have been directed at the social and health-related problems typically associated with social change and economic development in **rural** Alaska. First on the list of **these** problems, and responsible for many others, is that of alcohol abuse. **In** recent years, **the** community and state and federal agencies providing **health** and **social** services to the community have **focused** their energies in combatting what has been a growing problem for many years. High rates of morbidity and mortality, increasing incidence of domestic violence and child **sexual** abuse, crimes against persons and property, chronic unemployment and public assistance, are all related in *one* form or another to the problem of alcohol control. This problem has been exacerbated by the fact that Nome is the only community in the Bering Straits region where the sale of alcoholic beverages is allowed. Alcohol abuse is perceived as a manifestation of the negative impact of **sociocultural** change not only among the residents of Nome but also among the residents from the **small** villages scattered throughout the region (**Albrecht** 1981; Norton Sound Health Corporation 1986). The problem of **alcohol** abuse affects every segment of the community but is particularly noticeable among Natives. During a three month period (July - September, 1985), for instance, ninety-two percent of the clients admitted to the Northern Lights Recovery Center alcohol treatment program were Natives, which was far in excess of the proportion of the Native population in Nome (fifty-eight percent) and in the Norton Sound region (eighty percent) (Norton Sound Health Corporation 1986:129).

While the stress associated with **sociocultural** change has been evident throughout the region, it is particularly noticeable in the City of Nome itself. As

a regional center, **Nome** becomes a **focus for health-related and social** problems in **that** many residents from smaller communities **who** experience more severe forms of **sociocultural** stress migrate to **Nome**. This **is in** part because **of the** attraction of **the** community due to employment opportunities and available **health and social** services as **well as to the** push from their own communities (i.e. negative social sanctions, **disapproval of** friends **and** neighbors, **and** inability **of family to deal with** alcohol-related crime and domestic violence). **The** institutions and agencies providing services to Nome residents also provide services **to** residents **in remote** **villages** throughout the region, but because **of** limitations **in funding and** restrictions in transportation, **village** residents requiring **health** care and **social** services are often required to **travel** to **Nome**. Many **of the health** and **social** service problems of the region, therefore, **eventually** migrate to Nome **which places an** additional burden on existing services.

Local agencies, therefore, are faced **with the** task **of** providing services to **the** entire region. However, their efforts are hampered **by the lack** of a coordinated interagency network to work together to **combat the health and** social service problems on a wide **scale**. Assault **and** battery cases, for example, inevitably require **the** involvement **of** the Nome Police Department, the court system, **and the Alaska** Department **of** Corrections. However, such cases may also involve state troopers, the Bering Sea Women's Group, **Kawerak Social** Services, the Alaska Division of **Family** and Youth Services, Norton **Sound Health** Corporation, Nome Receiving Home, **and Nome Youth** Center, Despite the frequent need for **such** coordination, there are no guidelines or policies to be taken by each agency under different circumstances.

Social Welfare

Alcohol has become a major **health** and social problem for the community. In a survey conducted by the Norton Sound Health Corporation in 1984, Nome residents

identified alcoholism as their most significant health problem (Norton Sound Health Corporation 1984). This problem also spills over into various **social** welfare arenas.

Public Safety Indices

The basic structure and adequacy of **public** safety services **in** Nome have remained substantially unchanged over the past seven years. **In 1981**, the Nome Police Department consisted of one Chief of Police and six additional officers, including airport security. Four of the officer: had received their training at the State **Police** Academy.

The **Nome-Kotzebue** Post - "F" detachment of the Alaska State Troopers is also headquartered in **Nome**. The post provides law enforcement services to all of the communities in the Norton Sound region except **Nome**. Functions include law enforcement, search and rescue, transport of criminals, fire and arson investigations, and drivers licensing. The regional detachment also formed the Western Alaska Narcotics Team which includes State Troopers and local police in **Nome**, **Kotzebue**, and Bethel. This team is designed to deal with growing drug problems in Western Alaska, primarily the illegal sale and use of cocaine and marijuana. During the past six years, the number of state troopers' assigned to the Norton Sound region increased from five to nine.

Until 1986, the Nome **Police** Department and the Alaska State Troopers utilized the same State Jail facility located in downtown **Nome**. It is the only place for a twelve hour "hold." There remains no detention facility for local prisoners. The old State Jail has thirty-two to thirty-five rooms for a maximum of forty-two prisoners. However, the new Anvil Mountain facility, located just north of the city, was completed in **fall** 1986.

The growing burden on local and regional law enforcement agencies during the past ten years has been evident in the significant increases in crime statistics. As the data provided in Tables .23 and 24 suggest, however, this activity appears to have

leveled off somewhat during the past five years. On a regional level, the number of felonies has increased over the 1981-1985 period while the number of misdemeanors has dropped. As has been the case in other district court jurisdictions, there has been a substantial increase in small claims cases, reflecting changes in economic circumstances of the region (Impact Assessment '1983). Within Nome itself, felonies has remained relatively constant after a high of ninety cases in 1981. Cases of domestic violence have risen dramatically during this period, however.

Table 25 contains the number of adult and juvenile arrests reported by the Nome Police Department between 1980 and 1985. After showing a small jump in 1983, the number of adult arrests have remained relatively constant. The Native proportion of adult arrests reached a high of 88.5 percent in 1982, but appears to be on the decline, accounting for approximately eighty percent of the total in the past few years. The number of juvenile arrests has increased slightly during this period. Natives accounted for approximately ninety percent of the juvenile arrests during this period.

The surge in number of crimes committed and brought to trial in the last ten years in Nome is attributed by local officials to the increase in population as well as increases in the number of law enforcement and prosecution personnel. In the late 1970's, for instance, the District Attorney's Office staff grew from one to six. The Nome office currently employs two attorneys, one paralegal, and three clerical personnel.

Much of the criminal activity in recent years has been alcohol-related. For example, in the course of handling 3,400 complaints that included 457 adult arrests, 82 juvenile arrests, 293 non-criminal arrests, and 366 recorded instances of non-criminal transport, the Nome police also came into contact with 1,286 intoxicated persons during 1978 (Kelso 1979). Most of the arrests were for misdemeanor offenses (about 87 percent). Also, most arrests were males (82 percent) and most were Native (94%). More than 85 percent of all persons arrested were between the ages of fifteen and forty-four,

TABLE 23

Uniform **Crime** Statistics
Nome District Court (1981-1985)

	Fiscal Year				
	81	82	83	84	85
Summary of Filings by Court	940	769	712	684	814
Total Felonies	43	17	41	57	56
Violent		8		36	35
Property		4		15	17
Fraud/Forgery		0		0	0
Drugs		4		6	3
Other		1		0	1
Total Misdemeanors	476	443	394	363	395
Violence		117		79	66
Theft/Fraud		81		57	40
Environmental		25		11	19
Nuisance		78		53	96
Alcohol/Drugs		75		99	90
Resisting the Law		3		4	1
Vice		0		0	0
Traffic		63		57	82
Other		1		3	1
Small Claims	93	81	67	108	168
Other Civil Cases	11	17	7	16	5
Traffic (Dispositions)	317	21	203	140	190

Source: U.S. Department of Justice 1981-1985.

TABLE 24Uniform **Crime** Statistics

Nome Superior Court (1981-1985)

	Fiscal Year				
	81	82	83	84	85
Summary of Filings by Court	391	279	345	288	330
Total Felonies	90	60	48	51	58
Violent		27		36	39
Property		24		14	13
Fraud/Forgery		3		0	2
Drugs		5		0	4
Other		1		1	0
Total Domestic Relations	106	81	93	81	98
Divorce		29		20	15
Dissolution of Marriage		3		6	23
Reciprocal Support		33		32	23
Domestic Violence		7		23	35
Other		9		0	2
Probate	65	64	75	63	67
Other Civil Cases	60	34	36	50	17
Children's Matters	70	40	93	43	90

Source: U.S. Department of Justice 1981-1985.

TABLE 25

Person Arrested, Nome Police Department, 1980-1985

Year	Adults				Tot N	Juveniles				Tot N
	Native N	%	Non-Native N	%		Native N	%	Non-Native N	%	
1980	189	83.2	38	16.8	221	71	92.2	6	7.8	77
1981	188	85.8	31	14.2	219	85	90.4	9	9.6	94
1982	200	88.5	26	11.5	226	90	81.8	20	18.8	110
1983	256	88.0	35	12.0	291	106	85.5	18	14.5	124
1984	200	80.0	50	20.0	250	94	84.7	17	15.3	111
1985	223	79.6	57	20.4	280	105	87.5	15	15.2	120

Source: Nome Police Department Statistics, 1986.

According to police records, about fifty-four percent of the more serious offenses--aggravated assault, larceny, weapons violations, and so on--involved intoxicated persons. The number of intoxicated persons involved in alcohol-related offenses such as drunkenness, simple assault, disorderly conduct, and sex offenses--exceeded 1,000 persons. In addition, the Alaska State Troopers reported twenty-nine instances of alcohol-related offenses involving Nome residents in other parts of the region during a similar time period (Kelso 1979).

Social Services

During the past ten years, the social service needs of Nome residents have risen dramatically in keeping with the rapid sociocultural changes and fluctuations in the local economy. Alcohol has become more of a problem during this period. In 1978, the police cleared fifteen reported offenses against family and children, twelve of which involved intoxicated persons. In addition, 289 instances of domestic disturbances were cleared that involved 208 cases of intoxicated persons. A survey conducted of case records of the Bering Sea Women's Shelter indicated that eighteen percent of the clients had definite drinking problems and another twenty-nine percent

had suspected drinking problems (Albrecht 1981). A report prepared by the Norton Sound Health Corporation in 1986 concluded that domestic violence, child neglect and sexual abuse precipitated by alcohol continues to be a problem of some magnitude throughout the region (Norton Sound Health Corporation 1986).

. Reflecting the needs of local residents due to the rapid cultural changes of the past few decades, Nome possesses an extensive and elaborate social service system. However, this system is organized and funded at several different levels, ranging from local institutions to regional organizations to statewide agencies. As noted above, this system is characterized by relatively little interagency coordination of services, the result being that many services are duplicated or not provided at all.

In addition to the problems with coordination and organization of services, there are also cultural barriers to receiving services under the current social services system. The majority of "professional" social service personnel are non-Natives, raised and educated elsewhere. Cross-cultural education is not formally provided or required for state social services or court employees. None are proficient in the local Native languages and must rely on translators to communicate with those individuals who do not speak English. The Western legal system constitutes a barrier to receiving services simply because of the financial resources, time, and legal knowledge required to successfully navigate through the system. The State of Alaska, in its refusal to deal on a government to government basis with the federally recognized tribal entities, has erected a formidable barrier to the successful implementation of the principles underlying the Indian Child Welfare Act. State employees are often reluctant to work with the IRA or Traditional Councils in their government capacity to resolve local matters, because of the State of Alaska's unofficial policy.

In this section, the existing **social** service agencies providing services to **Nome** residents. are identified and a brief' discussion of the limitations or barriers to service for each agency is provided.

Nome Receiving Home: The Nome Receiving Home (**NRH**) is a private non-profit institution based in **Nome**. The **NRH**, with a **staff** of four, operates an eight bed facility and contracts with the State of **Alaska** to provide emergency shelter to children (infants to eighteen years of age) **in** need of immediate care. This project . is based on the concept that **it** is better for Native children in need of aid to remain within their own or neighboring community. Short-term service of six months or less **is** usually provided until clients can be placed in a foster home or returned to the care of their parents. Children are referred for services by the State of Alaska Division of- Family and Youth Services (**ADFYS**). Children in emergency shelter are provided with basic needs (food, clothing, shelter, supervision, arrangements for medical attention) and other services authorized by **ADFYS**. The **NRH** served fifty-one clients in 1983 and fifty-two in **1984**.

The **NRH** also provides long-term residential care for adolescent children in the custody of the state who do not do well in a conventional foster home setting. Under the existing program, basic needs are met and a structured plan of care is followed. The plan of care includes a treatment plan which takes under consideration each child's specific medical, educational, and behavioral needs.

The **NRH** accepts children only if referred by the **ADFYS**. As such, its services are not available on request to the public. The **NRH** was developed in response to a need for emergency care of children at a time when there were very few foster homes available locally. In the 1970s, for reasons of accessibility and convenience, this facility was used in lieu of foster homes. Consequently, Native children who did not require an institutional setting were spending months and even years there, despite the fact that from a cultural standpoint, the whole idea of

institutional care for children is foreign to the Native residents of the region. Traditionally, Natives have relied on the extended family for support in child rearing. Moreover, because the institution was there to meet the need for emergency shelter, village foster homes were not developed by the State of Alaska. This has changed in the past few years, however. Kawerak Social Services is now contracting with the State of Alaska for placement of children and working to license and ensure utilization of village foster homes.

Nome Youth Center: The Nome Youth Center (NYC) was a state correctional facility for minors with the capacity to house nine youth committed usually for terms ranging from nine months to one year. The other component of this program was the 48-hour detention of youth, usually for detoxification. In 1983, a total of eighty-two minors spent time in the facility (twenty long term and sixty-two detention). In 1984, the total was sixty-seven (fifteen long term and fifty-two detention). The center was shut down in the summer of 1986, however.

Teen Center Program: The Nome Community Center operates a teen center for the youth of Nome and is funded by the State of Alaska to provide an early intervention/prevention program to children between the ages of eight and eighteen. The program is aimed at preventing alcohol and drug abuse problems through early intervention. The program also endeavors to educate children with respect to such issues as child physical and sexual abuse and the alternatives for treatment. All children suspected of being subject to any sort of abuse are referred to ADFYS. The program has two employees who are responsible for providing drop-in counseling services, organizing constructive activities for youth, and providing referral services as needed. The Teen Center Program estimates it served 200 youth during 1985.

Staff at the Community Center felt that the lack of organized coordination between service providers probably constituted the greatest barrier to receiving services. Another major barrier is the community's attitude toward child sexual

abuse **and** violence **in general**. The perception of center staff is **that** many residents refuse to acknowledge that **child** sexual abuse is a problem and so allow situations to continue to exist.

Bering Sea Women's Group: The Bering Sea Women's Group is a non-profit organization which receives a grant from the State of Alaska to operate a Regional Women's Shelter. The **four** bed facility is located in **Nome**, has nine full-time and four part-time staff **and** is responsible for: providing safe shelter for victims of domestic violence and **sexual** assault; providing counseling and advocacy services for victims; conducting a rural outreach component; and operating a twenty-four hour crisis hotline. The Shelter oversees a volunteer network of safe homes for women in the community.

Use of the Shelter has increased dramatically over the monitoring period. In 1980, eighty-seven women and seventy-six children were provided shelter for a total of 481 resident nights. In 1984, the shelter served 396 women and 148 children for a total of 3,496 nights. The dramatic increase over this period is indicative of the number of cases of domestic violence which have come to the attention of public officials. It remains to be determined, however, whether this increase is due to the fact that the problem of alcohol-related domestic violence has become more severe over the course of the monitoring period, or that with greater access to community resources, more cases are coming to the attention of local authorities.

The major barrier seen by the Director of the Shelter is the lack of funding to provide a counseling and treatment program for men. The Shelter operated such a program in 1983, but this was eliminated due to lack of funding. The Shelter is now unable to work with the family as a unit and when the women return to the village--as most do--they return to the same situation from which they fled.

Nome Eskimo Community: Nome Eskimo Community (NEC) is the Native nonprofit corporation in Nome which provides services in the areas of housing, agriculture, direct employment, and social service. These services have been addressed in earlier chapters and thus will not be repeated here.

Division of Family and Youth Services: The State of Alaska Division of Family and Youth Services has an office located in Nome with a current staff of four, down from eight in 1984. This office is responsible for providing information and referral services, intake services, individual and family counseling and for receiving and investigating all reports of child/adult abuse and neglect. This facility also serves the villages of the region. Within ten days of a call from a village a state social worker visits the community and makes a determination on the safety of the child. If the state social worker determines the child to be unsafe, the child is removed from the home under emergency custody and placed in a safe environment. If a foster home is not available in the village, the child is brought to Nome and placed in the Nome Receiving home until a foster home can be found.

Kawerak Social Services: Under contract with the State of Alaska Department of Health and Human Services and in cooperation with the local Division of Family and Youth Services, Kawerak Social Service is responsible for: providing ongoing casework and coordination of treatment for children and their families; managing placement of children into foster homes; counseling and providing case management services, conducting court-ordered home studies, and arranging adoptions as necessary. Kawerak is responsible for recruiting foster homes and identifying all placements except institutional placements. Kawerak also contracts to provide the Adult Protection Program. This involves conducting site investigations, making a determination as to whether an individual (usually an older person) requires assistance or protection, and taking steps to ensure they receive the needed service.

Most often this consists of determining whether **an** individual requires homemaker services (see below) and if so, authorizing the Norton **Sound** "Health Corporation Homemakers Program to provide services to them. Following the initial determination, Kawerak is responsible for conducting **followup** activities to recertify the need.

In 1985 and 1986 there was increased utilization of foster **homes** and decreased utilization of institutions. The amount paid out **in** foster home payments has increased substantially over the past two years. However, licensing of homes is a problem because of the shortage of time, **travel** funds, and training funds for foster home parents and staff. Monitoring and **followup** after licensing of foster homes puts additional pressure on already limited financial and personnel resources. Funding of foster homes also is a problem. Limited funding results in the depletion of foster care funds by the end of the fiscal year. This in turn requires increased placement of children in institutional settings.

Homemaker Program: The Norton Sound Health Corporation (**NSHC**) Homemaker Program oversees thirty-one part-time personnel, six of whom are based in **Nome**, who are responsible for going into authorized homes and providing the assistance as authorized by the Kawerak Social Worker. This often consists of cleaning, cooking, chopping wood, hauling water, assisting in managing household finances, providing emotional and peer support, and ensuring social contact with others. Activities are those necessary to enable individuals **to** remain within their home community. The homemakers are also responsible for reporting any major changes or problems affecting their clients to their supervisor who then passes the information on to Kawerak or the ADFYS.

Homemaker service hours can also be used to provide services to **Child** Protective Service clients such as helping parents to understand and meet the physical, emotional and intellectual needs of their children as well as their own needs. The use of Homemakers for this service has "been extremely limited to date, a

continuation of a practice developed when the State was the sole provider of Social Services. The practice of not using the homemakers for CPS cases has continued simply because the available hours are so fully utilized by the Adult Protection Clients. With the turnover in staff, many of the personnel involved in the social services system were unaware that Homemakers services could be used in CPS cases.

Some individuals involved with the program are of the opinion that it is too easy for individuals and families to let the Homemaker program assume responsibility for their elderly family members, thus resulting in a breakdown of familial and social responsibility. In traditional Inupiat society, conflict was something to be avoided. This proscription remains in effect among many of the elders. Older heads of households often do not make their adult children (who may have alcohol problems) assist them, even if the children are living with them. The end result is that the homemaker is often "keeping house" for the entire family. If the homemaker does not provide services, the elderly person would not receive the help they need to remain in the community. Individuals can only receive homemaker services if authorized by the Kawerak social worker. This constitutes a barrier to services in rural areas since funding does not allow the Kawerak social worker to make frequent trips to the village to conduct the necessary home visits prior to start up of the service. Furthermore, the number of hours which can be provided in any one month is limited, so if a person is not served while hours are still available, they go without. Because financial income is so hard to come by for some residents, the homemaker position is looked on as a source of income. This results in some family members who refuse to look after their own unless they are paid for it.

Community Mental Health Child Abuse/Neglect Prevention: Norton Sound Health Corporation has received a grant from the State of Alaska for the past four years and conducts a Child Neglect/Abuse Prevention Project. This program operates within the Norton Sound Community Mental Health Program in Nome, has one staff member

and is responsible for providing **mental health** treatment services to children and families which have abuse/neglect **occurring** within **the** family. The staff person is also responsible for conducting preventive education workshops and for providing training to direct medical service providers. The program accepts drop-ins and referrals from the **ADFYS** and **Kawerak**. During fiscal year 1985, the program had a total of sixty-eight active cases, fifteen of which were family cases.

This program has many **of** the common barriers to service. There is only one staff member who must **serve** clients spread throughout the region. Often, other service providers must make contact with the clients in the villages on their trips, since funding is such that travel is limited for the one staff person. The program does not provide intensive one-on-one counseling but rather is **focused** on follow-up and crisis intervention.

State Division of Public Assistance: Three major forms of public assistance are provided to Nome residents by the State Division of Public Assistance: Adult Public Assistance for the blind, disabled, and elderly (APA); Aid to Families with Dependent Children (**AFDC**); and Food Stamps (**FS**). A summary of transfer payment data for each of these programs between 1978 and 1982 is provided in Table 26. After a considerable increase in the number of cases in all categories in 1980, the numbers of **local** residents who benefit from these programs appear to have leveled off and perhaps even declined somewhat during this period. Monthly expenditures for APA and **AFDC** have shown a small but steady increase.

Physical Health

Facilities, Services and Staff

Health care to Nome residents is provided by the Norton Sound Health Corporation (**NSHC**). NSHC services are divided into two major components: hospital services and community health services. The Corporation manages an Alaska Area Indian Health Service regional hospital facility in the community, Hospital services

include: nursing **services**, long-term care, pharmacy, radiology, outpatient **clinic**, respirator-y/physical therapy, specialty **clinics**, emergency **and surgical** services, and **acute** care. Community **Health** Services include: emergency medical services, environmental **health**, village **health** services, **dental** services, **eye** care, **family** services, comprehensive **alcohol** program, and **teen risk reduction** program. A **Board of Directors** **governs** the corporation and oversees operation **of the** hospital.

TABLE 26
Public Assistance Payments, Nome 1979-1982

Type	Year			
	1979 ¹ (May-Dee)	1980 ² (Jan-Dee)	1981 ³ (Jan-Dee)	1982 ⁴ (Jan-Ott)
<u>APA</u>				
Cases	555	898	738	512
Amount (\$)	55,750	107,748	103,302	78,786
Cases/Month	79	74	73	73
\$/Month	7,964	8,979	10,330	11,255
\$/Case	100	119	139	153
<u>AFDC</u>				
Cases	145	654	582	390
Amount (\$)	17,685	191,042	238,467	173,529
Cases/Month	24	59	58	55
\$/Month	2,948	17,368	23,847	24,790
\$/Case	121	292	409	444
<u>FS</u>				
Cases	471	2,143	1,765	517
Amount (\$)	120,114	132,830	121,521	42,250
Cases/Month	67	214	160	129
\$/Month	17,159	13,283	11,047	8,450
\$/Case	255	61	18	65

1. June missing APA, AFDC, FS
2. November missing AFDC; July and September missing FS
3. January and November missing APA and AFDC; December missing FS
4. January, February and May missing APA and AFDC; April (cases only), May-July, September and October missing FS)

Source: John Muir Institute 1984:D47-48.

A breakdown of funding sources for the Norton Sound Health Corporation is provided in Table 27. Funding sources include fees for services, funds from the Alaska Department of Health and Social Services and the U.S. Public Health Service, Indian Health Service. It is interesting that private payments represent a disproportionate share of revenues.

TABLE 27

Source of Revenues for the Norton Sound Regional Hospital, FY1982

By Patient

Payment Source	N	Percent
IHS	549	63.8
Blue Cross	83	9.6
Other	74	8.6
Medicaid	69	8.0
Medicare	66	7.7
Other	16	1.9
Private Pay	3	0.4
Total	860	100.0

By Dollar Amount

Payment Source	Dollars	Percent
Private Pay	302,801	43.5
IHS	161,707	23.2
Medicaid	116,429	16.7
Medicare	63,688	9.1
Nursing Home	52,290	7.5
Total	696,915	100.0

Source: Norton Sound Health Corporation and Regional Hospital Annual Report, Fiscal Year 1982.

The Family Services Department is the primary delivery point for mental health services. The department is staffed by one clinical psychologist, one program administrator, a Master's level psychologist, and two counselors. Though there is some outreach to the villages, most of the program services are delivered in Nome. This includes direct and individual treatment, a court/jail program, psychological testing, evaluation and consultation, a day treatment program for long-term care patients and some chronic alcoholic and mental health patients, and a social center ("Upstairs") which provides an alternative to the bars (Ender et al. 1980:157).

In FY1981, a Comprehensive Alcohol Program (CAP) was initiated under the auspices of NSHC. This program includes alcohol-related components in mental health (Norton Sound Family Services), Bering Straits Treatment Center (BSTC) -- twelve bed intermediate care, four bed halfway house, four bed social setting detoxification -- Alcohol Safety Action Program, outpatient counseling, alcohol information school, after-care component, outreach, prevention/education, and a volunteer counseling program. The CAP also contract-s with Bering Straits Women's Group (Women's Shelter) for alcohol-related client services (John Muir Institute 1984:D40).

The present hospital is made **up of** two attached buildings with 50,000 square feet of **space**. The **newer of** the two buildings was opened **in 1978** with fifteen hospital beds, four bassinets, and six long-term beds. **In FY 1983**, audiology services were added **to the** hospital.

Table 28 indicates how the Norton Sound **Health** Corporation has grown between **1980** and **1986**. This growth is particularly evident **in** the increases **in** operating revenues and number of employees.

In 1980, hospital staff included four physicians who **also** provided services to the **rural** villages, thirteen Registered Nurses, two Licensed Practical Nurses, thirteen Emergency Medical Technician's, three instructors, a clinical psychologist,

TABLE 28

Operating Revenues and Staff, Norton Sound **Health** Corporation, 1980-1986

Year	Operating Revenues	Staff (full and part-time)
1 9 8 0	\$2,973,457	99
1981	\$3,531,757	117
1 9 8 2	\$4,019,217	128
1 9 8 3	\$4,351,245	150
1984	\$5,953,110	178
1985	\$6,758,691	175
1986	N/A	181

Source: Norton Sound **Health** Corporation 1986.

psychologist, and counselor. By 1985, seventy full-time equivalents were on the staff of the Norton Sound Regional Hospital. This included five physicians, three mid-level practitioners, seventeen nurses, two pharmacists, a dietitian, four medical records personnel, a physical therapist, two respiratory technicians, and three radiology technicians (Norton Sound Health Corporation 1986).

In the past, manpower turnover has been a critical problem. In FY 1978, for instance, the total labor turnover for NSHC was 98.4 percent. This problem adversely affected virtually every service. Particularly hard hit due to the high turnover rate were the nursing staff (ninety percent) and consumer education (350 percent). In the past six years, however, this problem appears to have diminished. The Norton Sound Health Corporation reported a turnover rate of 49.4 percent and 32 percent among permanent hires in **FY1982** and **FY1983** respectively.

Other groups providing direct and indirect care include the State of Alaska which delivers **public** health services through the Public Health Division of the Department of Health and Social Services. The State employs three Public **Health** nurses, one registered nurse, and one community health aide to provide services which are delivered through NSHC facilities. The U.S. Public Health Service, through the

Indian Health Service (IHS) employs two private dentists to serve Native residents. IHS also provides a substantial portion of NSHC's funding. Two additional dentists see private patients and also work under IHS dental contracts.

Patient Load

Changes in the number and types of services provided to residents of the Norton Sound region by the regional hospital are indicated by the figures in Table 29. Between 1977 and 1985, total hospital admissions increased by sixteen percent. The number of patient days and average length of stay remained relatively constant. In contrast, the number of emergency room visits increased by more than sixty percent.

Of the total outpatient visits to Norton Sound Regional Hospital, seventy-five percent were composed of Nome residents and the remaining visits were made up of people seeking medical attention from the surrounding sixteen villages. About twenty percent of the total encounters were non-IHS beneficiaries (Ender et al. 1980:147).

In the past, approximately forty percent of the inpatients at NSRH were transferred to the Alaska Area Native Medical Center in Anchorage. However, the Indian Health Service has recently revised its policies governing medical evacuations which would have an obvious impact on the Nome regional hospital. Inevitably, local staff will be required to treat many conditions formerly sent to Anchorage for treatment.

Table 30 describes the mental health client cases treated by Norton Sound Family Services during FY 1980-1982. Although the number of admissions appears to display no obvious trend, an increase in the proportion of non-Native clients can be observed during this period. However, as the John Muir Institute report noted (1984:D42), the meaning of this shift would depend upon an analysis of possible changes in population ratios for corresponding time periods. Questions surrounding the 1980 Census figures make such an analysis difficult.

TABLE 29

Patient Visits and Procedures, Norton Sound Regional Hospital, 1980-1985

	FISCAL YEAR					
	1980	1981	1982	1983	1984	1985
Inpatients						
Admissions (total)	878	866	916	1092	1016	1023
Exclude Newborn	709	734	765	916	872	867
Discharges (total)	871	873	923	1093	1016	1026
Exclude Newborn	726	738	768	918	871	876
Patient Days						
Exclude Newborn days						
Average Length of Stay	3.8	3.8	3.6	3.4	3.5	3.4
Exclude Newborn	3.8	3.9	3.8	3.5	3.5	3.6
Percent of Occupancy	46	47	62	52	49	49
Exclude Newborn	51	53	53	56	53	56
Outpatients						
Visits (exclude Specialty Clinics)						
Special Clinic visits	11795	11859	12403	14052	14545	18701
Emergency Room Visits	950	886	689	824	952	1103
	1543	2047	2067	2228	2451	2476
Number of Procedures						
Laboratory	14244	12158	15552	16410	18940	20953
Xray	3483	2566	2993	4096	5527	5953
Respiratory Therapy	596	397	N/A	N/A	2113	9312
Physical Therapy	1175	586	N/A	N/A	1579	2211
Audiology	.	.	.	.	1076	1487
Pharmacy Prescriptions	N/A	12407	14666	18106	21723	22616

Source: Norton Sound Health Corporation 1986.

The number of clients seen directly through alcoholism treatment programs during FY 1980-1982 is described in Table 31. Most of this increase is due to the new programmatic effort by the NSHC.

Morbidity and Mortality

Unfortunately, data which reveal the extent of morbidity and mortality for the community of Nome are unavailable. Statistics on morbidity and mortality for the

TABLE 30

Mental Health Client Cases, City of Nome, FY 1980-1982

	FY80	FY81	FY82
% White	18.4	27.0	34.5
% Native	79.4	71.7	62.9
% Mental Illness	N/A	13.2	17.0
% Mental Retardation	N/A	2.6	0
% Alcohol Abuse	N/A	41.4	30.0
% Drug Abuse	N/A	2.6	4.0
% Life Crisis	N/A	40.1	48.0
No. of API Admissions	19	2-	N/A
Total Admissions	137	165	116

Source: John Muir Institute 1984:D42.

community are typically included in regional figures published by the Norton Sound Health Corporation, In some instances such as infant mortality, the rates for the villages have traditionally been much higher than for Nome. With improved health care to the rural villages, however, morbidity and mortality rates of the villages are believed to be much closer in line with the rates for Nome.

TABLE 31

Alcoholism Client Cases, Nome, FY 1980-1982

	FY80	FY81^a	FY82^b
CAP		400	721
BSTC		46	118
NSFS	83	63	38
BSWG		85	140
Total	83	594	1017

a. Includes 9/80-6/81

b. Includes 7/8 1-5/82

Source: John Muir Institute 1984:D41.

Between 1973 and 1983, the age-adjusted mortality rate for the Norton Sound region was 2,137 per 100,000 population, in comparison to a rate of 880 for Alaska, 621 for all Native Americans/Alaska Natives, and 586 for the U.S. general population. This is based on an average number of fifty-three deaths per year (Alaska Division of Manning 1985). The distribution of mortality by specific cause of death for the period 1973-1983 is provided in Table 32. During the period from 1979 to 1983, accidents, suicides, and diseases of early infancy diminished as a proportion of all deaths over time. Cancer and heart disease as well as respiratory disease, particularly chronic obstructive pulmonary disease, have increased. However, the actual rates of these chronic conditions remain much lower than the U.S. general population. These increases are due, in part, to reduced accidental mortality. The population is also aging.

Bering Straits people die at younger ages than the U.S. general population. In Bering Straits, forty-seven percent of all people die before the age of forty-four. That compares to thirty-eight percent of all Native Americans/Alaska Natives and nineteen percent of the U.S. general population. Most dramatic differences in age at death are found in the fifteen to twenty-four year age group. In the Bering Straits region fifteen to twenty-four year olds die at rates four and six times higher than the Alaska and U.S. general populations respectively (Albrecht 1981).

The violent deaths of accidents, suicides and homicides are typically accounted for by younger persons between the ages of fifteen and forty-five. For accidents, the greatest at-risk age group is twenty-five to forty-four year olds; for suicides and homicides the highest at risk age group is fifteen to twenty-four. For deaths due to alcoholism and cirrhosis of the liver, the at-risk age group is above forty-five years of age. However, although accidental deaths occur in this region at a higher rate than in other regions, the rate is diminishing over time as evidenced by the figures presented in Table 33.

TABLE 32

**Specific Cause of Death as Percent of All Deaths
Bering Straits Villages and Nome, 1973-1983**

<i>Cause</i>	Ave. Annual No. of Deaths	Percent Region	Percent Villages	Percent Nome
Accidents,	17.1	32%	.29%	30%
Cancer	6.1	12%	16%	13%
Heart Disease	6.7	13%	13%	16%
Suicide	4.2	8%	6%	6%
Diseases of Early Infancy	3.5	7%	3%	7%
Homicide	2.0	4%	5%	4%
Pneumonia/Influenza	1.7	3%	2%	4%
All Other	12.0	23%	27%	21%
Total*	53.3	100%	100%	100%

(*) Percentages may not add to 100% due to *rounding*.

Source: Alaska Division of Planning 1985.

Suicides represented six percent of all deaths in Nome between 1973 and 1983. Whereas suicide rates had been twice the rates found in other predominantly Alaska Native regions, suicides are now about fifty percent higher than these comparative groups. However, suicide rates in this region remain twice the statewide rates (Alaska Division of Planning 1985).

A special survey of deaths in Nome for a one year period conducted by Kelso (1979) showed that thirty percent of all deaths (N=22) were related to alcohol. Natives accounted for all of the alcohol-related deaths and eighty-two percent of the non-alcohol-related deaths. Seventy percent of the alcohol-related deaths and fifteen percent of the non-alcohol-related deaths were between the ages of fifteen and forty-four. Between 1980 and 1983, twenty-one percent of all deaths were alcohol-related. Analysis of the accidental death subset of mortality data found

TABLE 33

Cause-Specific Death **Rates Over Time** (*), per 100,000 Population,
 Selected Causes, **Bering** Straits Region, Selected Alaskan Populations,
 and Statewide, 1970-1974, 1975-1979, 1980-1983

Cause/ Time Period	Bering Straits	Yukon Kuskokwim	Kodiak	All Natives	State
<u>Accidents</u>					
1970-1974	229.0	252.2	-	-	104.9
1975-1979	262.7	172.7	327.6	209.0	100.0
1980-1983	197.4	181.8	158.5	197.0	104.0
<u>Suicide</u>					
1970-1974	76.4	-	-	-	11.2
1975-1979	48.0	21.8	21.1	22.0	21.6
1980-1983	35.3	6.1	21.1	21.0	17.9
<u>Homicide</u>					
1970-1974	34.7	-	-	-	9.6
1975-1979	32.0	16.0	-	31.0	8.8
1980-1983	42.3	.	-	25.0	8.2

Note: (*) Rates for populations other than Bering Straits were various years, **usually** falling within the middle of the time period cited or covering data that extended over and beyond time period cited.

Source: Norton Sound Health Corporation 1986:47.

that forty-six percent were alcohol-related. By contrast, **state** data suggests that twenty to forty percent of accidental deaths were alcohol-related (State Office of Alcoholism and Drug Abuse 1983).

A special survey of the Norton Sound Health Corporation medical records was conducted to determine the nature and extent of alcohol involvement in the activities of the medical services. The survey consisted of a random sample of 373 cases that

had at least one medical service encounter within the time period from November, 1977 to November, 1978. The results from this survey included the following:

1. About 17 percent (64 cases) of the sample was individual cases with one or more encounters with medical services during the survey that were directly involved with alcohol consumption.
2. Patients with alcohol-related visits accounted for an average of 6.28 visits per person compared with a mean number of 5.35 visits per person for the entire survey sample.
3. About 22 percent of the inpatient visits were alcohol-related and accounted for 19 percent of the total number of inpatients. About 21 percent of the outpatient clinic visits were alcohol-related, which represented about 18 percent of the total number of outpatients seen. About 33 percent of the visits to the emergency room were alcohol-related, represented by about 32 percent of the emergency room patients.

The leading cause of inpatient visits was pregnancy, followed by mental disorders, injury and poisoning, diseases of the circulatory system, and supplemental factors influencing health. Supplemental factors, including surgery follow-up, removal of sutures, etc., were the most common reasons for using the outpatient clinic followed by outpatient operations, diseases of the respiratory system, and injury and poisoning.

The Community Mental Health Center sees clients in a variety of programs, including a program for the chronically mentally ill. In all the programs offered, a total of 500 persons in the Bering Straits region received services in FY1 985.

The data presented in this chapter indicate that the sociocultural change both within the City of Nome and throughout the Bering Straits region during the monitoring period and even earlier has not been without its costs. Although rates of accidents and suicides have been declining, homicides and alcohol-related deaths and injuries remain a significant problem. The increase in chronic diseases such as cancer and cardiovascular disease reflect improved health care and an aging

population; however, changes in diet and stresses associated with modernization **also are believed** to contribute to these diseases (Leighton 1984).

The data in this chapter also provide evidence of the growth of the modern **health care system in** response to the costs of **sociocultural** change. The reduction **in** rates in accidents, suicides, and other disease 'categories may thus be a reflection **of this** institutional response to the negative aspects of **sociocultural** change. **The** expansion of the modern health care system, however, has other impacts **on the** community's **sociocultural** system. For one, **it** has created a greater dependence upon external sources of funding in order to maintain existing **levels** of **health** care and provide for the numerous social service programs available to residents of the region's villages as well as Nome's population. In the event that state and federal funds become less available, as is already the case, this **dependence** could have potentially adverse impacts in the near future.

CHAPTER EIGHT

EDUCATION “

Introduction

The educational system of Nome is characterized by stability in its infrastructure and growth in enrollment after having experienced substantial change in its organization and decline in its enrollment over the previous decade. This was due to several factors, including increases in state revenues, increased community involvement, and the expansion of educational opportunities in the villages. All of these factors have had a profound impact on the current structure of the educational system. However, this system may also be subject to further change in the next few years as different agencies compete for declining funds due to the decline in state oil revenues. Institutions will be forced to provide better quality education with less funding if they are to survive in their present form.

Educational Facilities and Programs

Nome City School District

Facilities: Educational services are provided by the Nome City School District at two facilities, the Nome elementary school and the Nome-Beltz junior/senior high school. Education from kindergarten through grade six is offered by the Nome Elementary School. The school is located in three adjoining buildings constituting 64,000 square feet on the west end of the downtown area. The 1935-era classroom and gymnasium is heavily used but in need of repair, and the 1955-era portion of the structure is of reinforced concrete which settled unevenly and structural distress is apparent. It contains classroom and a cafeteria/multi-purpose room. A 1970 addition, a wood frame structure, is composed of classrooms. The fifty year old facility fails to meet state safety codes on several grounds. The

City passed two municipal bond issues which **totalled \$6.7 million**, combined with state funding of \$7.5 million, to construct a new 50,000 **square** foot facility.

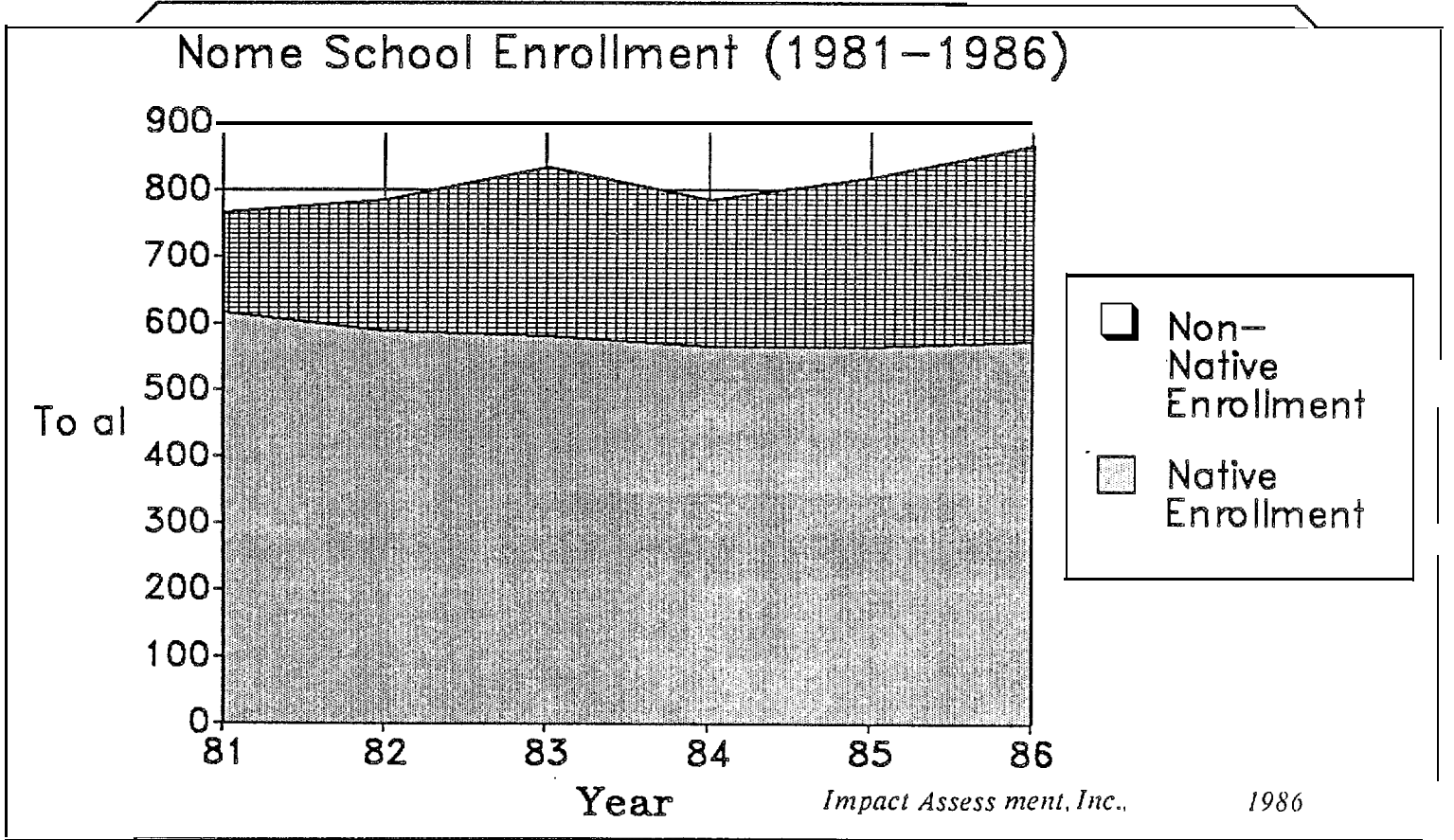
Secondary education for Nome residents is offered at the **Nome-Beltz** Junior/Senior High School. The seventh and eighth junior high grades were moved to the location from the elementary site in **1978 and all** these grades are administered by one principal. The high school has eleven general classrooms, **along** with a biology lab, a music room and studies room, a library, a kitchen/dining room, a home economics room, and administrative offices. Facilities are provided for vocational classes including power mechanics; building trends; welding, **metal**, and aviation mechanics; electronics; crafts; and drafting. Also, there is a gymnasium, **cafeteria/kitchen**, and a dormitory which includes a horticulture classroom, District offices, and District storage. The facility totals 62,700 square feet plus **11,700** square feet in the gymnasium.

Student Enrollment: The number of students enrolled in Nome city schools between 1980 and 1986 by grade is contained in Table 34. Student enrollment declined somewhat during the late 1970s and early 1980s due to the loss of approximately 200 boarding school students who returned to their villages over a two year period with the establishment of the Bering Straits Regional Attendance Area (REAA) in 1975. Up to this time, the **Nome-Beltz** High School served both a portion of the village and all Nome residents.

As indicated by Figure 10, school enrollments have slowly increased during the past six years. Almost all of this increase has been accounted for by non-Native immigrants, however. Enrollment of Native students has remained fairly stable, but as indicated by Table 34, the proportion of Native students in the elementary and secondary schools has declined since 1981. **In** the early part of the 1980s, there was a gradual downturn of Native students related to the return home of boarding school

FIGURE 10

Nome School Enrollment, 1981-1986



students to schools **in their home villages and to the** relocation of' the **Bering Straits School District (REAA)** regional headquarters from. **Nome to Unalakleet**. These events accounted for the loss of approximately thirty students and ten students respectively--the latter being the children of relocated REAA staff (John Muir Institute 1984:D29).

TABLE 34

First Quarter Attendance by Grade Level and Distribution by Ethnicity, Nome City Schools, 1980-1986

Grade	Year						
	1980	1981	1982	1983	1984	1985	1986
K	47	53	58	57	59	64	78
1	58	53	61	59	66	50	68
2	65	57	57	60	54	61	51
3	68	56	63	63	62	60	56
4	54	67	56	67	64	65	59
5	57	56	59	60	74	65	66
6	63	60	55	65	65	73	60
7	46	59	60	54	62	64	72
8	68	50	62	58	57	57	69
9	49	57	43	57	56	52	59
10	60	50	54	47	50	62	53
11	55	51	37	52	43	53	58
12	42	48	51	32	47	40	46
T o t a l	732	717	716	731	759	766	795
Native % (*)	72.6	80.5	75.1	69.9	72.0	68.9	66.4
Non-Native %	27.4	19.5	24.9	30.1	28.0	31.1	33.6

(*) The distribution of students by **ethnicity** is derived from JOM forecasts provided by the Nome City School District, unpublished data.

Source: Nome City School District, *annual reports, 1988-1986*.

Staff: The number of full-time employees of the **school** district has remained relatively constant during the past six years, averaging 103. A total of 125 people are currently employed by the Nome School District. Of this number,

seventy-two **are** professional personnel, fifty-eight of **whom are teachers**. The Elementary **School** employs thirty-two teachers. **There are three** classrooms for each **grade level** (occupying twenty-one classrooms) averaging 20.5 students. Overall, the **student/teacher** ratio of 13.7:1 remains fairly **close to the 1978 School District average of 11.6:1**.

The secondary **school employs** twenty-six teachers for a **student/teacher ratio of 13.7:1**. The educational program offered is comparable to **that of other high schools in rural Alaska** with **two** exceptions. Because **of the** available facilities at the **Nome-Beltz** complex, **there is** a greater emphasis on **-vocational education than in** many of **the** smaller facilities **in** the villages throughout the region. Also, the high school has a cooperative agreement with the **local** community college that **allows high school** students to take college courses for **high school** credit.

Indicators of Effectiveness: Achievement **data** has suggested that in **the** past elementary students averaged fifty percent **below the** national average. This situation began to reverse **itself** with respect to **verbal** scores **in the early 1980s**, however, **due** to intensive reading programs. District-wide Composition and Math scores are now above the national average.

The dropout rate for the **Nome City Schools** appears to be very low in comparison with other **school** districts **in rural** Alaska. In the 1983-84 **school** year, for instance, there were **nine** dropouts recorded for the **Nome-Beltz** High School, representing 2.7 percent of the total enrollment for that year. **Four** students from the Correspondence program, or 7.5 percent of the total Correspondence enrollment, dropped out during the same year. The relatively **low** dropout rate is attributed to the larger proportion of non-Native students than **in** smaller communities and the enhanced value of education among both **Natives** and non-Natives because of the **recent** growth in locally available economic opportunities.

Other Educational Institutions

Private schooling is offered through the Nome Seventh **Day** Adventist Church. **In 1984**, instruction was offered to students in grades one through eight and the classroom consisted of five students and one teacher. Classes were held in a private home. **The Nome** City School District also offered preschool services for an estimated sixty students.

Northwest Community College

Post secondary education for residents of the Norton **Sound** region is available through the Rural Education Program of the University of Alaska and Northwest Community College (**NWCC**). The Community College was established in 1975. Prior to this, **postsecondary** education in the region was provided through the University of Alaska Cooperative Extension Service Office which had operated in Nome since **1959**. NWCC offers the standard two-year courses of instruction leading to certificates or associates degrees. The main campus is located in Nome with Learning Centers in fifteen villages in the region. In addition, the College also offers courses through its Distance Delivery Program.

In the 1978-79 school year, there were sixteen full-time and 112 part-time students enrolled at the community college. The college employed ten full-time instructors and up to thirty-two part-time adjunct faculty, In the 1983-84 school year, student enrollment had climbed to 370 students, but the number of faculty had declined to five full-time instructors and between twenty and twenty-five part-time instructors.

Specific offerings and accomplishments include: a cooperative skills program which graduated twenty-two students trained in entry-level office occupations; a fisheries training program providing entry-level skills for commercial fishing; and an Native teacher education program to assist village students who are

working **toward** certification. **All three of these ventures** represent cooperative programs **with Kawerak, Inc.**

Additional programs **include:** a **village** cooperative management training program **in** conjunction **with Bering Straits Native** Corporation; a board training and stockholder communications project **with Sitnasuak Native** Corporation; training **for tank** welders; seminars for **small** business persons; **an** alternative **energy** information center; a wind **energy** demonstration project; **an arctic** greenhouse demonstration project; **small scale television studio** production; and **a series of** art exhibits and **concerts.** **In** addition, **regular** classes were offered **in art and** general studies, business and office occupations, communications and **English**, computer science, education, **early** childhood, human services, math **and** science, regional studies, aviation, and arctic technology (**John Muir Institute 1984:D-31-32**).

Northwest Community College has **been** engaged **in an** active program of cooperative ventures with **the Nome Public School** District. **Each** has made facilities available **to one** another **during** the past few years. Community **college classes** have been conducted **in** the classrooms **at Nome-Beltz Junior** Senior High School, for example, **and** some **of** the shops have been used for mechanics and welding classes. **The** correspondence program conducted **by** the **school** district has been housed **at** the community college for the past two **years.** Another area **of** cooperation has been **the enrollment of** high school students for academic credit at **the** community **college** when a **particular course** is **not** offered by the **school** district. **For the** past two years the District has paid the regular college tuition and the students have received high school credit for courses taken at the community college. The community **college** has **also** made its media center available to **Nome** high **school** students and provides assistance in audiovisual technology.

The Community College serves as an important institution **for** the **entire** region because of the resources it provides to local residents above and beyond **the**

educational programs. However, many residents **in the rural** communities **feel that too** many classes are held in Nome and **not enough of** them are **held** in the villages. Residents of the smaller communities cannot afford to spend the requisite time in **Nome** to complete courses of study and housing is a problem **while** in **Nome**. There is **little** or no follow-up after classes and workshops and instructors are not **always** easy to understand. Instructors are frequently perceived as unwilling **to** devote enough time to travel to villages in order **to follow** through on course work.

Despite its accomplishments, Northwest Community **College** has been plagued **by** a decline in funds and the inability to meet the rising expectations of the community. Since its establishment **in** Nome, weaknesses in staffing have made it impossible to meet needs or demands in the community. To assist in rapid outreach, the college required large amounts of soft money. However, even though such funds were available at the time, the college lacked the staff to utilize these funds in an efficient manner. In addition, a number of internal conflicts arose which interfered with growth and service delivery (**Ender et al. 1980:76-77**).

Northwest Community College is currently faced with severe reductions in funding. In addition to the ten percent reduction in funding for last year, another fifteen to eighteen percent may ultimately have to be cut from the **NWCC** according to school officials. It is also possible that funding for **NWCC** may be cut entirely if maintenance, administrative, and other costs do not make it cost effective.

Adult Education

Kawerak has become actively involved in adult education and post secondary education in conjunction with **NWCC**. The" Adult education programs include English as a Second Language for the Korean, Vietnamese, and Hispanic residents of the community. The Adult Learning Center assists local residents in completing their GEDs.

The future of these programs have been placed in jeopardy, however, because of recent cutbacks at the federal and state levels. For instance, all of the jail assistance and educational programs were eliminated this year. Funds from the BIA were cut from \$100,000 to \$2,000. State funding has also been cut back by thirty percent. As a result, Kawerak has been forced to make major cutbacks in this program by moving into smaller facilities and providing fewer services.

Issues in Education

The importance of education in Nome is reflected in the high percentage of adults with twelve or more years of formal schooling. This percentage is much higher than among adults in the surrounding villages, as indicated by Table 35.

TABLE 35

Reported Highest Educational Level Completed, Nome and Village Adults, Bering Straits Region, 1984 General Survey

Highest Grade Completed	Percent of Respondants	
	Nome	Village
0-8 grades	8%	25%
9-11 grades	6%	12%
12 grades	29%	37%
13 + grades	44%	10%
No Answer	12%	17%

Source: Norton Sound Health Corporation 1986:30.

One of the important issues relating to education in the past six years has been the necessity to provide vocational education to long-term residents and Native immigrants from the surrounding region. Most of the college-educated residents of

Nome are non-Native newcomers who are employed in better paying jobs **in the** government and service sectors of the economy. Long-term Native residents **are** at a disadvantage in competing for such positions because of the relative lack of skills. Consequently, there has been an **emphasis** on job training at **all** levels of the educational system **of Nome**.

A second **issue** impacting on the educational system of Nome in recent years **has** been the decline **in** programs and services due to **the** decreased **levels of** federal and state funding. Over the past ten years the Nome Public School District and Northwest Community College have been able to offer a wide variety of courses and subjects because of state oil revenues. With the decline in these revenues it is inevitable that there will be an absolute decline in revenues, thereby guaranteeing a decrease in the number of programs, courses, after-school activities, and auxiliary services such as the lunch and breakfast programs which can be offered to students. Soon, residents must decide whether they want “extra” money spent on **bilingual-bicultural** teachers, sports, computers or other programs which are not necessarily of the “core” variety such as reading and mathematics.

Declines in funding also promise to be a major source of conflict between the various educational institutions in the region. In its attempt to provide adult educational services, for instance, **Kawerak** has, by necessity, been forced to compete for funds with other regional and national educational organizations and these interests have inspired an escalating interest in BIA educational functions. Kawerak and NWCC have also had major disagreements in the past over joint **postsecondary** and adult educational endeavors although the relationship has improved somewhat over the past six years.

The relationship between Nome Public Schools and the Bering Straits REAA has also been characterized by conflict with respect to certain issues. According to **Ellanna (1980:378)**, the Nome School Board has basically been controlled **by non-Natives** and a fewer number of long-time Nome (versus village) Natives with

perspectives that are decidedly different from those of rural areas. During the late 1970s conflicts included both occupancy, control, and ownership of the Nome-Beltz complex which was operated jointly by Nome Public Schools and Kawerak and which had become a battleground for control and ownership between Nome Public Schools and the Bering Strait REAA. Such disputes included disagreements between the Nome School Board and the now-defunct Beltz Regional Advisory School Board during consolidation regarding rural representation on the joint board. There have also been disputes between Nome Public Schools and Northwest Community College regarding the academic acceptability of NWCC credit as applicable to both high school students' and faculty of the high school; Nome Public Schools formal support of and articulation with the community college in general; and control and operation of the Northwest Regional Resource Center (which has since been dissolved). There also have been internal disputes within the Nome Public School district-over the use of JOM funds and pressures to comply with federally-mandated bilingual education programs, and reluctance on the part of Nome Public Schools to accommodate any village students ostensibly because of funding and staffing restrictions. Finally, there has been internal conflict within the Nome Public School district regarding educational philosophies and teacher/administrator qualifications as applicable to the needs of a predominantly 'Native study body that is directed by a non-Native group of professionals.

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