



# Alaska Regional Development Organizations



*Image Courtesy of Kenai Peninsula Economic Development District*

## **Fiscal Year 2020 Annual Report**

Mike Dunleavy,  
Governor  
State of Alaska

Julie Anderson, Commissioner  
Department of Commerce,  
Community, and Economic Development

Sandra Moller, Director  
Division of Community and  
Regional Affairs

For additional assistance with this report contact  
Alaska Division of Community and Regional Affairs' Research and Analysis section at:  
[dcraresearchandanalysis@alaska.gov](mailto:dcraresearchandanalysis@alaska.gov)

Additional community information may be found on the  
Alaska Division of Community and Regional Affairs' Community Database Online at:  
<https://dcra-cdo-dccd.opendata.arcgis.com/>

Cover Photo

Image Courtesy of Kenai Peninsula Economic Development District

Photo Credits:

Department of Commerce, Community and Economic Development  
Division of Community and Regional Affairs' Community Photo Library  
<https://www.commerce.alaska.gov/dcra/dcrarepoext/Pages/PhotoLibrary.aspx>

Anchorage Economic Development Corporation (<https://www.aedcweb.com/>)  
Page 7 photos

Southeast Conference (<https://www.seconference.org/>)  
Pages 39 - 47 photos

Kenai Peninsula Economic Development District (<https://www.kpedd.org/>)  
Page 58 photos

The State of Alaska, Department of Commerce, Community, and Economic Development complies with Title II of the Americans with Disabilities Act of 1990. This publication is available in alternative communication formats upon request. Please contact (907) 269-4560 or [DCRA.publications@alaska.gov](mailto:DCRA.publications@alaska.gov) to make any necessary arrangements.

Telephonic Device for the Deaf (TDD): (907) 465-5437

This publication was released by the Department of Commerce, Community, and Economic Development (DCCED) in January 2021. The report is required by AS 44.33.895(e) and does not constitute an official position or opinion by DCCED.



## Table of Contents

INTRODUCTION .....	3
ANCHORAGE ECONOMIC DEVELOPMENT CORPORATION .....	5
BERING STRAIT DEVELOPMENT COUNCIL .....	9
COPPER VALLEY DEVELOPMENT ASSOCIATION .....	19
FAIRBANKS NORTH STAR BOROUGH ECONOMIC DEVELOPMENT COMMISSION ..	23
KENAI PENINSULA ECONOMIC DEVELOPMENT DISTRICT .....	27
NORTHWEST ARCTIC BOROUGH COMMUNITY & ECONOMIC DEVELOPMENT DISTRICT .....	31
PRINCE WILLIAM SOUND ECONOMIC DEVELOPMENT DISTRICT .....	36
SOUTHEAST CONFERENCE .....	39
SOUTHWEST ALASKA MUNICIPAL CONFERENCE .....	48
REGIONS MAP .....	59
CONTRIBUTORS .....	60



## INTRODUCTION

The Alaska Regional Economic Assistance Program was established in 1988 under AS 44.33.895 to encourage the formation of regional development organizations in locations across the state. These Alaska Regional Development Organizations (ARDOR) prepare and implement regional development strategies that incorporate local knowledge to foster responsible and sustainable economic growth.

ARDORs are the primary economic development agencies providing support services for their regions, communities, and businesses. ARDORs throughout the state have similar challenges and implement similar scopes of work, but the form and function of each ARDOR is customized to each specific region. ARDORs encourage economic development and growth in their regions and are strengthened by their connections to the State of Alaska and to other regions through the statewide program.

ARDORs are directed at the local level by elected or appointed boards of directors that reflect the economic diversity and the character of the region. Some ARDORs have achieved additional federal designations, which enable the organizations to qualify for increased federal funding. Some ARDORs have also developed business, municipal, and private memberships that reflect the distinct needs of each region.

The ARDOR program was reauthorized for five years in the 2016 legislative session, though funding for the annual ARDOR grants was removed from the FY2017 budget. Qualified ARDORs historically received annual base project funding from the Alaska Department of Commerce, Community, and Economic Development (DCCED) that could be leveraged for funding from federal, local, and private programs; however, no ARDOR grants have since been appropriated. The Denali Commission made available \$75,000 to each eligible ARDOR in FY2020 for the pursuit of their efforts to advance economic development across Alaska. The influx of grant funds from the Denali Commission has aided in organizational cooperation and increasing a shared identity of ARDOR programs across regions.



*The ARDORs together in person before the COVID-19 pandemic began.*

The nine designated ARDORs represent areas that range in size from the urban Municipality of Anchorage to the sparsely populated and sprawling Southeast, Southwest, and Western regions of Alaska. Several rural regions like the Arctic Slope and large expanses of the Interior do not presently have designated ARDORs.

## About the data in this report:

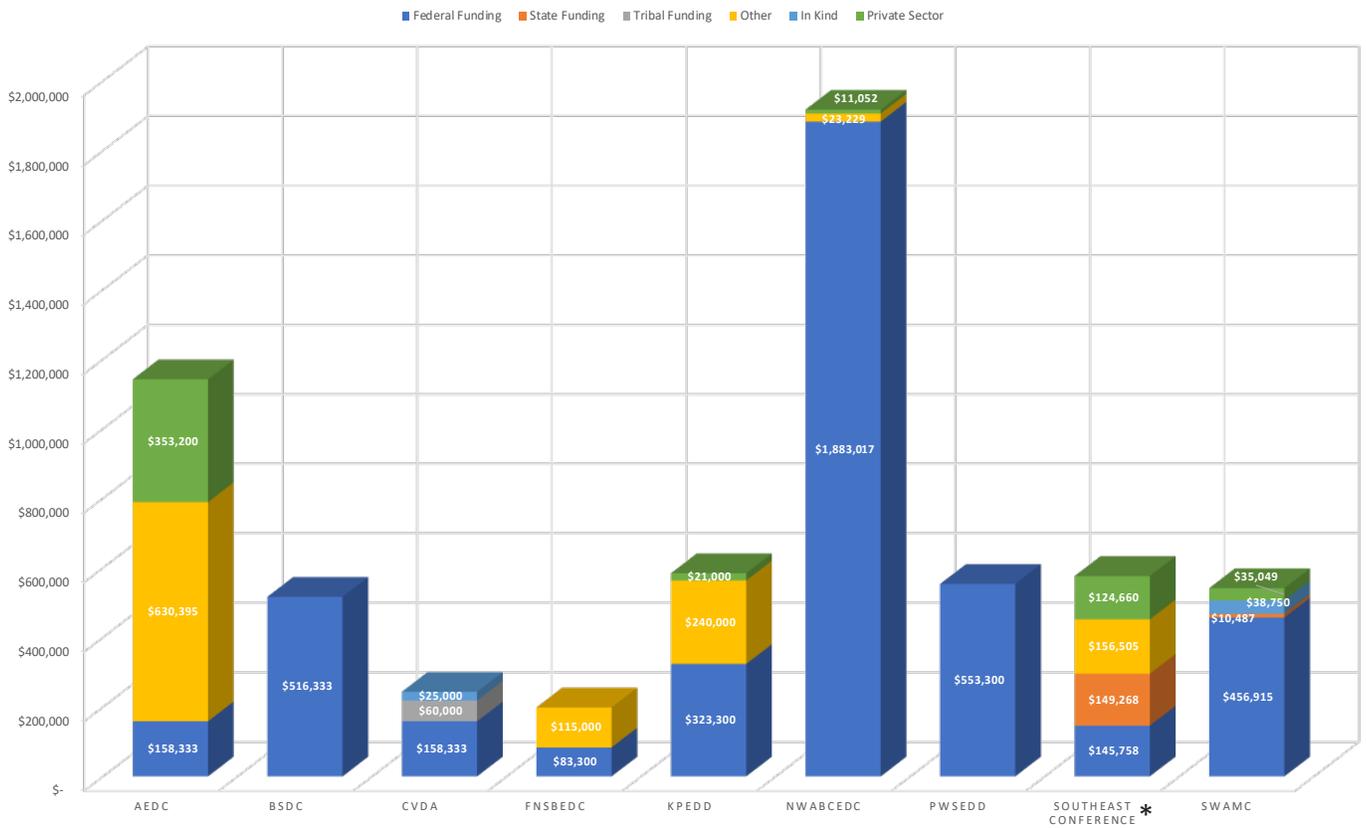
In October 2020, DCCED sent a survey instrument to the nine designated ARDORs. This instrument was designed to directly address the reporting requirements of Alaska Statute 44.33.896(e) relating to the activities of the ARDORs. All nine ARDORs responded to the survey instrument.

All data in this report is derived from information provided by the ARDORs. Due to significant differences in how each respondent organized and formatted their replies, what appears in this report may differ from the verbatim response.



REPORTED 2020 FUNDING

TOTAL ARDORS FUNDING



\* Southeast Conference returned \$2,207 in USDA Energy Audit funds that are not accounted for in this table.



## Anchorage Economic Development Corporation

**CONTACT**

510 L St, Suite 603  
Anchorage, AK 99501  
(907) 258-3700  
<https://www.aedcweb.com/>

**Mission:**

**To grow a prosperous, sustainable and diverse economy.**

The Anchorage Economic Development Corporation (AEDC) is a private nonprofit corporation (IRS code 501(c)(6)), operating since 1987. It was created by the Municipality of Anchorage and spun off in 1989 to be an independent partner of the Municipality focused on economic development for Anchorage.

**AEDC Funding Reported:**

In FY 2020, AEDC reported the following sources of revenue:

- \$83,333.00 CARES Act (ARDOR)
- \$75,000.00 Denali Commission
- \$353,200.00 Membership dues
- \$318,986.00 Event revenues
- \$254,000.00 Municipality of Anchorage grant
- \$57,409.00 Miscellaneous sponsorships

**Status of AEDC Projects Funded by State or Federal Grants:**

**CARES Act:** AEDC used their CARES Act funds to implement a significant statewide marketing effort to make businesses aware of CARES Act funds that they might be qualified to receive. Media strategies included daily social media efforts across several platforms, including Facebook, Twitter, Instagram, and LinkedIn. A targeted campaign element was focused on Spanish speakers through a Spanish language video advertisement delivered statewide on the cable channel Telemundo and through targeted social media. AEDC generated additional marketing through earned media stories in print, television, and radio news stories.

The remainder of AEDC's CARES Act funding was focused on supporting applicants. This support included a direct call line to key AEDC staff and a dedicated "AK CARES" page on the AEDC website that included updated grant FAQs and links to resources to assist prospective applicants with completing AK CARES grant applications.

**Denali Commission:** Funding was originally purposed to support AEDC strategic initiatives focused on beginning economic recovery in Anchorage following its recent five-year recession; however, following the COVID-19 breakout in Alaska, resources were redirected toward AEDC's pandemic response efforts to assist the business community and the public at large.



## AEDC Continuing and Future Projects

Using Denali Commission funds, AEDC formed the Anchorage Economic Recovery Task Force (ERTF) in March 2020 to provide direct advice and proposed response strategies to the Municipality of Alaska, State of Alaska, and Congressional Delegation. The ERTF, staffed by AEDC, also provides information to the business community and public at large about aid programs, Pandemic Unemployment Assistance, rental and housing assistance, food assistance, and other information of critical importance to businesses and workers impacted by the pandemic. This work is ongoing and will continue into 2021, although constrained by reduced funding.

**U.S. Economic Development Administration:** Funding for the Economic Retooling initiative (described below) is targeted for approval during Fiscal Year 2021.

### AEDC Meeting Summary:

AEDC held seven board meetings in 2020. The first three meetings were held in person at the offices of AEDC. These meetings focused on advancing AEDC's strategic plan, support of staff, and policy issues affecting AEDC's efforts and ability to advance strategic initiatives.

The remainder of the board meetings in 2020 were hosted online. The first two online meetings focused on the impacts of COVID-19 on the Anchorage economy and on AEDC's abilities and capacities to help. The final two meetings focused on advancing the AEDC strategic plan, support of staff, policy issues affecting AEDC's abilities and efforts to advance strategic initiatives, and what impact COVID-19 is having on all of these efforts.

## Goals, Objectives, and Strategies for Addressing Regional Economic Development Needs:

**Partner Collaboration:** AEDC is strategically improving coordination with other economic development organizations within Anchorage. AEDC achieved its one-year goal to stabilize partner collaboration. This was done through identifying projects, drafting and finalizing alignment agreements, defining AEDC roles in the partnership, and producing a close out report with lessons learned to its board.

**Talent and Business Attraction:** AEDC is involved in a national marketing effort to attract and retain key workforce and to attract new investments in Anchorage from national and international business interests. AEDC achieved its one-year goal of expanding its media strategy, which fulfilled its three-year goal of having Anchorage recognized in national media as an up and coming mid-sized city. To reach these goals, AEDC staff completed its media strategy, including inventorying its available tools and its presence in existing media; initiated a remote work campaign; and designed and deployed metrics to assess its 2020 media efficacy.

**Economic Retooling Strategy:** AEDC has established a three-year goal of creating a more resilient and growing Anchorage economy. To this end, AEDC completed a detailed data analysis defining the "new normal" implementation of a workforce re-skilling strategy, and the launch of a business stability and resiliency strategy. This was accomplished through a partnership with the Municipality of Anchorage and submission of a grant application to the U.S. Economic Development Administration which is targeted for approval during Fiscal Year 2021.



# THE THREE-PRONGED PLAN



## It all starts downtown



- Walkability
- Mixed-used residential and high-density housing
- Expand programming and events

## Chester Creek Greenbelt connects us



- Sports and recreation year-round
- Multi-modal transit
- Mixed-use residential at Chester Creek Sports Complex

## U-Med is our hub



- Workforce housing
- Retail development
- Intersection between community and campus

*LWP 3 Prong Updated.png courtesy AEDC*

**Live. Work. Play. Three-Pronged Plan:** AEDC continues to be involved in a ten-year redevelopment strategy to make Anchorage more attractive to talent by highlighting its strengths as a place to live, work, and play. The long-term goal is to maintain growth by developing a reliable, high quality talent pool that will attract further investment to Anchorage. In 2020, AEDC has worked to implement a three-pronged plan to develop Downtown, the U-MED District, and the Chester Creek Greenbelt.

**Downtown:** Short term projects and priorities were established and staff interactions were defined. A working group and a private sector interest group have been established.

**U-MED District:** Potential partners were identified and information about these potential partners were presented to the board. A partner engagement plan has been defined and approved by the board. The U-MED working group was subsequently initiated.

**Chester Creek Greenbelt:** Potential partners have been identified and information about these potential partners were presented to the board.



## AEDC Current and Future Economic Development Initiatives:

AEDC's forthcoming economic initiatives are continuations of the initiatives that were in place during Fiscal Year 2020.

**Partner Collaboration:** AEDC seeks to focus on rapid accomplishment and early success to build momentum with its project partners. AEDC seeks to make these collaborations a standard practice rather than an initiative, based on the value inherent in collaboration, coordination, and mutual understanding. To this end, AEDC will establish an alliance of stakeholders for U-MED and the Chester Creek Greenbelt based upon the work that was initiated during Fiscal Year 2020. The stated one-year goal is the creation and launch of a project development plan for Activate Anchorage.

**Talent and Business Attraction:** AEDC's one-year goal is to fully deploy its expanded media strategy, working toward its three-year goal of having Anchorage recognized in national media as an up and coming mid-sized city. Success will be measured by media impressions, advertising equivalency, and social media followers, likes, and reach. The primary focal points of this initiative are to attract and retain talent, attract remote workers to base in Anchorage, use coordinated communication to recruit higher levels of outside business investment, and highlight improvements to the community in support of AEDC's adopted economic development strategy.

**Live. Work. Play. Three-Pronged Plan:** AEDC is continuing to pursue its three-pronged plan, through which AEDC will independently work with partners in Downtown, the U-MED District, and the Chester Creek Greenbelt (the three prongs, as noted on page 7) to develop a vision, list of priority projects, and options for funding those priority projects through the public and private sectors. The one-year goal is to establish collaborative working groups for each of the three prongs, with a three-year goal of creating a defined 2030 vision for the three prongs.

## AEDC Anticipated Challenges to Regional Economic Development:

The COVID-19 pandemic has devastated the Anchorage economy. 11,000 jobs are expected to be lost in 2020, with recovery of those jobs expected to take a minimum of three years. The five-year recession (2015-2019) cost the city an additional 6,000 jobs. The combined loss of 17,000 jobs has reduced Anchorage job numbers to 2001 levels; effectively, a loss of 20 years of economic growth.

The first two years of the recession were brought on by the oil industry downturn that began in 2014 and ended in 2016. According to AEDC, the additional three years (2017-2019) were driven by Alaska's lack of fiscal certainty which has cooled the investment environment in Anchorage. This lack of investment has added uncertainty for the local workforce, leading to increased out-migration of the local talent pool who seek out communities with access to high quality education, public services, and general quality of life.

AEDC also notes that the escalating national labor force shortage of skilled and semi-skilled workers will grow more pronounced in the coming decade as the Baby Boom generation retires in greater numbers each year. This is creating a national competition between U.S. cities to attract and retain a skilled labor pool, as areas with a growing labor pool are being prioritized in business and investment decisions.

AEDC indicates that Millennial and Generation Z workers are migrating to communities that offer a quality of life proposition that meets their expectations and investment is following these workers. Cities are responding to these shifts in workforce expectations by launching significant quality-of-life-focused renewal strategies. Anchorage has not been participating in this trend and has seen losses in both labor force and general population -- negative trends that must be addressed if Anchorage is to grow and prosper in the coming decade and beyond.

## Bering Strait Development Council



**KAWERAK, INC.**

### CONTACT

P.O. Box 948  
Nome, AK 99762  
907-443-5231  
<https://kawerak.org/>

### Mission:

**The purpose of the Bering Strait Development Council (BSDC) is to serve the people, communities, and businesses of the Bering Strait Region of Alaska by promoting economic opportunities that improve the economic, social, and environmental quality of life. The Council is composed to represent the diverse social, economic, environmental, and political interests of the region.**

### BSDC Funding Reported:

In FY 2020, BSDC reported the following sources of revenue:

- \$83,333.00 CARES Act (ARDOR)
- \$75,000.00 Denali Commission
- \$133,000.00 U.S. Economic Development Administration, Economic Development Assessment Team
- \$150,000.00 U.S. Economic Development Administration, Planning Partner/Non-Competitive
- \$75,000.00 U.S. Economic Development Administration, Continuation Planning Grant

BSDC has numerous private sector partners who co-host events. The value of these partnerships is undisclosed.

### Status of BSDC Projects Funded by State or Federal Grants:

**CARES Act:** BSDC's CARES Act funds are being used for costs incurred in providing local businesses with information about funding opportunities and assisting with the technical support needed to apply for or access these funds. These costs included mass advertising, salary, and technical assistance. Direct communication has been made with over 350 businesses in the region regarding AK CARES and other pandemic relief funding. At present, BSDC is procuring the creation of an online business directory and small business resource center for the region.

**Denali Commission:** Technical assistance has been provided for business start-ups and priority projects in each community. Denali Commission funds are also being expended on Native tourism, as well as the creation of a regional online business directory and small business resource center.

**U.S. Economic Development Administration, Economic Development Assessment Team:** This three-year grant closed on June 30, 2020. The priority project strategies were Native tourism, Arctic shipping, and climate change and community resilience. The expected outcomes were achieved. The project will continue with additional funding streams.



## Status of BSDC Projects Funded by State or Federal Grants (cont.):

**U.S. Economic Development Administration, Planning Partner:** This grant has been awarded to develop a regional economic recovery and resilience plan in response to the pandemic. Requests for proposals have been developed to hire a contractor to assist in the formation of this regional plan.

**U.S. Economic Development Administration, Continuation Planning Grant:** This grant covers expenses for BSDC's Local Economic Development Plan (LEDP) processes and for essential services from Kawerak Inc.'s Community Planning & Development program on an annual basis. Four local community LEDPs were updated, training in grant writing is provided annually, and BSDC's new 5-year Comprehensive Economic Development Strategy was completed.

## BSDC Meeting Summary:

BSDC conducted three meetings during Fiscal Year 2020. All three meetings were held in Nome at Kawerak, Inc.

### October 22-23, 2019

#### Day One - Presentations and Discussions:

- Austin Amusuk, Marine Advocate, presented on arctic shipping and marine transportation activities. He also presented on climate change impacts.
- Alice Bioff, Business Development Specialist, presented on current business development activities and a regional artist survey.
- Barb Nickels, Economic Development Specialist, reported on the Economic Development Assessment Team projects including the regional tourism planning efforts and our completed visitors survey.
- Amanda Toerdal, Energy Specialist, presented on the region's energy plan update.
- Brandon Ahmusuk, Subsistence Director, gave a report on Graphite One.
- Richard Beneville, City of Nome Mayor, reported newest updates on the Port of Nome.
- A Strengths-Weaknesses-Opportunities-Threats (SWOT) analysis and review of regional priorities, starting at the local level, was conducted with the BSDC members by facilitator Margo Fliss of University of Alaska Center for Economic Development (UACED) to initiate a new Comprehensive Economic Development Strategy (**CEDS**).

#### Day Two - Business Conducted:

- BSDC members reviewed and discussed the previous CEDS and its updated goals and objectives, economic resilience goals, and developed an action plan.
- An evaluation framework was developed, the action plan was recapped, and next steps were discussed.

### December 19, 2020 - Business Conducted:

- Current vacant or expired council seats were discussed and nominations were brought forward.
- Discussed the bylaws, with edits suggested to be voted on at the next meeting.
- Updates were provided on Denali Commission funding for the BSDC January 2020 and an overview of Community Planning & Development program projects was provided.
- Continued review and discussion of the CEDS, including: SWOT Analysis, Regional Priorities, Goals and Objectives, the Resiliency Component, Action Plan, and Evaluation Framework. There was a formal adoption/resolution to accept and approve the new five-year CEDS.

### March 1, 2020 - Business Conducted:

- Action Items - Approval of December Meeting Minutes, additional vacant seat nominations, and approval of nominations of expired seats.
- Bylaws were edited to add a Chamber of Commerce seat.
- Updates on Community Planning & Development projects and the Denali Commission award/projects.

## Goals, Objectives, and Strategies for Addressing Regional Economic Development Needs:

BSDC has created an extensive list of goals and objectives:

**Goal #1: Strengthen our economy in ways that preserve and enhance our quality of life while ensuring our environment is not harmed.**

**Objective #1:** Educate and train residents for employment in growing industries.

Strategies and Tasks:

- Provide region-wide and village-based training opportunities.
- Assist residents of the region with documented disabilities in improving job-related skills.
- Explore and promote collaboration on apprenticeship and technical-level type programs for priority industries.
- Coordinate among entities to provide scholarships for regional residents.

Performance Measures:

- Number of trainings offered;
- Number of certified technicians/completions of programs;
- Number of jobs secured because of the training;
- Number of residents assisted in gaining job-related skills; and
- Number of scholarships provided.

**Objective #2:** Support entrepreneurship. Provide business planning and research assistance.

Strategies and Tasks:

- Promote tuition assistance to individuals interested in new or expanding businesses.
- Seek new partners and funding to conduct and promote general business startup workshops covering areas such as business planning, marketing, and accounting principles.
- Promote an environment in which small businesses will succeed by creating networks of resources and business owners.
- Promote e-commerce by supporting training workshops and educating individuals and tribes on the use of the Internet as a business and marketing tool.
- Continue to seek out funding to promote e-commerce.
- Promote Norton Sound Economic Development small business seed money competitions and provide technical assistance.

Performance Measures:

- Number of individuals completing business-related classes;
- Number of businesses workshops held in the region;
- Amount of investment in new or expanding businesses;
- Number of business start-ups;
- Number of jobs created; and
- Feedback from visitor surveys.





## BSDC Goals, Objectives, and Strategies for Addressing Regional Economic Development Needs (cont.):

**Objective #3:** Capitalize on natural resources in environmentally responsible ways.

Strategies and Tasks:

- Work with the Nome Chamber of Commerce to incorporate village concerns and needs into regional tourism planning.
- Provide technical assistance to villages that have identified tourism as a priority.
- Work with Norton Sound Economic Development Corporation (NSEDCC) to explore the feasibility of salmon enhancement programs and new salmon enhancement technology.
- Explore the feasibility of seismic work toward finding natural gas to run a power plant and for residential use.
- Identify and provide support services for the gold mining industry.

Performance Measures:

- Tax revenue;
- Gold production and price;
- Fisheries harvest counts and price;
- Other mineral production and price; and
- Number of tribes interested in starting a fish hatchery in Norton Sound.

**Goal #2: Promote economic stability by creating, maintaining, and upgrading infrastructure and regional collaboration to adequately meet our current and anticipated needs.**

**Objective #1:** Improve and increase access to water and sewer infrastructure.

Strategies and Tasks:

- Complete local water and sewer plans for Bering Strait communities, including assessments of the current systems.
- Provide training on how to perform water and sewer maintenance.
- Support utilities and municipalities with pricing and management.
- Creation of utility operations and maintenance plans and plan follow through.
- Review of current technology of micro-grids and self-contained toilets to see if they could be implemented.
- Improve Best Practice scores with the Alaska Native Tribal Health Consortium (ANTHC), Village Safe Water, and the Division of Community and Regional Affairs (DCRA) to reach the minimum standard to obtain funding and technical assistance for water and sewer infrastructure.

Performance Measures:

- Number of communities with completed local water and sewer plans;
- Number of communities with adequate water and sewer systems;
- Percent of homes with water and sewer service in each community;
- Price and fee structure for water and sewer service by community;
- Number of communities following water and sewer operations and maintenance plans; and
- Amount invested in water and sewer infrastructure.



## **BSDC Goals, Objectives, and Strategies for Addressing Regional Economic Development Needs (cont.):**

**Objective #2:** Increase internet speeds and decrease costs.

Strategies and Tasks:

- Follow the state and national broadband task forces and advocate for Bering Strait community interests.
- Explore the possibility of a tribal government negotiating government rates with telecom companies.
- Work with state and federal legislators and local providers.
- Be involved in tribal consultation as broadband policies are being developed.
- Document the costs of broadband in rural communities.
- Look at the feasibility of a tribally-owned communication system.

Performance Measures:

- Price per Internet plan;
- Upload/download speeds;
- Bandwidth capacity;
- Number of providers participating in the conversation (GCI, TelAlaska, etc.); and
- Percent of homes with access to broadband Internet.

**Objective #3:** Explore the feasibility of a regional governance model to capture the benefits of resource development projects.

Strategies and Tasks:

- Explore the economic feasibility of the creation of a borough government.
- Explore the economic feasibility of a regional port authority.

Performance Measures:

- Measure regional interest levels on collaboration models.

### **Goal #3: Improve community services to increase resiliency and quality of life.**

**Objective #1:** Increase housing availability and accessibility.

Strategies and Tasks:

- Research barriers to financing new construction and land ownership in rural Alaska.
- Advocate for increased Native American Housing Assistance and Self-Determination Act (NAHASDA) and Highway Infrastructure Program (HIP) funding.
- Explore establishing a Self-Help Housing program in Nome.
- Develop case studies of regional individuals that have financed and/or built their own homes.
- Examine the viability of increasing the amount of transient housing.
- Explore the possibility of working with non-profit groups such as Habitat for Humanity to increase housing capacity.

Performance Measures:

- Decrease in persons per household in communities and region;
- Increase in construction projects year over year;
- Number of construction jobs created;
- Number of five-star energy homes that have been built; and
- Number of building permits issued (Nome only).



## BSDC Goals, Objectives, and Strategies for Addressing Regional Economic Development Needs (cont.):

**Objective #2:** Improve public safety and community resiliency.

Strategies and Tasks:

- Review and update hazard mitigation plans (HMPs), Emergency Operation Plans (EOPs), and Small Community Emergency Response Plans (SCERPs).
- Support communities in actively developing plans through research and advocacy.
- Assist grant writers in the region to obtain funds for public safety projects.
- Documenting and tracking “outside of Nome” Emergency Medical Services (EMS) provided.
- Develop Methods of Administration (MOA) plans between Nome EMS and village entities.
- Support the development of community adaptation plans.
- Inform communities about the power of forming a public safety commission.
- Attend the Local Emergency Planning Committee (LEPC) meetings bi-monthly.

Performance Measures:

- Number of completed plans;
- Number of projects implemented at the regional and community level;
- Number of MOAs in place between Nome EMS and interested village entities; and
- Number of communities with Village Public Safety Officers (VPSOs) or other public safety presence.

**Goal #4: Decrease the cost of energy.**

**Objective #1:** Conduct ongoing energy audits on community and commercial buildings throughout the region.

Strategies and Tasks:

- Find out which buildings have not received an energy audit.
- Identify sources of funding to assist with additional energy audits.
- Make a “Plan of Action” for each community on how to tackle the energy audits (i.e., which buildings should be audited first).

Performance Measures:

- Number of audits completed;
- Improvements made to structures; and
- Reduction of energy consumption, as measured by kWh and gallons of fuel oil.



## BSDC Goals, Objectives, and Strategies for Addressing Regional Economic Development Needs (cont.):

**Objective #2:** Improve the energy efficiency of homes and buildings.

Strategies and Tasks:

- Collect and maintain energy usage data for community buildings and residences.
- Complete energy audits for home, public, and commercial buildings.
- Provide energy-specific information to regional grant writers.
- Develop an appliance replacement program.

Performance Measures:

- Amount of fuel oil consumption by building and community; and
- kWh usage by building and community.

**Objective #3:** Explore and evaluate the feasibility of alternative energy projects through collaboration with the U.S. Economic Development Administration and the Cold Climate Housing Research Center.

Strategies and Tasks:

- Review the Bering Strait Energy Plan.
- Work with local and regional utilities to identify suitable alternative energy sites and sources.

Performance Measures:

- Number of community energy action plans completed; and
- Number of identified community projects.

**Objective #4:** Increase residents' knowledge of ways to reduce the costs of energy use.

Strategies and Tasks:

- Bring EnergyWise curriculum to schools in the region.
- Monitor and advocate for new energy efficiency programs.
- Develop and distribute flyers on energy-saving tips.
- Develop Public Service Announcements (PSAs) on energy efficiency strategies.

Performance Measures:

- Number of outreach materials developed and distributed; and
- Number of residents participating in energy efficiency programs.





## BSDC Current Economic Development Initiatives:

**Education and Workforce Training:** Determine the feasibility of reestablishing an accredited apprenticeship program that certifies individuals in trades. Explore the possibility of designing a program that is broken down into quicker/easier credentials, so trainees and journeymen do not have to make such a long commitment (often five or more years) prior to entering the workforce.

Trades and industries needed in the region include, but are not limited to:

- Diesel engine mechanics
- Boiler and plumber technicians
- Electricians
- Maritime industry and fisheries
- Engineers
- Carpenters
- Heavy equipment operators
- Bookkeepers and accountants
- Healthcare
- Teachers
- Administrators



**Small Business Startups in the Tourism Industry:** Visitor survey data shows that tourists are drawn to Nome and the region because of the land and the people. Visitors wish to experience the natural beauty and resources that the region has to offer, as well as the authentic Alaska Native culture: art, food, performances, and subsistence activities such as birding, hunting, and fishing. BSDC seeks to help residents create small business startups in these areas by researching the process of obtaining necessary permits and licenses to do business and sharing this information with area residents.

One specific challenge for local artisans that BSDC has identified relates to the use of ivory in traditional arts. This is largely due to conservation efforts focused on prohibiting the use of elephant ivory. BSDC has identified a need to educate federal legislators and regulators on the differences between elephant ivory and walrus ivory to allow for policies and regulations that do not prohibit tourists from purchasing Alaska Native art made with walrus ivory. There is also a stated need to educate tourists on the sustainability of walrus ivory and how to visually recognize the difference between walrus ivory and elephant ivory.

**Development and Monitoring of Mining Projects in the Region:** BSDC understands the potential for mining as an economic driver. The region possesses deposits of rare resources that are in high demand in many large industries. Mining projects could create local tax revenue if projects were located within municipal boundaries. While mining projects could provide jobs in distressed areas with high unemployment, there is no guarantee these mining projects would hire locally. New and existing mining could also potentially impact the environment, subsistence ways of life, and public health.

BSDC recognizes that it is critical to work with any potential mining developments to provide residents with the training required to work on the project, maximizing the regional benefits of the jobs created. Working with mining developments also allows BSDC to emphasize the need for environmental protection of critical habitats to preserve traditional livelihoods.

**Potential Revenue from Natural Resources:** Resources are extracted from the region with limited local benefit or revenue because these resources are in the Unorganized Borough and outside of any established municipal boundary. BSDC is researching the prospective benefits of creating a borough and/or establishing a port authority to allow for taxation of the area's rich natural resources, including gold and graphite.



## BSDC Future Economic Development Initiatives:

BSDC has identified numerous endeavors that would improve future economic development.

- Educate and train residents for employment in growing industries.
- Create a regional tourism plan.
- Support entrepreneurship through business planning and research assistance services.
- Capitalize on natural resources in environmentally responsible ways and explore the feasibility of a regional governance model to capture the benefits of resource development projects.
- Improve access to water and sewer infrastructure.
- Increase internet speeds while decreasing costs of these services.
- Increase housing availability and accessibility.
- Improve public safety and community resiliency.
- Create a regional energy plan, to include increasing energy efficiency, feasibility of alternative energy, and reducing the cost of energy.

## BSDC Anticipated Challenges to Regional Economic Development:

BSDC has identified numerous challenges to economic development, most notably inadequate infrastructure, insufficient medical and behavioral healthcare, longstanding cultural trauma, and the region's isolated geography. From a community and economic development perspective, the infrastructure throughout the Bering Strait region presents significant challenges. Water and sewer, housing, communications, and transportation infrastructure all present challenges to communities in the region.

**Transportation and Logistics:** Distance, weather, and lack of land-based infrastructure presents a challenge to moving people and products. Nome serves as the hub of the region. Several air passenger and freight carriers move products and people through Nome to the regional villages. During the summer months, barge companies provide more cost-effective transportation of heavy equipment and non-perishable products. The recently uncertain status of RAVN Air has added new transportation challenges to the region.

**Housing:** As in most of rural Alaska, housing in the Nome Census Area is expensive and the supply is limited. According to BSDC, more than a quarter of homes in the region meet the U.S. Department of Housing and Urban Development (HUD) definition of overcrowding. The Bering Strait Regional Housing Authority (BSRHA) is the primary developer of new housing in the villages outside Nome. BSRHA faces considerable challenges in funding new housing construction due to rising transportation costs for materials, rising labor wages, and maintaining the current assisted housing stock.

**Energy:** Villages in the region pay as much as \$.50 per kWh for electricity, compared to less than \$.20 per kWh in Southcentral Alaska. Heating oil often exceeds \$5.00 per gallon, generating a heavy burden on cash-constrained households. High energy costs also increase the difficulty for residents to start businesses.

**High Unemployment:** Like other rural parts of Alaska, unemployment in the Nome Census Area is persistently higher than the state and national averages. Limited employment opportunities translate into lower incomes for households and high rates of out-migration.

**Skill Shortages:** Jobs in mining, health care, education, and other fields are often held by non-locals who relocate to the region due to the lack of qualified local workers, even during periods of high unemployment.



## BSDC Anticipated Challenges to Regional Economic Development (cont.):

**Geography and Distance:** The Bering Strait region's isolation from other parts of Alaska and the Lower 48 increases the costs of basic supplies like groceries, consumer goods, energy, and building materials. These premiums can make doing business in the region cost-prohibitive.

**Infrastructure:** Many communities in the region lack the funds to build or update water/wastewater systems, electrical infrastructure, and community facilities. The region also has limited access to cellular telephone service and broadband internet, which are essential entry points to the modern economy.

**Water and Wastewater:** The arctic and subarctic environments of the Bering Strait region create challenges to the operation of community water and sewer systems, specifically accounting for permafrost and temperatures that can drop below freezing eight months out of the year. Eleven communities in the Bering Strait Region have piped sewer and water systems that service some or most of the community. Five communities still rely on honey buckets for sanitation and haul water, either directly from the source or from a central watering point in the community. The piped water and sewer systems consume significant amounts of energy while circulating and heating water to avoid freeze up.

**Telecommunications:** The current broadband infrastructure allows for internet speeds and bandwidth capacity well below that of communities on the Alaska road system and the Lower 48. Coupled with the geographic isolation and associated high costs of freight and travel, limited telecommunications capacity serves as a barrier to economic development. The low speeds experienced by the region's residents do not allow the opportunity for video conferencing, webinars, and other data-intensive training and education tools now being used throughout the rest of the world. Moreover, bandwidth caps discourage internet users from participating in more data-intensive aspects of social media and video streaming services.





## Copper Valley Development Association

**CONTACT**

Mile 111 Richardson Highway  
P.O. Box 9  
Glennallen, AK 99588  
(907) 822-5001

**Mission:**

**Facilitating partnerships to improve the quality of life in Alaska's Copper Valley through economic development, while fostering cultural and natural resource development through education and good stewardship.**

The Copper Valley Development Association (CVDA) serves the Copper River Valley, an area of approximately 20,649 square miles and a population of 2,997. CVDA functions as a public and private partnership to address natural resource and economic development opportunities. CVDA does this through information gathering and dissemination and by acting as a liaison between government and the private sector, with the goal of creating self-sufficiency throughout the region through development and wise use of sustainable resources.

**Funding Reported:**

- \$83,300.00 CARES Act (ARDOR)
- \$75,000.00 Denali Commission
- \$60,000.00 AHTNA Inter-Tribal Resource Council Contract
- \$25,000.00 In-Kind Donations from the Board of Directors

**Status of CVDA Projects Funded by State or Federal Grants:**

**CARES Act:** CVDA is collaborating with the Division of Community and Regional Affairs (DCRA) to facilitate technical assistance to businesses in need from COVID-19 impacts, particularly relating to submitting applications for federal CARES Act funding.

**Denali Commission:** CVDA is assisting with economic development of businesses, natural resources, and infrastructure through partnerships with state agencies, federal agencies, and private industry as described in the Board of Directors' strategic outline.





## CVDA Meeting Summary:

Meetings in the 2019 calendar year were hosted telephonically. Meetings in the 2020 calendar year were simulcast online from the Copper Center Lodge.

**September 19, 2019:** This meeting preceded the current Executive Director. No agenda was available.

**December 19, 2019:** This meeting preceded the current Executive Director. No agenda was available. **January 7, 2020:** Primary topics included a discussion of Denali Commission funding, the future direction of the organization, and the status of the contracted Executive Director.

**April 21, 2020:** Primary topics included discussion of the status of the Executive Director hiring process, the Gulkana Airport project, and the Road Belt Inter-Tie project.

**May 11, 2020:** Primary topics included the hiring of the new Executive Director and a strategic planning session for infrastructure development, business development, and dealing with COVID-19.

**June 17, 2020:** Primary topics included CARES Act funding, locating a new office space, and updates on the Road Belt Inter-Tie, Gulkana Airport, and COVID-19 response initiatives.

## Goals, Objectives, and Strategies for Addressing Regional Economic Development Needs:

CVDA has identified five areas of emphasis to address regional economic development needs. The strategies to achieve these goals and objectives are addressed in the details of the organization's current initiatives.

### Goals and Objectives:

1. Stabilization from COVID-19 devastating effects on businesses and local economy through CARES Act and other federal and state programs.
2. Work with the Chamber of Commerce, state agencies, and federal agencies to rebuild and reinvent existing businesses as well as develop new businesses.
3. Support projects and initiatives for workforce development and job creation, including Fire Fuel Mitigation, Alaska Vocational Technical Center (AVTEC) Hub, and the Alaska Small Business Development Center (SBDC).
4. Support the Road Belt Inter-Tie infrastructure project, which will assist in regional economic and natural resource development through the advent of cheaper and more abundant electricity.
5. Support regional transportation infrastructure, including Federal Aviation Administration (FA)A upgrades to Gulkana Airport and the development of the Alaska to Alberta (A2A) railroad project.



**Current and Future CVDA Economic Development Initiatives:**

CVDA is presently working on numerous economic development initiatives. Its future economic development goals are primarily continuations or expansions of existing initiatives.

**CARES Act Applications and Technical Assistance:** This initiative assists businesses with applications, technical assistance, and other issues stemming from COVID-19 and related economic downturns. This initiative is operated through one-time federal funding.

**CARES Act Community Assistance:** CVDA provides technical assistance and consultation to small communities seeking to assist businesses and residents with programs and financial incentives stemming from COVID-19 using CARES Act funding. This initiative is operated through one-time federal funding.

**U.S. Department of Commerce, Economic Development Administration - Comprehensive Economic Development Strategy (CEDS):** CVDA is applying for funding to do a new CEDS for the Copper Valley Region. Now that the Copper Valley Region is a standalone census area, the region needs a new comprehensive plan. CVDA will conduct this vetting regionally, if funded. Additionally, CVDA plans to incorporate an economic impact study of some regional projects listed within this study.

**U.S. Department of Agriculture, Farm Service Agency - Seafood Trade Relief Program Grants:** CVDA is providing technical assistance to the region’s commercial fisherman to apply for Farm Service Agency grants that will compensate for business losses due to poor fisheries returns and COVID-19 related expenses. This initiative is operated through one-time federal funding.

**U.S. Department of Agriculture, Farm Service Agency - Farmers and Ranchers Grants:** CVDA is providing technical assistance to local agricultural producers to secure federal funds under the Farmers and Ranchers grant program.

**Regional Liaison:** CVDA partners with state and federal agencies who work in the unorganized borough to promote business retention, development, and all-encompassing growth for the Copper Valley.

**Road Belt Inter-Tie (RBIT):**

RBIT is a proposed energy infrastructure project that would bring cheaper electrical energy and greater generation capacity to the Copper Valley. Access to plentiful, low-cost electricity has been identified as a necessity to develop the Copper Valley region. A brief description of RBIT is available at <https://www.denali.gov/roadbelt-intertie-information/>.





**Gulkana Airport:** CVDA is working with the Alaska Department of Transportation and Public Facilities (DOTPF), the U.S. Department of Transportation (DOT), and the private sector to improve the Gulkana Airport to FAA standards. If these efforts are successful, Gulkana has the potential to become a central hub for distribution of goods to and from remote Alaska, given its proximity to both a deep-water port and the Canadian Border.

**Fire Fuel Mitigation:** This is a collaborative project with the Alaska Division of Forestry and the U.S. Bureau of Land Management (BLM) that would assist in fire fuel reduction and provide jobs and training for area residents on the Forestry Crews. Additionally, this initiative would provide ample opportunities for biomass-powered electrical generation, firewood collection, and lumber-related businesses.

**AVTEC Hub:** CVDA is seeking to start a distance learning program with the Alaska Vocational Technical Center (AVTEC) in partnership with the Alaska Department of Education and Early Development (DEED), the Alaska Department of Labor and Workforce Development (DOLWD), the Copper River School District, and the private sector. A distance learning hub would accommodate short- and long-term training and accreditation in a variety of trades.

**Small Business Startup:** CVDA is actively pursuing a partnership with the Alaska Small Business Development Center (SBDC) to consult with residents who are interested in creating an entrepreneurial startup in the Copper Valley region and would like to start up a business or entrepreneurship in the region. The intent of this initiative is to instruct those who are currently unemployed due to COVID-19 or other reasons on how to begin a business, find financing if needed, and establish best business practices.

### **Anticipated Challenges to Regional Economic Development:**

CVDA's Board of Directors has identified high energy costs, lack of infrastructure, the need for business development and workforce development, and COVID-19 impacts to tourism and related sectors as its greatest concerns. Each of these challenges are being addressed through current partnerships and initiatives.





## Fairbanks North Star Borough Economic Development Commission



### CONTACT

P.O. Box 71267  
Fairbanks, AK 99707  
(907) 459-1351  
<https://www.fnsb.gov/452/Economic-Development-Commission>

### Purpose:

**To actively promote, foster and coordinate public and private initiatives that create capital, diversify the economy and utilize economic capacity in ways that improve standard of living, quality of life and sustainability of urban and rural lifestyles.**

The Fairbanks North Star Borough (FNSB) was incorporated in 1964 and the Economic Development Division was founded in 1980. The Fairbanks North Star Borough Economic Development Commission (FNSBEDC), located in the Borough Mayor's Office, is comprised of the Mayor and eight commissioners appointed by the Borough Assembly. FNSBEDC is focused on growing, diversifying, and defending the region's economic base, and coordinating economic development initiatives that increase employment opportunities and improve residents' standard of living and quality of life.

### Funding Reported:

- \$83,300.00 CARES Act (ARDOR)
- \$115,000.00 Fairbanks North Star Borough Direct Allocation

### Status of FNSBEDC Projects Funded by State or Federal Grants:

**CARES Act:** This funding was used to secure a contractor to provide business technical assistance to Interior businesses and to market the FNSB CARES funding opportunity. Information Insights was awarded the contract for these services after a competitive bidding process. Funds were used to help Interior businesses navigate and apply for the various funding assistance programs available as a result of the CARES Act, such as the Paycheck Protection Program (PPP), Economic Injury Disaster Loan program (EIDL), AK CARES, City of Fairbanks CARES, City of North Pole CARES, and FNSB CARES. The marketing aspect promoted the FNSB CARES funding and eligibility requirements throughout the Interior's business community through social media, direct marketing, postcards, and other means.

**Denali Commission:** Funds were intended to be used to travel to in-person ARDOR meetings across Alaska. With the onset of COVID-19, all in-person travel was canceled and the agreement between Denali Commission and FNSB was terminated. No funds were drawn from the grant or the FNSB match to the grant.

**Fairbanks North Star Borough:** The Economic Development Commission was working on an update to the Comprehensive Economic Development Strategy (CEDS); however, the pandemic shifted the focus to the Interior Alaska COVID-19 Economic Impact and Recovery Plan. The FNSB has decided to self-fund a CEDS update and work to secure a contractor for a new five-year CEDS has commenced.



## FNSBEDC Meeting Summary:

**July 23, 2019 (Juanita Helms Administration Center, Fairbanks):** Primary topics included a review of CEDS goals and objectives and approve strategies to implement goals for 2019 and a discussion of development of a regional economic development conference in Fairbanks.

**August 27, 2019 (Juanita Helms Administration Center, Fairbanks):** Primary topics included a CEDS update, determination of industry clusters, and FNSBEDC participation in the Alaska Defense Forum.

**September 24, 2019 (Juanita Helms Administration Center, Fairbanks):** Primary topics included a CEDS update and FNSBEDC participation in the Alaska Defense Forum

**October 22, 2019 (Juanita Helms Administration Center, Fairbanks):** This was a work session to update the CEDS.

**November 26, 2019 (Juanita Helms Administration Center, Fairbanks):** This was a work session to update the CEDS.

**January 28, 2020 (Juanita Helms Administration Center, Fairbanks):** Primary topics included an update on the ARDOR program, an update on the CEDS progress, and a CEDS work session.

**April 2, 2020 (video-conference):** Primary topics included FNSBEDC's introduction as the region's Economic Impact and Recovery Task Force in response to the COVID-19 pandemic; an update on federal, state, and local government actions as a result of COVID-19; and recommendations and policy direction to FNSB administration in response to the economic impacts of COVID-19.

**April 7, 2020 (video-conference):** Primary topics included an update on the federal, state, and local government actions as a result of COVID-19; and recommendations and policy direction to FNSB administration in response to the economic impacts of COVID-19.

**April 14, 2020 (video-conference):** Primary topics included an update on the federal, state, and local government actions as a result of COVID-19; and recommendations and policy direction to FNSB administration in response to the economic impacts of COVID-19.

**April 21, 2020 (video-conference):** Primary topics included reviewing and revising the draft Interior Alaska COVID-19 Economic Impact and Recovery Plan and its associated timeline; reviewing federal and state funding opportunities; an update on the federal, state, and local government actions as a result of COVID-19; and presenting economic data metrics with a data dashboard.

**April 28, 2020 (video-conference):** Primary topics included reviewing and revising the draft Interior Alaska COVID-19 Economic Impact and Recovery Plan and its associated timeline; reviewing federal and state funding opportunities; an update on the federal, state, and local government actions as a result of COVID-19; and presenting economic data metrics with a data dashboard.

**May 5, 2020 (video-conference):** Primary topics included reviewing and revising the draft Interior Alaska COVID-19 Economic Impact and Recovery Plan and its associated timeline; and receiving reports from local economic development organizations.

**May 12, 2020 (video-conference):** Primary topics included receiving reports from local economic development organizations regarding COVID-19; and receiving updates on the implementation of the Interior Alaska COVID-19 Economic Impact and Recovery Plan.



## FNSBEDC Meeting Summary (cont.):

**May 19, 2020 (video-conference):** Primary topics included a report on CARES Act funding; updates on federal, state, and local government actions as a result of COVID-19; and a strategic session regarding the implementation of and budget for the Interior Alaska COVID-19 Economic Impact and Recovery Plan.

**June 2, 2020 (video-conference):** Primary topics included updates on federal, state, and local government actions as a result of COVID-19; and the completion of the Interior Alaska COVID-19 Economic Impact and Recovery Plan.

**June 23, 2020 (video-conference):** Primary topics included a presentation of the economic indicators dashboard; municipal CARES Act funding programs update; an update on the implementation of the Interior Alaska COVID-19 Economic Impact and Recovery Plan; and updates on federal, state, and local government actions as a result of COVID-19.

## Goals, Objectives, and Strategies for Addressing Regional Economic Development Needs:

**Community Priority Number 1** of the FNSBEDC's current five-year Comprehensive Economic Development Strategy (CEDs) is to lower and stabilize energy costs by expanding the regional energy portfolio with a focus on natural resources; the first objective of which is, "bring affordable, sustainable natural gas to the Fairbanks North Star Borough." As of December 2019, Interior Gas Utility (IGU) finished construction of the natural gas tank in Fairbanks, which then entered commercial operation. This was a critical step in moving this project forward. The North Pole natural gas storage tank is currently under construction. FNSB and IGU continue to collaborate on natural gas conversions through the Wood Stove Exchange Program, which is primarily funded through the U.S. Environmental Protection Agency's Targeted Airshed Grant.

**Community Priority Number 2** is to anchor the missions of Fort Wainwright, Eielson Air Force Base, Fort Greely, and Clear Air Force Stations and to encourage increased utilization of the existing facilities. The objective is to actively support retention and expansion of the missions at the regional military bases. Over the last few years, FNSB has successfully secured grant funding from the U.S. Department of Defense, Office of Economic Adjustment to develop the Eielson Air Force Base Regional Growth Plan and the Salcha-Badger Road Subarea Plan in preparation of the incoming F-35 fighter jets. In 2020, FNSB secured an additional \$527 thousand in grant funding to implement several recommendations and actions as identified in the two previously completed planning documents. Contractors have been selected and the Borough Assembly met to approve bid awards in November 2020, with the selected contractors anticipated to be fully secured by December 2020. Additionally, Eielson Air Force Base has been identified as one of four preferred basing locations for the KC-46A, the Air Force's new aerial refueling tankers. FNSB is actively promoting Eielson Air Force Base to become the selected choice for housing the KC-46A tankers.

## Current and Future FNSBEDC Economic Development Initiatives:

Presently, FNSBEDC is serving as the Economic Impact and Recovery Task Force in response to COVID-19 and has worked on developing and approving the Interior Alaska COVID-19 Economic Impact and Recovery Plan.

Prior to COVID-19, FNSBEDC was working on an update to its five-year CEDs document, as the current document expires in 2021. FNSBEDC is working to secure a contractor to develop the new five-year CEDs. The contractor is expected to be selected and secured by February 2021.

Future economic development initiatives will come out of the current Interior Alaska COVID-19 Economic Impact and Recovery Plan and from the forthcoming five-year CEDs.



### **Future FNSBEDC Economic Development Initiatives:**

The Interior Alaska COVID-19 Economic Impact and Recovery Plan identified metrics for recovery, but significant discussion emerged regarding whether a pre-COVID economy was “good enough.” The Commissioners have established metrics for recovery purposes. Those can be found as part of the Recovery Plan at <https://fnsb.gov/recovery>.

The FNSBEDC's focus in 2021 will be on the development of a new five-year CEDS, with a significant focus on the public engagement aspect of the plan development. The Borough Assembly is scheduled to approve a bid award in January 2021 with a contractor being secured by February 2021. FNSBEDC anticipates having a draft CEDS by April 2022, with the Assembly adopting a final version by October 2022.

### **Anticipated Challenges to Regional Economic Development:**

FNSBEDC directs stakeholders to review the Interior Alaska COVID-19 Economic Impact and Recovery Plan at <https://fnsb.gov/recovery> to learn more about current challenges to regional economic development.



## Kenai Peninsula Economic Development District



### CONTACT

14896 Kenai Spur Highway  
Suite 103A  
Kenai, AK 99611  
(907) 283-3335  
<https://kpedd.org/>

### Mission:

**To serve Kenai Peninsula Borough residents by enhancing their quality of life through responsible and sustainable regional economic and workforce development.**

The Kenai Peninsula Economic Development District (KPEDD) became an ARDOR in 1989. Throughout the past 27 years, KPEDD has worked to broaden the economic development of the Kenai Peninsula Borough in Southcentral Alaska. Over the organization's history, KPEDD has been involved in a variety of projects promoting economic development in the region, including public works projects, shellfish industry development, international trade, promoting a natural gas pipeline from the North Slope to Cook Inlet, and employee recruitment.

### Funding Reported:

- \$83,300.00 CARES Act (ARDOR)
- \$240,000.00 Combined funding from Denali Commission and U.S. Economic Development Administration Grants
- \$100,000.00 Kenai Peninsula Borough grant
- \$140,000.00 Business Incubation Center
- \$21,000.00 Industry Outlook Forum sponsorships

### Status of KPEDD Projects Funded by State or Federal Grants:

**CARES Act:** KPEDD has used these funds to support over 750 businesses to date through individual assistance, including providing background information on CARES Act grant programs, technical program assistance, aid in application completion, and appeals of grant decisions.

### KPEDD Meeting Summary:

KPEDD held five board meetings during Fiscal Year 2020, all at the KPEDD board room:

- August 15, 2019
- October 17, 2019
- February 18, 2020
- April 16, 2020
- June 18, 2020

KPEDD indicates that board meetings are confidential, contain sensitive information for KPEDD and its clients, and are not subject to the Open Meetings Act.



## Goals, Objectives, and Strategies for Addressing Regional Economic Development Needs:

The Comprehensive Economic Development Strategy (CEDS) annual update was submitted to the U.S. Economic Development Administration on June 30, 2019. This update incorporated public comment and reflected the objectives and strategies completed to meet the six determined development goals:

- Regional Partnerships;
- Infrastructure and Technology;
- Workforce and Human Capital;
- Business Climate and Entrepreneurship;
- Quality of Place; and
- Knowledge Creation and Dissemination.

The full KPEDD CEDS is currently underway and will be completed by fiscal year end (June 30, 2021). This year's goals focus on quality of life improvements through the development of:

- Technology and Telecommunication Infrastructure
- Workforce and Human Capital Resources
- Infrastructure and Land Use Opportunities
- Business Climate and Entrepreneurship Networks
- Regional Partnerships
- Knowledge Creation and Dissemination

The strategies to accomplish the above objectives are outlined in the Current Economic Development Initiatives and Future Economic Development Initiatives sections of this profile.

The CEDS timeline to completion includes the following milestones:

- CEDS Workshop with Board (October 2020)
- Background & Data Analysis (October-January 2021)
- Public/Stakeholder Engagement (December-March 2021)
- Draft Completed (April 2021)
- Public Comment Period (April - May 2021)
- Final Submission due to EDA (June 2021)

## Current KPEDD Economic Development Initiatives:

**CARES Act:** Between June 2020 and September 2020, KPEDD staff directly assisted over 500 businesses seeking AK CARES Act grant funding. Assistance included providing background information on the relief programs available, technical program assistance, aid in application completion, and executing appeals of award decisions. Executive Director, Tim Dillon, has also advocated for State-level changes in restrictions and eligibility determinates that excluded small business (such as commercial fisherman in the region).

**Complete Count Committee:** Meetings were held by KPEDD on April 15, 2020 and May 14, 2020. Census updates, dissemination and marketing methods, and individual member responsibilities were discussed at meetings to prepare incorporated and unincorporated communities for the 2020 Census. In 2010, each participant equated to approximately \$2,959 in federal funding opportunities for the State of Alaska.



### Current KPEDD Economic Development Initiatives (cont.):

**Alaska Manufacturing Extension Program Partnership:** KPEDD is having ongoing discussions with the Alaska Manufacturing Extension Program. The goal of these discussions is to connect manufacturers with resources to maintain or expand operations on the Kenai Peninsula. This project will also work to support manufacturers by reducing costs, increasing manufacturing capacity, and identifying new markets.

**Disaster Assistance:** KPEDD assisted communities in applying for U.S. Economic Development Administration 2019 Disaster Supplemental Funding to cover the cost of damages from the November 2018 earthquake.

**Red Mountain Road Improvements:** KPEDD Executive Director, Tim Dillon, has regularly met with the Director of Alaska State Parks, Ricky Gease, to discuss the feasibility of the road rebuild to Red Mountain. This development project would support ecotourism and provide shipping opportunities that would benefit neighboring tribes, communities, and the Kenai Peninsula Borough.

**State, Federal, and Regional Collaboration:** KPEDD met with representatives from the ARDORs around the state, the Denali Commission, State of Alaska, and the U.S. Economic Development Administration to share opportunities for economic development, support for mariculture programs, curriculum development through online platforms, and funding sources for infrastructure improvements.

**Communication within Kenai Peninsula Borough:** KPEDD made presentations to the Kenai Peninsula Borough, cities, chambers, and rotaries to share available resources and tools, KPEDD projects and goals, and borough-wide programs. These presentations have allowed direct communication with residents looking for information and or wanting to share concerns.

**Military Spousal Licensure Recognition:** During the reporting period, KPEDD supported legislative changes to the Military Spousal Licensure Recognition and Reciprocity program to recognize out-of-state certificates and licenses for military family members.

**Workforce Development Website:** The KPEDD workforce development website is under creation and was anticipated to be completed by December 31, 2020. The layout will include an overview of all program partners and funders, a list of major industries in the Kenai Peninsula, apprenticeships, certifications, available training, traditional degree opportunities and locations, student and recent graduate resources, employer services, disability services, veteran employment services, and a connection to Alaska's job posting site.

### Future KPEDD Economic Development Initiatives:

**Large Vessel Moorage Facility - City of Homer:** This project will construct a new large vessel moorage facility to the north of Homer's existing port and harbor. This facility will enhance port capabilities by accommodating large commercial vessels, enabling an additional 40 to 60 commercial vessels, and positioning Homer's port and harbor to meet the demands of emerging regional and national economic opportunities. Homer's port and harbor is the region's only ice-free gateway to Cook Inlet, the port of refuge for large vessels transitioning the Gulf of Alaska, Cook Inlet, and Kennedy Entrance. The port also serves as the marine industrial and transportation system hub for central and western Alaska.



## Future KPEDD Economic Development Initiatives (cont.):

**Storm Water Master Plan - City of Homer:** The current City of Homer storm water master plan is outdated, dating back to the 1980s, and projects only basin runoff flows. The existing storm drainage system is expanding. A new plan that accounts for infrastructure updates -- including sedimentation and detention facilities, snow storage and water quality improvements -- will help the city to minimize ecological, economic, and community impacts of runoff.

**Public Works Facility & Shop Relocation - City of Seward:** The relocation of the Public Works Facility and shop is estimated to cost \$2.7 million with design and engineering budgeted at \$125 thousand. Vacation of the current location would benefit the community through the creation of 24 residential new home sites.

**Soldotna Creek Park Downtown Parking - City of Soldotna:** The Soldotna Creek Park has become an important community gathering place and requires parking improvements to address capacity, safety, and accessibility.

**Emergency Station #1 - Central Emergency Services (Regional):** Central Emergency Services serves roughly 25,000 residents in the communities of Soldotna, Anchor Point, Bear Creek, Kachemak, Lowell Point, Nikiski, Seldovia, and Seward, as well as other areas of the eastern peninsula. Built in 1956, the Soldotna Fire Station was not built to respond to today's operational demands. The facility lacks basic accommodations such as parking, adequate sleeping quarters, ADA accessibility, and a large enough weight room to accommodate staff. The current fire station also does not meet industry standards for safety codes, especially given the earthquake-prone nature of the Kenai Peninsula.

**Analysis/Evaluation of Watershed & Reservoir - City of Seldovia:** The City of Seldovia is seeking funding to analyze and evaluate its water source and reservoir capacity. To prepare for the future, the local government needs to know the health of its watershed and how it will perform given recent weather patterns and events. Once specific data points are provided, the City will pursue funding to expand the capacity of the reservoir to meet the essential hydrological need to produce clean, safe drinking water for the Seldovia community. Dredging and access development are at the top of Seldovia's priority list. The City of Seldovia is seeking funding of between \$250,000 and \$500,000 to complete this work.

**Public Transportation - Kenai Peninsula Borough:** The Kenai Peninsula Borough lacks adequate transportation services for residents. The current program does not meet borough needs and the organization does not partner with hospitals, businesses, or local government. Current federal funding will need to be transferred to a new organization that focuses on borough-wide user groups in order to form an efficient and cost-effective program.

**Borough-Wide Communication Plan - Kenai Peninsula Economic Development District:** KPEDD is seeking financial assistance to provide the 20 percent match for U.S. Economic Development Administration disaster funds. These funds will be used to develop a borough-wide communication plan that assesses needs and opportunities to partner engagement to increase communication. The need for this plan became evident during the November 2018 earthquake, when residents were unable to make or receive calls for emergency services or to check on other residents. This is a public safety issue that needs to be addressed before the next natural disaster takes place.

## Anticipated Challenges to Regional Economic Development:

KPEDD has identified the following challenges to regional economic development:

- Capital - especially federal matching funds
- Regional and state budget stability
- Changing regulations
- Broadband and telecommunication limitations



# Northwest Arctic Borough Community & Economic Development District



### CONTACT

163 Lagoon Street  
Kotzebue, AK 99752  
(907) 442-2500

### Mission:

**Promote economic enhancement, research and development consistent with the traditional culture and values of the people of the region.**

The Northwest Arctic Borough Community & Economic Development District (NWABEDC), established in 1989, is located within the Northwest Arctic Borough (NAB). With 36,000 square miles of land and 3,560 miles of coastline, it is the second largest borough in the state. A population of 7,500 residents is spread throughout 11 villages. As a rural ARDOR, NWABEDC works to achieve a higher quality of life by promoting economic development while respecting and protecting Alaska Native Iñupiat values and traditions.

### Funding Reported:

- \$83,333.00 CARES Act (ARDOR)
- \$75,000.00 Denali Commission
- \$1,291,676.00 U.S. Department of Agriculture High Energy Cost Grant
- \$375,000.00 U.S. Department of Justice COPS Hiring Grant
- \$58,008.00 U.S. Department of Justice CARES Grant
- \$23,229.00 Heat Pump Calculator Grant
- \$11,052.00 GCI Suicide Prevention Grant

### Status of NWABEDC Projects Funded by State or Federal Grants:

**CARES Act:** The borough is in the process of implementing its CARES Act Economic Relief Program. The program offers relief in the form of utility support (electricity, water & sewer, stove oil) to the 1,910 households in the NAB. There are eleven villages in the NAB and approximately 75% of all households in the region applied for relief, with several villages at or near 100% of households applying. NWABEDC has been instrumental in its role of making certain that the roughly \$1 million of economic relief is reaching its intended recipients.

In total, about \$4 million in CARES Act funding was entrusted to the NAB. In addition to the Economic Relief Program, the following expenditure categories were appropriated approximately \$1 million dollars each for distribution through the NAB Mayor’s Office:

- **Health Care** - Support for Maniilaq Association, the regional health care provided, in its COVID-19 response.
- **Education** - Support for NAB School District in its COVID-19 related expenses.
- **Public Services** - Support for public safety, communication, and the borough-wide COVID-19 task force.
- **Economic Relief** - Relief to all borough households for utility expenses relating to electricity, water and sewer, and heating fuel.



## Status of NWABEDC Projects Funded by State or Federal Grants (cont.):

**Denali Commission:** Funds were primarily used for the following purposes:

- Community and Economic Development staff salaries;
- Building a website for the Sulianich Museum Art Center gift shop, in support of local artisans;
- U.S. Coast Guard water transport licensing classes to allow boaters to transport people or freight using residentially-owned watercraft;
- U.S. Coast Guard approved safety gear for regional commercial and subsistence fishermen; and
- New artwork display cases at the Sulianich Museum Art Center gift shop.

**U.S. Department of Agriculture High Energy Cost Grant:** The Shungnak-Kobuk solar battery project is approaching the engineering stage. Construction and commissioning of the project are scheduled for summer and fall of 2021.

**U.S. Department of Justice - COPS Hiring Grant:** This grant was provided to the Public Safety Department for the Village Public Safety Officer (VPSO) Program in order to hire new officers. These VPSOs provide policing to the outlying villages in the region and this grant, with a \$162,279 match from the borough over three years, will provide the salaries for up to six new officers.

**U.S. Department of Justice CARES Grant:** These funds are available to the Public Services department to purchase cleaning supplies and personal protective equipment (e.g., cleaning wipes and protective masks) for the borough and its residents during the COVID-19 pandemic.

## NWABEDC Meeting Summary:

NWABEDC is a commission within the Northwest Arctic Borough. Minutes of all Borough Assembly meetings are online at <https://www.nwabor.org/assembly/minutes/>.

NWABEDC meetings were held on the following dates:

- **July 23, 2019:** Assembly Regular Meeting
- **August 27, 2019:** Assembly Regular Meeting
- **September 24, 2019:** Assembly Regular Meeting
- **October 7, 2019:** Assembly Special Meeting
- **October 25, 2019:** Assembly Regular Meeting
- **November 26, 2019:** Assembly Regular Meeting
- **December 16 & 17, 2019:** Northwest Arctic Borough School District (NWABSD) & Northwest Arctic Borough (NAB) Joint Budget Meeting
- **December 19, 2019:** Assembly Regular Meeting
- **January 17, 2020:** Special Meeting
- **February 25, 2020:** Assembly Regular Meeting
- **March 25, 2020:** Assembly Regular Meeting
- **April 28, 2020:** Assembly Regular Meeting
- **May 27, 2020:** Assembly Regular Meeting
- **June 23, 2020:** Assembly Regular Meeting



## Goals, Objectives, and Strategies for Addressing Regional Economic Development Needs:

NWABCEDC has identified the following goals, objectives, and strategies:

### Goal #1: Improvement and Development of Critical Infrastructure.

1. Priority Objective: Enact regional energy plan.
  - a. Collaborate with partners on pilot projects.
  - b. Continue to seek funding, opportunities, and monitoring of renewable energy projects.
  - c. Educate residents on how to reduce energy costs.
  - d. Create a business plan for an energy efficiency cooperative.
  - e. Create a joint action agency through which the cooperative can support an energy infrastructure build-out.
  - f. Develop adequate fuel storage in communities.
  - g. Create cooperatives or memorandums of understanding to buy fuel with partner organizations.
2. Priority Objective: Increase affordable housing.
  - a. Assess land use policy, right-of-way, and zoning barriers for residential development.
  - b. Assess utility development barriers for residential development.
3. Priority Objective: Support Cape Blossom development.
  - a. Support state and federal lobbying efforts for constructing Cape Blossom Road.
  - b. Execute memorandum of understanding to maintain the road from Sadie Creek to the Cape Blossom port site.

### Goal #2: Natural Resource Development and Economic Diversity.

1. Priority Objective: Diversify natural resource development.
  - a. Research feasibility of locally-sourced plant product manufacturing.
2. Priority Objective: Promote entrepreneurial development.
  - a. Research and implement an entrepreneur development program.
3. Priority Objective: Engage Tribal government and communities.
  - a. Build tribal government and local community capacity for early and continuous engagement prior to beginning economic development planning and permitting.
  - b. Engage tribal governments and local communities to assist in the interpretation of project documentation at each stage of development.
4. Priority Objective 4: Develop the visitor industry.
  - a. Complete a visitor market potential assessment, feasibility study, and implementation plan.

### Goal #3: Education and Workforce Development.

1. Priority Objective: Implement entrepreneurship, business, financial, and technical training.
  - a. Provide small business education and adult basic education.
2. Priority Objective: Increase general transfer of culture to strengthen educational outcomes.
  - a. Establish culture camps in all villages.
  - b. Promote community mentor-ship of teachers to integrate cultural activities into the academic curriculum.
  - c. Implement the Iñupiaq Language Plan to preserve and perpetuate Iñupiaq language and culture in all Northwest Arctic Borough communities.



## Current NWABCEDC Economic Development Initiatives:

**CARES Act:** The NAB is implementing its CARES Act Economic Relief Program. The program offers relief in the form of utility (electricity, water & sewer, stove oil support to all households in the NAB.

**Energy Program:** This project implements renewable energy in the form of solar photo-voltaic arrays and a micro-grid battery to lowering the cost of energy in the communities of Shungnak and Kobuk. The project aims to create a viable long-term power producing system that will hedge against rising fuel costs, saving approximately 14,285 Gallons of Diesel fuel every year at an approximate value of \$60,700.

Under this program, NAB is considering the creation of a region-wide energy developing company or an Independent Power Producer (IPP) cooperative that can more effectively support the region's smaller communities. The new company or cooperative would help with engineering, maintenance, and administration of budgets for future renewable energy projects.

**Cape Blossom Road Project:** NAB is supporting the Cape Blossom Road Project, which will create low-volume, commercial-grade access from Kotzebue to Cape Blossom. Phase 1 of the project is to construct a gravel road from the Kotzebue airport area to Sadie Creek. Phase 2 will be finishing the road from Sadie Creek to Cape Blossom. Cape Blossom has the potential to be a deep-water port serving the regional hub of Kotzebue and improving goods and services available to the entire NAB region. The current Kotzebue Port site only has the capability to serve small draft lightering barges.

**Sulianich Art Center Website:** NAB is actively developing an expanded website for Kotzebue's Sulianich Art Center with the intension of increasing overall marketing, sales, and information for the gift shop and the artists it supports. The target date for the website to go live is the first quarter of 2021.

## Future NWABCEDC Economic Development Initiatives:

The NAB identified three primary areas of focus for future economic initiatives, which align with its overall goals and objectives -- infrastructure, natural resource development and economic diversity, and education and workforce development.

### Goal #1: Improvement and Development of Critical Infrastructure.

1. Develop transportation infrastructure and inter-ties between communities.
2. Improve the region's telecommunications capacity.
3. Evaluate water and sewer systems and make identified efficiency improvements.
4. Strengthen and improve the processes of the borough's Village Improvement Fund (VIF).

### Goal #2: Natural Resource Development and Economic Diversity

1. Select borough lands that provide maximum potential for future development.
2. Develop regional and village comprehensive plans.
3. Increase revenue options from mining and resource development.

### Goal #3: Education and Workforce Development

1. Improve K-12 educational quality and student performance.
2. Increase the number of residents who are trained or certified to meet regional employment needs.
3. Improve parent, teacher, and community connections.
4. Provide career pathways and culturally-accessible methods.
5. Increase the number of residents who receive General Educational Development (GED) certificates by increasing borough support for GED programs.

### Anticipated Challenges to Regional Economic Development:

High energy cost is one of the main challenges for economic development in the NAB. The region experiences some of the highest costs of electricity in the state. Electrical rates can reach as high as \$ 0.92/kwh. Diesel fuel and gasoline can cost up to \$11.00 per gallon in remote villages.

The logistics and timing of construction is a significant factor in any planned project that is being undertaken in the roadless, remote communities. These logistical challenges extend the time in the field for any construction company choosing to do work in these communities and limits the project payback, as more funding is needed to complete projects in these areas as compared to road-system communities in other parts of the state.





## Prince William Sound Economic Development District



### CONTACT

610 East 5th Avenue, Suite 104a  
Anchorage, AK 99501  
(907) 222-2440  
<https://www.pwsedd.org/>

### Mission:

**To serve as a forum for the discussion of regional economic issues and to foster economic growth and job creation through strategic planning and infrastructure development.**

Prince William Sound Economic Development District (PWSEDD) was established in 1991 to address the need for a coordinated region-wide planning authority, receiving designation as an ARDOR at that time. In 2001, the agency received designation as a federal Economic Development District. PWSEDD serves the communities of Chenega Bay, Cordova, Tatitlek, Valdez and Whittier with a combined population of 6,700. The Chugach National Forest surrounds the region's coastal communities. Economic activity is focused on oil distribution and support services; the maritime sector, including seafood harvesting and production; and the visitor industry and outdoor recreation.

### Funding Reported:

- \$83,300.00 - CARES Act (ARDOR)
- \$400,000.00 over 3 years - U.S. Economic Development Administration Noncompetitive Economic Recovery Funds
- \$70,000.00 - U.S. Economic Development Administration Planning Partnership

### Status of PWSEDD Projects Funded by State or Federal Grants:

**CARES Act:** PWSEDD has utilized CARES Act funds to provide technical assistance to regional small businesses.

**Denali Commission:** PWSEDD is completing three different projects, with funding to be depleted by December 30, 2020:

- Collaborating with Copper River Watershed Project on a cooperative greenhouse feasibility study for Cordova.
- Partnership building for pursuing a cold storage and processing facility for Cordova.
- Production of a webinar series about kelp farming in Prince William Sound: <https://www.pwsedd.org/post/kelp-farming-in-pws-a-webinar-series-for-how-to-and-what-do-i-need-to-know>.
- Creation of a regional tourism marketing partnership to raise the profile of Prince William Sound as an Alaskan destination.





## PWSEDD Meeting Summary:

No details are available regarding meetings prior to April 30, 2020. These meetings pre-date the tenure of the incoming Executive Director.

**April 30, 2020 (Online):** This board meeting was the PWSEDD's first board meeting with its new Executive Director, Kristin Carpenter. The agenda was focused on organizational house-keeping items associated with making a transition to new staff, such as modifying the list of signers on bank accounts, discussing board member terms, reviewing financial statements, and the financial status of the organization in general.

## Goals, Objectives, and Strategies for Addressing Regional Economic Development Needs:

**Five-Year Comprehensive Economic Development Strategy (CEDS) Update:** PWSEDD is working with the McKinley Research Group to develop a new five-year CEDS for the Prince William Sound region.

**Multi-Purpose Processing Facility Feasibility Study:** A request for proposals has been issued. Completion of the feasibility study is expected by April 2021.

**Alaska Marine Highway System Reform:** PWSEDD is following the public process for making recommendations to the Alaska Department of Transportation and Public Facilities for reforming the Alaska Marine Highway System to keep it functioning as regularly as possible for Alaska's coastal communities.

**Business Recovery and Resilience Planning:** PWSEDD continues to collaborate with regional partners to identify what kinds of assistance regional small businesses require to weather the COVID-19 pandemic. PWSEDD is responding with webinars, guidance, and training resources for small businesses.

**Building Relationships with Chenega and Tatitlek:** The executive director is reviewing the strategic plans for the villages of Chenega and Tatitlek to learn more about their local priorities and is seeking out relationships with their local leaders.

## Current PWSEDD Economic Development Initiatives:

**Prince William Sound Business SMART (Support Managing Alaska's Recovery Together):** PWSEDD utilized its CARES Act funding to contract with regional partners to create a network of support for local businesses. Partners include Greater Whittier Chamber of Commerce, Valdez Economic Development Department and Convention & Visitors Bureau, Cordova Chamber of Commerce, and Cordova District Fishermen United. This partnership coordinated its support for community businesses interested in applying for AK CARES funding and to host business support webinars in the fall of 2020.





## Current PWSEDD Economic Development Initiatives (cont.:

**Kelp Webinar Series:** With the help of a Cordova fisherman, PWSEDD is hosting a four-part series of webinars designed to provide an overview of the permitting process, kelp farm design, acquiring seed stock, and connecting with retail and wholesale kelp markets. for individuals who are exploring investing in kelp farming in Prince William Sound. More information about the kelp webinar series can be found at <https://www.pwsedd.org/post/kelp-farming-in-pws-a-webinar-series-for-how-to-and-what-do-i-need-to-know>.

**Kelp Seed Nursery:** PWSEDD has been collaborating with The Native Conservancy as it develops the concept of a kelp seed nursery for Prince William Sound kelp farming. Kelp farming, and mariculture in general, are economic activities with great potential for Prince William Sound as the area is home to hundreds of commercial fishermen with vessels and with deep maritime experience on the waters of Prince William Sound.

**Cooperative Greenhouse Feasibility Study for Cordova:** The Copper River Watershed Project (CRWP received U.S. Department of Agriculture funding for a feasibility study to establish a cooperative greenhouse in Cordova. PWSEDD is collaborating with CRWP on funding the feasibility study. At the end of this project, the partners will have an implementation plan with financial projections, prospective sites and structure types identified, a cooperative organizational structure identified, and projections for what produce will be grown in the greenhouse or greenhouses. The cooperative greenhouse project is expected to include an element involving the production of compost, a much-needed soil amendment in this area where there is very little soil on top of glacial till, which is mostly comprised of gravel and rock.

**Multi-Purpose Processing Facility for Cordova:** PWSEDD, along with the City of Cordova and the Copper River/Prince William Sound Marketing Association, is funding a feasibility study for creation of an Alaska Department of Environmental Conservation (DEC-approved, value-added processing facility for seafood and other food products. While Cordova does have several large-scale seafood processors, there is no facility for processing seafood for those fishermen who choose to market their catch directly to retail outlets. There are also small food-production businesses who have are interested in having an ADEC-approved kitchen in town for use on a fee-for-service basis.

## Future PWSEDD Economic Development Initiatives:

PWSEDD has identified several potential projects that could enhance economic development:

- Regular, consistent ferry service among all Prince William Sound communities.
- Recreational facilities in Whittier, including:
  - A kayak launch facility at the Head of the Bay; and
  - A new municipal park to serve as a community and visitor recreational hub.
- Replacing the Valdez Museum facility with a modern, expanded facility.
- Development of a multi-purpose seafood and food product processing facility in Cordova.
- Rehabilitation and expansion of the Valdez Fisheries Development Association facility.

## Anticipated Challenges to Regional Economic Development:

PWSEDD has identified several immediate challenges to regional economic development:

- Lack of consistent, weekly ferry service across Prince William Sound;
- High cost of energy;
- High cost of employee health care, particularly for small businesses;
- High transportation costs, driven by increasing barge rates and exacerbated by reduced ferry service; and
- Lack of a coordinated regional tourism marketing effort.



## Southeast Conference



### CONTACT

612 West Willoughby Avenue, Suite B  
Juneau, AK 99801  
(907) 586-4351  
<https://www.seconference.org/>

### Mission:

**Undertake and support activities that promote strong economies, healthy communities, and a quality environment in Southeast Alaska.**

Southeast Conference (SEC) was established in 1958 to advocate for the marine transportation needs of Southeast Alaska communities. In 1989, SEC became an ARDOR and a federal Economic Development District. The region extends 500 miles along the southeastern Alaska coast from Metlakatla to Yakutat, encompassing more than 1,000 islands. SEC combines state and federal support with private-sector investment to serve as Southeast Alaska’s economic development planning engine, providing a forum for community leaders to gather, decide upon regional priorities and implement strategies to improve social and economic well-being.

### Funding Reported

- \$39,120.00 Alaska Marine Highway System Reform
- \$110,131.27 Alaska Energy Authority Biomass Energy Contract
- \$35,771.64 CARES Act (ARDOR)
- \$17.11 DCRA Southeast Alaska Solid Waste Authority
- \$20,428.00 Denali Commission
- (-\$2,207.00) U.S. Department of Agriculture Energy Audit
- \$19,558.96 U.S. Department of Agriculture Renewable Energy Development Assistance
- \$70,000.00 U.S. Economic Development Administration Community Planning
- \$124,660.34 Sponsorships
- \$10,463.00 Southeast Conference Membership Fees
- \$69,993.25 Annual Meeting Fees
- \$54,132.24 Mid-Session Summit Fees
- \$11,450.00 Scholarship Auction Revenue
- \$10,467.20 Healthcare Planning Contract

### Status of SEC Projects Funded by State or Federal Grants:

**Division of Community and Regional Affairs - SEASWA:** The Southeast Alaska Solid Waste Authority (SEASWA) was developed through the joint efforts of SEC and Southeast Alaskan legislators. For many years, members of SEC and others in Southeast Alaska studied the issue of consolidating solid waste disposal, recycling, and scrap metal efforts across the region. Current goals are to continue reducing the municipal solid waste stream in Southeast Alaska by enhanced recycling, scrap metal collection, waste reutilization and shared facilities and services. Planning is underway to reach out to the communities in Southeast Alaska to work toward an economy of scale to meet SEASWA’s goals and to investigate safer and more efficient shipping methods.



## Status of SEC Projects Funded by State or Federal Grants (cont.):

**Alaska Marine Highway System Reform:** The Alaska Marine Highway System (AMHS) Reform initiative features a statewide collaboration of stakeholders including businesses, communities, and tribes seeking to reform and revitalize the state's ferry system in order to improve its efficacy and ensure its long-term sustainability. The effort is managed by SEC and led by a 12-member steering committee. After 30 meetings, a 41-page report has been sent to the Governor's Office with the steering committee's recommendations. SEC also participated in the Governor's AMHS Reshaping Work Group and supports moving forward on the key findings and recommendations sent to the Governor.

**Alaska Energy Authority:** Southeast Conference continues a close working relationship the Alaska Energy Authority (AEA) and assists with project development and program implementation as needed. Current projects include the U.S. Department of Energy START program project in Kake and the Remote Alaska Communities Energy Efficiency project in Klawock. The SEC's Biomass Coordinator provides technical support and facilitation for biomass energy projects across the state and chairs the Alaska Wood Energy Development Task Group, which consists of a coalition of federal agencies, state agencies, and not-for-profit organizations seeking to increase the utilization of wood for energy and biofuels production in Alaska.



*A biomass boiler in action.*

**CARES Act:** SEC was contracted by the State of Alaska to provide technical assistance and outreach for the AK CARES Grant program. The Alaska Department of Commerce, Community, and Economic Development (DCCED), working with the Alaska Industrial Development and Export Authority, established a grant program to provide economic relief to small Alaskan businesses impacted by the COVID-19 public health emergency. To date, 1,069 small businesses in Southeast Alaska have received \$38,647,626.58 in relief funds.

**Denali Commission:** Denali Commission provided funding for SEC to participate in the Alaska Regional Development Network and to identify economic development initiatives and projects in the region. To date, extensive outreach and partnership meetings have taken place. The COVID-19 pandemic has slowed progress, as attention has been diverted to more urgent economic and public health needs.

**U.S. Department of Agriculture, Renewable Energy Development Assistance:** USDA funding to SEC is being used to assist businesses with technical understanding on how to deploy renewable energy resources. To date, a technical workshop was held with the Tanana Chiefs Conference and a project is currently underway with Inside Passage Electric Cooperative in Kake to investigate how to deploy solar into the local microgrid.

**U.S. Department of Agriculture, Energy Audit Program:** The Energy Audit program is completed.

## SEC Meeting Summary:

**July 25, 2019:** The board discussed the best strategies in response to the state budget, emphasizing the importance of defending needs of the organization and its objectives.

**August 27, 2019:** There were various new business items, such as approval of the \$20,000 University of Alaska Southeast (UAS) Foundation check from the SEC membership auction, future fundraising for the scholarships, and discussion regarding the Community and Business of the Year awards.



**SEC Meeting Summary (cont.):**

**September 20, 2019** (Annual Meeting): New president, Alec Mesdag, took office and welcomed new board member, Lacey Simpson. Support for full funding for Secure Rural Schools was passed unanimously as well as location approval for the 2020 Annual Meeting. SEC members voiced concerns about diminished ferry service, tourism, commercial fisheries, and the status of UAS.

**November 7, 2019:** A new healthcare committee was established with Maegan Bosak as chair. Meilani Schijvens gave updates on the mid-year U.S. Economic Development Administration Report with plans for the 2025 CEDS planning sessions to occur at the mid-session summit in February 2020.

**January 8, 2020:** Karen Peterson gave an update on the biomass program, noting that while there is a shortage and slow growth of biomass projects statewide, there is growing interest. More than 1,000 tons of wood pellets are being used in Southeast Alaska per year and there is a steady increase of thoughtfully installed wood-burning devices. The newest biomass project is planned for the City of Craig’s high school with the install of a small containerized chip heating system.

**February 4-5, 2020** (Mid-Session Summit): The SEC Board of Directors met with the membership. Well over 50 speakers discussed economic development from the industry, state, and federal perspectives; and updates were given from Alaska’s state and federal delegations. Attendance exceeded 220 registrants.

**March 19, 2020:** A discussion was held regarding economic challenges brought on by the pandemic for the southeastern part of the state. Meilani Schijvens emphasized the critical importance of the 23 committee meetings occurring during this time. Karen Peterson reported on the U.S. Forest Service and AEA trip for Prince of Wales Island for the new biomass system in Hydaburg. Executive Director Robert Venables stated that the Alaska Marine Highway System Reshaping project is slowly moving forward.

**April 24, 2020:** Applications for the federal Paycheck Protection Program (PPP) were discussed. Meilani Schijvens said the recent business survey was very insightful, and the current CEDS information has been very helpful to the City and Borough of Juneau economic stabilization committee. Karen Peterson gave a biomass program update, detailing the current list of 9 statewide projects.

**May 29, 2020:** Discussed funding received from DCCED to provide technical assistance to small businesses applying to the AK CARES grant program. Robert Venables introduced Administrative Assistant, Sarah Woodruff, to the board. Discussion was had regarding the proposal to absorb the UAS campus into the Anchorage or Fairbanks campuses. The board expressed its deep concerns about this possibility, with a letter drafted on behalf of SEC. Board members were encouraged to testify on behalf of the UAS campus.



*UAS/SEC Scholarship recipient.*

**June 24, 2020:** President Alec Mesdag and Executive Director Robert Venables reported that financials were stable and that SEC anticipated receiving additional funding from Denali Commission and AK CARES. Robert Venables reported that most of SEC’s time is being spent on distributing AK CARES resources throughout the region. He gave an update on the slow progress of the Alaska Marine Highway System Reshaping Group and the success of the Spruce Root COVID-19 Workshop. Heather Holt gave an update on the AK CARES activity and Karen Petersen spoke about recent biomass projects and upcoming events. The board unanimously approved the amended FY21 budget and approved moving the Annual Meeting to a virtual event. The board also approved returning the PPP loan and applying for AK CARES funds. Meilani Schijvens of Rain Coast Data presented a summary of the results of the regional business survey.



## Goals, Objectives, and Strategies for Addressing Regional Economic Development Needs:

The SEC Scope of Work focuses primarily on economic development planning and implementing economic development program activities. It is driven by the goals, objectives, and action plan contained in the Southeast Alaska Economic Plan, the regional Comprehensive Economic Development Strategy (CEDS). The purpose of SEC investment is to implement and continue to improve the regional economic plan for the purpose of creating and retaining new and better jobs. SEC's planning activities are part of a continuous process involving the active participation of the private sector, public officials, non-profit organizations, educational institutions, and private citizens. As part of the process, SEC analyzes local economies through its annual regional economic analysis publication, Southeast Alaska by the Numbers.



*Publications of Economic Planning documents created by Southeast Conference's Meilani Schjivens.*

The economic goals of SEC were defined during the five-year CEDS process and presented in that work. SEC will continue to work with partners across the region to define and refine our economic development goals, especially as the economy changes, and will continue to host two membership meetings annually.

The 2016 to 2020 CEDS lays out SEC's implementation strategy of economic development programs, including an action plan containing steps, costs, evaluation measures, partners, and project champions:

1. **Transportation:** Support a consistent and reliable regional transportation system that enables predictable, financially sustainable, efficient transportation for a prosperous regional economy and access to medical care and cultural events. Provide support for the transportation committee.
2. **Energy:** Create long-term energy security by supporting energy infrastructure development and promoting efficient use of existing energy-related resources within Southeast Alaska. Provide support for the energy committee.
3. **Maritime:** In the CEDS, Southeast Conference focuses on two elements of the maritime sector: marine industrial support & seafood. Provide support for the maritime committee.
4. **Visitor Industry:** Increase visitor-related opportunities, enhance Southeast Alaska as a destination for visitors, and capitalize on the attributes of the region. Work to develop and support a visitor industry committee.
5. **Timber Industry:** Increase the timber industry workforce, increase economic timber supply levels, and improve timber-related infrastructure. Provide support for the timber committee.
6. **Other Objectives and Resilience:** Objectives outside the primary sectors of focus include housing, food security, communications, marketing, solid waste, education, arts, mining, research, cultural wellness, healthcare, and resilience.



*A cruise ship in the Gastineau channel.*

## Current SEC Economic Development Initiatives:

SEC develops an annual regional economic analysis publication that provides a one-year and multi-year breakdown of regional economic and socioeconomic trends. The overview provides analysis on demographics, employment, and earnings in the maritime, visitor, seafood, mining, timber, construction, and health care industries; along with public sector developments and economic projections.

Each year, SEC conducts a regional business climate and investment survey in order to track Southeast Alaska business confidence on an annual basis. This year, comprehensive questions regarding COVID-19 business impacts were added to the survey along with questions to clarify how the private sector can best be supported moving forward moving through this period of pandemic.

SEC is working to create short-term and long-term COVID-19 economic recovery and resilience plans for Southeast Alaska communities and business sectors. SEC is actively working within its 10 committees to create industry-specific resilience, recovery, and implementation plans to be incorporated into its larger Comprehensive Economic Development Strategy (CEDS) – the 2025 Southeast Alaska Economic Plan.

SEC continues to implement the key elements of its 2020 CEDS:

1. **Transportation**
  - i. Minimize impacts of budget cuts to the Alaska Marine Highway System (AMHS) and develop a sustainable, long-term operational model for the AMHS.
2. **Energy**
  - i. Promote priorities of the regional energy plan including infrastructure development and diesel displacement.
3. **Maritime/Seafood**
  - i. Implement the Alaska Maritime Workforce Development Plan and create a maritime industrial support sector talent pipeline.
  - ii. Mariculture development.
  - iii. Full resource utilization and ocean product development.
4. **Visitor Industry**
  - i. Market Southeast Alaska to attract more visitors.
5. **Timber Industry**
  - i. Increase the timber industry workforce, increase economic timber supply levels and infrastructure.
  - ii. Provide support for the timber committee.
  - iii. Provide an adequate, economical, and dependable supply of timber from the Tongass National Forest to regional timber operators.
6. **Other Objectives and Resilience**
  - i. Objectives outside the primary sectors of focus include housing, food security, communications, marketing, solid waste, education, arts, mining, research, cultural wellness, and healthcare.
  - ii. Provide support for the mining and economic development committees.
  - iii. Address the elements of economic resiliency planning.



*Mariculture farmers harvesting kelp.*

SEC will address the economic impacts of the COVID-19 pandemic on Southeast Alaska and hire a regional disaster recovery coordinator to support Southeast communities and local governments.



## Future SEC Economic Development Initiatives:

SEC currently has a draft list of 70 economic initiatives that have been proposed. The 2025 economic planning process is being used to revise, pare down, and prioritize future projects.

### 2025 Action Initiatives (*count of projects in parentheses*):

#### Energy (5) - Discussed on October 28, 2020

- o Continue to support rural Southeast communities with high-cost electric rates that do not have access to lower cost hydroelectricity.
- o Work with communities to create energy systems that provide sustainable, affordable, renewable thermal energy.
- o Promote beneficial electrification.
- o Implement regional energy plan with a focus on “committed units” and deployment of renewables.
- o Energy workforce development.

#### Transportation (7) - Discussed on October 29, 2020

- o Sustain and support the Alaska Marine Highway System (AMHS).
- o Change of governance for AMHS.
- o Implement reshaping recommendations.
- o Develop long-term, strategic, multi-modal transportation plan.
- o Ensure the stability of regional transportation services.
- o Move freight to and from markets more efficiently.
- o Ports and Harbors Infrastructure Improvements.
- o Passenger transportation recovery post COVID-19.
- o Road Development.

#### Timber (8) - Discussed on November 4, 2020

- o Provide an economically viable and dependable supply of timber from the Tongass National Forest to regional timber operators.
- o Revise the Tongass National Forest Land and Resource Management Plan.
- o Support an integrated timber industry that includes harvest of young growth and old growth.
- o Community-based timber workforce development.
- o Work with the U.S. Forest Services (USFS) to direct federal contracts and timber sale opportunities toward eligible locally owned businesses.
- o Communication and advocacy.
- o Promote free trade.
- o Contract and agreement reform.



*The Tongass National Forest*

## Future SEC Economic Development Initiatives (cont.):

### Mining (8) - Discussed on November 10, 2020

- o Proactively support mining operations and mineral exploration projects.
- o Support effort to increase access to minerals and energy sources for mining on state and federal lands.
- o Mining and Exploration Workforce Development.
- o Preserve access to reliable, year-round transportation for miners living in rural Southeast Alaska.
- o Attract mining capital.
- o Create a more stable regulatory environment.
- o Review and promote an understanding of decades of land use planning.
- o Support research and promotion of regional mineral prospects and deposits.

### Health Care (7) - Discussed on December 2, 2020

- o Plan for a post COVID-19 Southeast Alaska economy and health care system.
- o Retain Alaska-trained health care students.
- o Meet the health care needs of an aging population.
- o Increase health care training within the region/state.
- o Reduce barriers to hiring outside workers.
- o Improve recruitment strategies.
- o Regional health care enhanced partnerships.

### Seafood (14) - Discussed on December 9, 2020

- o Mariculture development.
- o Work to further promote a year-round seafood economy in the region.
- o Further develop seafood markets.
- o Maintain a stable regulatory regime to support the seafood sector.
- o Increase employment and training opportunities for Southeast Alaska residents in the Marine Industrial Support Sector.
- o Research the effects of changing ocean conditions on the marine environment.
- o Support Regional Processors Becoming Economically Competitive.
- o Communicate the Importance of Salmon Hatcheries.
- o Seafood Sector Workforce Development.
- o Increase Energy Efficiency and Reduce Energy Costs.
- o Full Resource Utilization & Ocean Product Development.
- o Expand Regional Marine Industrial Support Capacity.
- o Increased Sea Otter Utilization.



*Kelp harvested on a mariculture farm*



## Future SEC Economic Development Initiatives (cont.):

### **Economic Development (9)** - Discussed on December 16, 2020

- o Support development of housing.
- o Increase supply, accessibility, and demand of local foods.
- o Improved access to telemedicine in Southeast Alaska.
- o Market Southeast Alaska as a region for product development.
- o Regional solid waste disposal.
- o Partner with University of Alaska Southeast and K-12 school districts to build career pathways and meet employer needs for a skilled workforce.
- o Increase the recognition of Southeast Alaska's thriving arts economy.
- o Attract science and research jobs to Southeast Alaska.
- o Support development of activities and infrastructure that promote cultural wellness.

### **Tourism (7)** - Discussed on January 12, 2021

- o Market Southeast Alaska to attract more visitor spending and opportunities.
- o Improve access to public lands and increase flexibility in terms of permit use.
- o Increase yacht and small cruise ship visitations.
- o Advocate for funding for visitor and transportation related infrastructure.
- o Grow cultural and arts tourism opportunities.
- o Recovery from the impacts of COVID-19.
- o Innovate and redesign tourism in Southeast Alaska.



*Southeast Conference representatives, Robert Venables, Meilani Schijvens, and Alec Mesdag celebrating winning a national award for their economic planning efforts.*

## Anticipated Challenges to Regional Economic Development:

From April 2020 through September 2020, Southeast Alaska lost more than 7,000 jobs across every sector, but tourism was particularly devastated. To date, the region has lost 17% of its jobs due to the COVID-19 pandemic. The impact of COVID-19 on the tourism sector has been devastating. In 2020, tourists had been expected to spend nearly \$800 million across Southeast Alaska communities. In June 2020, business leaders in the visitor sector reported on how their businesses were faring:

- Tourism businesses reported that their 2020 revenue was down by 83% compared to 2019.
- 55% of existing tourism staff was laid off, and planned summer hires were canceled.
- 29% of tourism businesses expect to make additional layoffs moving forward.
- 35% of tourism businesses say they are at risk of closing permanently before July 2021 if conditions do not improve.

On top of COVID-19, Southeast Alaska is currently experiencing one of its worst fishing seasons on record. Dismal harvest levels are compounded by reduced prices, as the pandemic has limited global seafood demand.

The COVID-19 pandemic comes on top of the state's fiscal crisis, in which Southeast Alaska received a disproportionate level of job and service cuts. Over the past eight years, the region has struggled with the impacts of decreased State government employment and spending. From 2012 to mid-2020, state jobs have fallen by 20%, a decline of 1,130 annualized workers.

Transportation connectivity, which has long been identified as the most vulnerable element of the regional economy, had already been significantly reduced prior to the COVID-19 pandemic. The Alaska Marine Highway System (AMHS) ferried 262,931 individuals in the region in 2012. By 2019, that figure had dropped by 49%. Deferred and reduced maintenance has led to ships being removed from service. In February 2020, the system shut down all but one ferry, leaving some communities without access to groceries. COVID-19 travel challenges came on top of these already existing limitations, further reducing the number of sailings and travelers.



*A ferry in Southeast Alaska.*



## Southwest Alaska Municipal Conference



### CONTACT

3300 Arctic Boulevard, Suite 203  
Anchorage, AK 99503  
(907) 562-7380  
<https://swamc.org/>

### Mission:

**Advancing the collective interests of Southwest Alaska people, businesses, and communities, promoting economic opportunities to improve quality of life, and influencing longterm responsible development.**

Southwest Alaska Municipal Conference (SWAMC) is a non-profit, regional economic development organization for Southwest Alaska comprised of the Alaskan Peninsula, Aleutians Development District entity tasked to pursue public-private partnerships based on sound strategic planning efforts. SWAMC is a liaison between state government and regional leaders, hosting summits, communicating priorities and opportunities, implementing initiatives, and acting as a unified voice for the region. SWAMC was originally founded to advocate for rural community needs and the responsible development of the region's commercial seafood industry; it remains committed to issues associated with commercial fishing, as well as telecommunications and energy infrastructure in the region.

### Funding Reported:

- |                |   |
|----------------|---|
| • \$83,333.33  | CARES Act (ARDOR)   |
| • \$5,486.85   | Alaska Energy Authority   |
| • \$5,000.00   | Alaska Seafood Marketing Institute  |
| • \$100,000.00 | U.S. Department of Agriculture Energy Audit   |
| • \$75,000.00  | Denali Commission   |
| • \$75,000.00  | U.S. Economic Development Administration Partner Planning (over 3 years)              |
| • \$123,582.31 | U.S. Department of Energy, Office of Indian Energy, Inter-Tribal Technical Assistance |
| • \$35,049.10  | SWAMC Membership Dues   |
| • \$38,750.00  | Cash and In-Kind Sponsorships for SWAMC's 2020 Economic Summit                        |

### Status of SWAMC Projects Funded by State or Federal Grants:

**CARES ACT:** SWAMC provides the FORWARD online tool and a help line available to small businesses in the region as part of our COVID-19 relief services. FORWARD will be offered to the region under the existing contract through June 2021.

**Denali Commission:** The grant strategy for CY2020 has shifted due to the COVID-19 pandemic preventing quarterly meetings of ARDORs. Utilizing Denali Commission funding, SWAMC has compiled and updated a list of economic development projects in the region. SWAMC will retain a focus on these economic development projects beyond the end of funding.

**U.S. Economic Development Administration Economic Adjustment Assistance Program:** This grant, which funded the Aleutian/Pribilof Islands Broadband Improvement Study, was closed out upon receipt of the Final Phase II Broadband Plan report from the sub-contractor.



## Status of SWAMC Projects Funded by State or Federal Grants (cont.):

**U.S. Department of Agriculture Renewable Energy Development Assistance - Energy Audit (REDA-EA):** Subcontractors are currently conducting energy audits remotely on commercial fishing vessels and small businesses. Energy audits are being offered statewide through the third round of this grant. SWAMC closed out the second round of the grant during FY2020 and are considering applying for a fourth round of grant funding in early 2021.

**Department of Energy Office of Indian Energy Inter-Tribal Technical Assistance:** This grant was closed out at the end of FY2020. The final project report was completed and posted online in June 2020.

**U.S. Economic Development Administration (EDA) Partnership Planning Program:** The current grant will conclude at the end of FY2021. SWAMC plans to apply for another round of the program. SWAMC will conduct stakeholder outreach and engagement in Spring 2021 as part of the FY2022 Comprehensive Economic Development Strategy (CEDS) update process.

## SWAMC Meeting Summary:

**August 15, 2019 (Teleconference):** Agenda items included approval of SWAMC's FY2020 budget, approval of a no-cost extension of its U.S. Department of Energy grant, approval to apply for a third round of U.S. Department of Agriculture Energy Audit grants, and a status report on its Executive Director search.

**September 19, 2019 (Teleconference):** Agenda items included scheduling the 2019 board retreat, scheduling the FY2019 financial audit, and renewal of SWAMC's office lease.

**October 17, 2019 (Teleconference):** Agenda items included topics for the 2019 board retreat, an at-large board seat vacancy, and selection of the finalists for Executive Director interviews.

**November 18, 2019 (Hotel Captain Cook, Anchorage):** This meeting was held as part of SWAMC's 2019 board retreat. The lone agenda item was an executive session to interview and select SWAMC's new Executive Director.

**December 19, 2019 (Teleconference):** Agenda items included information about a Denali Commission grant and discussion on the transition approach for the incoming Executive Director.

**January 16, 2020 (Teleconference):** The lone agenda item was passage of Resolution 20-1: Humpback Whale Critical Habitat.

**February 20, 2020 (Teleconference):** The lone agenda item was discussion on the upcoming annual conference.

**March 4, 2020 (Hotel Captain Cook, Anchorage):** This was a pre-conference meeting. Agenda items included discussion and planning for the SWAMC Conference starting the following day, and review and discussion of resolutions.

**March 7, 2020 (Hotel Captain Cook, Anchorage):** This was a post-conference meeting. Agenda items included ratification of board election, election of officers, action on resolutions, conference debrief, selection of dates for 2021 annual meeting, an aviation working group update, and SWAMC by-laws.

**April 16, 2020 (Teleconference):** Agenda items included acceptance of FY2019 financial audit and selection of the Kodiak associate board member seat.



### SWAMC Meeting Summary (cont.):

**May 21, 2020 (Teleconference):** Agenda items included draft FY2021 budget, draft CEDS update, EDA invitation to apply for CARES Act Supplemental award, and Department of Commerce, Community, and Economic Development (DCCED) funding for small business technical assistance.

**June 18, 2020 (Teleconference):** Agenda items included FORWARD platform for business assistance, FY2021 membership drive and communications improvement, and discussion on the municipal assistance program.

At all meetings, the Board of Directors reviewed and approved the previous months' financial documents. Accounting services are provided to SWAMC by The Foraker Group.





## Goals, Objectives, and Strategies for Addressing Regional Economic Development Needs:

SWAMC has outlined its goals, objectives, and strategies:

### GOAL #1: Resources Management Advocacy

- **Objective 1: Fisheries Development** – Promote conservation-based fisheries opportunities that provide a sustainable income base to the communities, businesses, and residents of coastal Southwest Alaska.
- **Objective 2: Tourism Development** – Encourage investment in new and existing tourism opportunities that grow and retain regional wealth by taking advantage of the region’s unique cultural, environmental, and natural charm to draw visitors to the region.
- **Objective 3: New Resource Development** – Promote new and responsible natural resource development that does not threaten the sustainability of the historic regional fisheries-based economy.
- **Objective 4: Fisheries Access** – Promote efforts to retain commercial and subsistence fisheries access rights for regional residents.

### Goal #1 Strategies – Programs, Projects, Activities

1. Research, collect, and curate relevant data to showcase economic trends, provide support for grant applications, and demonstrate economic development needs in the SWAMC region.
2. Attend regulatory and policy meetings and convey information and discussion points from these meetings to the SWAMC board and membership.
3. Advocate for adequate state funding to support regulatory and scientific agencies that oversee research and manage natural resources vital to the region’s economy and culture.
4. Advocate for and facilitate public/private partnerships to develop, utilize, and market new mariculture resource development opportunities for the economic benefit of the region.
5. Facilitate and participate in discussions with government and private sector to promote new business development.
6. Advocate for and seek private investment to help expand existing businesses and to capitalize on new business opportunities.
7. Maintain and update a regional strategic plan and stakeholder network to develop regional resources, infrastructure, and people.
8. Seek, apply for, and administer grants to support natural resource development, value-added manufacturing, and new tourism opportunities.
9. Partner with other organizations to leverage funding and staff to support natural resource development, value-added manufacturing, and new tourism opportunities.
10. Highlight natural resource development, value-added manufacturing, and new tourism opportunities at the annual Economic Summit and Membership Meeting.



## SWAMC Goals, Objectives, and Strategies for Addressing Regional Economic Development Needs (cont.):

### GOAL #2: Infrastructure Development and Maintenance Advocacy

- **Objective 1: Energy Efficiency** – Encourage energy audits, energy education, and energy infrastructure retrofits to reduce consumers’ long-term cost of power through energy efficiency and conservation.
- **Objective 2: Ownership of Energy Systems** – Promote local ownership of energy planning, decision-making, and project development.
- **Objective 3: Low-Cost Power** – Facilitate information-sharing and community adoption of infrastructure that may supply sustainable lower-cost power generation.
- **Objective 4: Strategic Infrastructure Investments** – Promote infrastructure that supports the region’s educational, healthcare, and economic development needs.
- **Objective 5: Community Planning** – Promote long-term visions, goals, and strategies for sustainable community development. Focus on resiliency and forward planning to avoid significant impacts in times of disaster.
- **Objective 6: Communication Infrastructure** – Facilitate planning and deployment of broadband internet infrastructure.

### Goal #2 Strategies – Programs, Projects, Activities

1. Advocate for regional and local public and private transportation projects that provide vital transportation services such as ports, harbors, runways, air services, and marine transportation services, including the Alaska Marine Highway System.
2. Advocate for and facilitate improvements to and maintenance of cellular and broadband services throughout the SWAMC region.
3. Provide planning assistance to communities wishing to access programs, grants, and loans to help improve community infrastructure and recover from the impacts of the COVID-19 pandemic.
4. Review and facilitate updates to the State Transportation Improvement Program (STIP) to reflect the priorities of SWAMC communities for transportation infrastructure projects.
5. In collaboration with state, federal, and private industry partners, assist communities with energy sustainability planning and the pursuit of lower cost and renewable energy projects.
6. Share economic information from the SWAMC region with legislators, federal partners, and the private sector to demonstrate the benefits of constructing and maintaining the infrastructure that supports economic activity.
7. Research energy source alternatives for different parts of the region that reduce the cost of electricity and heat production. Increase energy efficiency for businesses, residents, and schools.
8. Collect and distribute energy data to local, state, and federal stakeholders and partners to inform energy planning and energy system development.
9. Partner with regional nonprofit organizations, local governments, tribes, and businesses to maintain existing infrastructure. Construct new infrastructure to support energy system and economic development.
10. Highlight infrastructure, energy, job training, and new maritime opportunities at the annual Economic Summit and Membership Meeting. Focus on resilience and recovery from COVID-19 impacts and provide planning strategies to avoid impacts in the future.



## SWAMC Goals, Objectives, and Strategies for Addressing Regional Economic Development Needs (cont.):

11. Seek, apply for, and administer grants to support infrastructure and energy projects.
12. Advocate for and support programs that promote affordable housing in the SWAMC region.
13. Collect and retain Capital Improvement Project (CIP) lists from municipalities to assist local governments in grant requests to State and Federal agencies.

### GOAL #3: People and Partnerships Networking

- **Objective 1: Shared Benefit** – Secure funding streams from local, regional, state, and federal entities for projects that benefit the region, communities, businesses, members, and other key stakeholders who have been negatively affected by COVID-19 impacts.
- **Objective 2: Training and Education** – Promote professional development programs and facilitate the development of said programs to match employee skillsets with employers' needed skills.
- **Objective 3: Information Sharing** – Promote alignment of the needs of job creators with job trainers. Promote partner networks with schools and create organizational activities in the region that align the two.
- **Objective 4: Develop STEM Programs** – Promote local, regional, and state activities to develop STEM (Science, Technology, Engineering, and Mathematics) programs that train future workers and meet the changing needs of employers.
- **Objective 5: Regional Economic Planning** – Promote the implementation of the Comprehensive Economic Development Strategy that aligns with sub-regional and local planning efforts. Focus on planning to avoid impacts from unforeseen disasters and to recover by creating new job opportunities and partnerships with private investors in the mariculture field.
- **Objective 6: Awareness** – Promote the value of Southwest Alaska to external State and Federal partners with data that supports continued and new investment in the region.

### Goal #3 Strategies – Programs, Projects, Activities

1. Partner with the Alaska Safety Alliance or other organization to update and implement the Alaska Maritime Workforce Development Plan.
2. Coordinate business workforce needs with colleges, job training institutions, and high school curriculums to prepare residents of the SWAMC region for good-paying employment opportunities.
3. Support and conduct Science, Technology, Engineering, and Mathematics (STEM) programs to help prepare young persons for jobs that are trade, technical, or technology driven.
4. Advocate for SWAMC regional economic issues and interests before the Alaska Legislature and U.S. Congress.
5. Organize, host, and promote the SWAMC Economic Summit and Membership Meeting to allow stakeholders from Southwest Alaska to network, learn, and share their positions on economic and political issues impacting the region.
6. Engage with local, state, and federal agencies and institutions to support and advocate for programs and activities that support economic development and COVID-19 pandemic recovery efforts.
7. Coordinate and maintain open lines of communication between SWAMC members, communities, businesses, and partner organizations to build an understanding of the SWAMC region and find opportunities to bolster economic development.



## SWAMC Goals, Objectives, and Strategies for Addressing Regional Economic Development Needs (cont.):

8. Increase SWAMC membership and participation to foster economic development in Southwest Alaska by expanding our outreach efforts to foreign and domestic mariculture/aquaculture investors.
9. Assist communities in becoming more resilient by helping them plan and prepare for disasters, both natural and man-made. Focus on lessons learned from the COVID-19 pandemic to avoid future negative impacts to businesses and investors.
10. Partner with other ARDORs and economic development organizations to promote mutually beneficial projects that support economic development.
11. Maintain a living and active Comprehensive Economic Development Strategy that is updated annually and rewritten every five years in order to stay relevant and address a changing market environment in a timely manner.

### GOAL #4: Quality of Life Initiatives

- **Objective 1: Collective Happiness** – Promote access to valued employment, housing, networks, culture, community, technology, healthcare, and adventure.

#### Goal #4 Strategies – Programs, Projects, Activities

1. Assist communities with planning and seeking funding to address substance abuse issues in the SWAMC region. Partner with other organizations who are successfully educating students on the dangers of addiction.
2. Support efforts to spotlight and increase awareness of and opportunities for the sharing of cultural values.
3. Support local schools and universities to maintain an array of educational opportunities for students from Southwest Alaska.

### Current SWAMC Economic Development Initiatives:

SWAMC's 2020-2024 Comprehensive Economic Development Strategy (CEDS) was completed in 2019 and updated in 2020. The CEDS analyzes strengths, weaknesses, opportunities, and threats, laying out actionable strategies to enhance the development of the Southwest Alaska economy. The CEDS is built upon data and community outreach; community engagement yielded insights into projects and actions that support economic development and can insulate the region from shocks. The CEDS highlights the region's internal strengths and weaknesses, and external opportunities and threats. The document proposes strategies around three key areas: resources, infrastructure, and people. This five-year plan for 2020-2024 builds on previous CEDS planning efforts and is an evolving, guiding document for SWAMC. The CEDS also provides the SWAMC board with the background and direction for prioritizing resources.



### Current SWAMC Economic Development Initiatives (cont.):

**Resources Management Advocacy:** SWAMC is currently focusing primarily on the Fisheries Development objective with its efforts to develop a new mariculture industry in Southwest Alaska. SWAMC is also working to connect fisheries businesses affected by COVID-19 with the applicable economic relief programs.

**Infrastructure Development and Maintenance Advocacy:** SWAMC is currently focused on energy efficiency through its energy audit program for rural small businesses. SWAMC is also working to improve regional communication infrastructure through its work on broadband planning for the region's communities which incorporates tribes' 2.5 GHz broadband spectrum received through the FCC's Tribal Priority Window.

**People and Partnerships Networking:** SWAMC is focusing on "shared benefit" objectives through several projects where SWAMC is working with its partners to address COVID-19 impacts in the region. SWAMC has also prioritized training and education/information sharing objectives through its existing placement of an AmeriCorps VISTA volunteer who has been working with the Alaska Safety Alliance to align employer-needed skill-sets in the maritime industry with maritime workforce development programs.





## Future SWAMC Economic Development Initiatives:

**AU-Aleutians Fiber Project:** GCI was recently awarded a \$25 million U.S. Department of Agriculture ReConnect grant to provide terrestrial broadband service via undersea cable to Unalaska/Dutch Harbor, King Cove, Sand Point, Akutan, Chignik Bay, and Larsen Bay. The project is expected to be complete and in service by 2022, substantially improving internet speeds and reliability in the affected communities.

**Pacific DataPort Aurora Satellite System:** Pacific DataPort has made significant progress in their mission to procure, launch, and operate a Ka-band high throughput satellite (HTS) system designed to provide lower cost and higher capacity broadband internet over the entire Alaskan landmass. This is of great interest to those SWAMC communities that will not be served by GCI's AU-Aleutians Fiber Project.

**Nuyakuk Hydroelectric Project:** Nushagak Electric and Telephone Cooperative has undertaken a hydroelectric project with the potential to provide electrical generation capacity to six Bristol Bay communities, displace diesel consumption, and provide a route to extend broadband connectivity from Levelock to Dillingham and surrounding villages.

**SWAMC Regional Broadband Plan:** SWAMC will contract with Alaska Tribal Broadband to evaluate "middle mile" alternatives, define broadband needs, design and engineer "last mile" network options, evaluate operations support alternatives, establish capital and expense budgets, and identify funding opportunities for each community in the SWAMC region as part of the supplemental CARES Act funding SWAMC received from the U.S. Economic Development Administration. The result of this effort will be an individualized broadband plan for each community, including the many communities that will not directly benefit from the GCI AU-Aleutians Fiber Project.

**Mariculture Industry Development Project:** SWAMC intends to contract with Alaska Fisheries Development Foundation as part of supplemental CARES Act funding that SWAMC received from the U.S. Economic Development Administration. These funds will be used to accelerate the development of a mariculture industry in Southwest Alaska. This initiative addresses objectives in the SWAMC Comprehensive Economic Development Strategy to support economic development efforts that increase private investment in Southwest Alaska communities and create new local job opportunities to stimulate long-term sustainability and growth. This project will focus on expanding seaweed product development by providing processors in the region with needed information on potential seaweed products and markets to confidently invest in the seaweed industry. This will be coupled with a seaweed processing pilot project which will offer invaluable hand-on experience and skills training to local residents.

**Economic Recovery and Resiliency Plan:** As part of supplemental CARES Act funding received from the U.S. Economic Development Administration, SWAMC will create a Southwest Alaska Regional Economic Recovery and Resiliency Plan. This plan will be based upon FEMA's Pre-Disaster Recovery Planning Guide for Local Governments. The process will be driven by stakeholder participation, examining lessons learned from different stakeholder groups' pandemic responses and identifying forward planning strategies to help the region better withstand and recover from future economic shocks stemming from the pandemic or other industry downturns.



## Anticipated Challenges to Regional Economic Development:

When developing SWAMC's 2020-2024 CEDS, regional stakeholders and the Board of Directors identified the following challenges to economic development in the Southwest Region.

### Access to Resources:

- Extreme weather;
- Year-to-year resource fluctuations make long-term planning difficult;
- Strong resource seasonality and vulnerable market prices;
- Lack of value-add manufacturing, exacerbated by energy and shipping costs;
- Resource development conflicts between fishing and mining;
- Potential impacts of climate change;
- Competing markets for seafood outside Alaska; and
- Impacts of the U.S. Environmental Protection Agency (EPA) regulations and environmental protections.

### Infrastructure:

- Geography and connectivity in a massive coastal region;
- Cost of ongoing maintenance and aging industrial facilities;
- Costly and unreliable air service;
- Poor communications structure (including internet connectivity);
- High energy costs;
- Limited affordable quality housing;
- Significant reduction or elimination of AMHS service;
- High cost of building and reduced public investment; and
- Potential declines in postal service to rural Alaska.

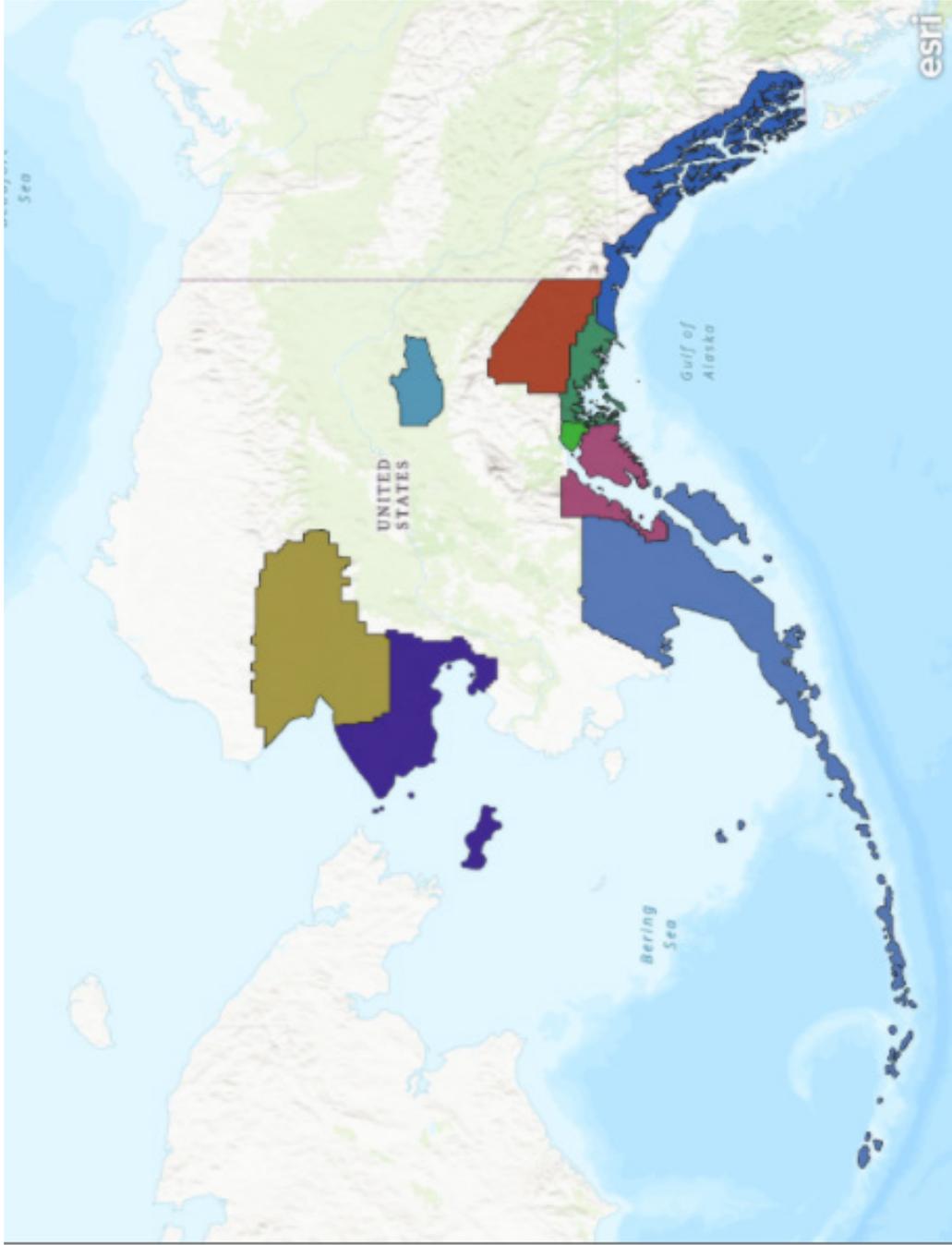
### People and Partnerships:

- Lack of training for new technology in seafood industry;
- Aging population;
- High non-resident employment and net outward migration of younger population;
- Subsistence abuse and lack of local treatment facilities;
- Heavy local government reliance on public funding;
- Financial difficulties with satisfying government regulations and restrictions; and
- Lack of regional interconnectivity in air and marine travel.





# ARDOR Regions Map



- Alaska Regional Development Organizations (ARDORs)**
-  Anchorage Economic Development Corporation
  -  Bering Strait Development Council
  -  Copper Valley Development Association
  -  Fairbanks North Star Borough Economic Development Commission
  -  Kenai Peninsula Economic Development District
  -  Northwest Arctic Borough Community & Economic Development Commission
  -  Prince William Sound Economic Development District
  -  Southeast Conference
  -  Southwest Alaska Municipal Conference



### Editor

**Eric Caldwell** – Research Analyst III  
Division of Community and Regional Affairs  
Department of Commerce, Community and Economic Development

### Contributors

**Grace Beaujean** - Research Analyst IV  
Division of Community and Regional Affairs  
Department of Commerce, Community and Economic Development

**Britta Hamre** - Research Analyst III  
Division of Community and Regional Affairs  
Department of Commerce, Community, and Economic Development

**Jason Whipple** - Publications Specialist II  
Division of Community and Regional Affairs  
Department of Commerce, Community, and Economic Development

**Bill Popp** - President & CEO  
Anchorage Economic Development Corporation

**Emma Irish** - Director of Strategic Initiatives  
Anchorage Economic Development Corporation

**Barbara Nickels** - Program Director  
Bering Strait Development District

**Jason Hoke** - Executive Director  
Copper Valley Development Association

**Brittany Smart** - Special Assistant to the Mayor  
Fairbanks North Star Borough

**Tim Dillon** - Executive Director  
Kenai Peninsula Economic Development District

**Caitlin Coreson** - Program Manager  
Kenai Peninsula Economic Development District

**Fritz Westlake** - Director  
Community & Economic Development Northwest Arctic Borough

**Kristin Carpenter** - Executive Director  
Prince William Sound Economic Development District

**Robert Venables** - Executive Director  
Southeast Conference

**Sarah Woodruff** - Administrative Assistant  
Southeast Conference

**Laura Vaught** - Economic Development Specialist  
Southwest Alaska Municipal Conference



# **STATE OF ALASKA**

**DEPARTMENT OF COMMERCE, COMMUNITY, AND  
ECONOMIC DEVELOPMENT**

**DIVISION OF COMMUNITY AND REGIONAL AFFAIRS**