

Alaska Regional Development Organizations

# Fiscal Year 2021 Annual Report

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#### **FISCAL YEAR 2021 ANNUAL REPORT**



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### **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 (ARDORs) 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; however, the form and function is customized to each ARDOR's 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 that enable them 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 ten years in the 2021 legislative session through House Bill 192 sponsored by Representative Kreiss-Tomkins. Qualified ARDORs historically received annual base project funding from the <u>Alaska</u> <u>Department of Commerce, Community, and Economic Development (DCCED)</u> that could be leveraged for funding from federal, local, and private programs; however, no ARDOR grants have been appropriated since FY2017. 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 <u>Denali Commission</u> has aided in organizational cooperation and increasing a shared identity of ARDOR programs across regions. No additional funds from the Denali Commission were issued in FY2021.

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 November 2021, 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 ARDORs responded to the survey instrument, except for the Copper Valley Development Corporation (CVDC) and Fairbanks North Star Borough Economic Development Commission (FNSBEDC). CVDC completed a survey as part of a December 2020 grant close-out process and provided supplemental information immediately preceding the release of this report. FNSBEDC did not submit the statutorily required information for this report due to a need to focus on other high-priority items. However, the FNSBEDC does plan to submit a report to DCCED as soon as they are able. If you are interested in FNSBEDC's report, please let DCCED know and we will provide you with a copy once received.

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 survey response.



## Anchorage Economic Development Corporation



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.

#### **Funding Reported:**

In FY 2021, AEDC reported the following sources of revenue:

- \$14,500.00 <u>ARPA</u>
- \$75,000.00 CARES Act Small Business Relief
- \$30,000.00 CARES Act Reopening a Vital and Safe Anchorage (RVSA)
- \$75,000.00 Denali Commission (expended across FY20/FY21)
- \$332,000.00 Membership dues
- \$232,841.00 Event revenues
- \$143,000.00 Contract services fees
- \$53,000.00 Sponsorships

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

**ARPA:** ARPA funds were provided via pass-through funding from the <u>Municipality of Anchorage</u> to establish the <u>AnchorageJobFinder.com</u> website. This site provides a comprehensive listing of all jobs posted by employers in Anchorage and the State of Alaska, simplifying the job search process for workers and expanding the reach of employer's job postings at no cost to workers or employers. The site is fully online and active, serving jobseekers and employers.

**CARES Act (Small Business Relief):** ADEC collaborated with the Division of Community and Regional Affairs to facilitate technical assistance to nearly 200 businesses across Alaska in need from COVID-19 impacts, particularly relating to submitting applications for federal CARES Act funding.

**CARES Act (RVSA):** AEDC is the pass-through agency for community planning efforts designed to develop a three-year strategic plan for economic recovery from COVID-19 impacts. The RVSA community planning committee formed in February 2021 with over 120 volunteers. A facilitator has been hired and additional funding secured in late June 2021 to provide for further efforts in FY22 and FY23.

**Denali Commission:** Denali Commission funds focused on staff support for the Anchorage Mayor's Economic Resiliency Task Force (ERTF). The ERTF initiative assessed business community and workforce needs in response to COVID-19 impacts and advised local, state, and federal governments on policy and funding needs to better respond to those impacts. ERTF work was completed and the task force disbanded in February 2021.



#### **Meeting Summary:**

AEDC held eight board meetings during FY2021. Key meeting topics included:

**September 9, 2020:** Alliance to Activate Anchorage partnership agreement approval between AEDC and Anchorage Chamber of Commerce, Anchorage Downtown Partnership, and Visit Anchorage; Economic Resiliency Task Force update; Incentives for Investments update; state fiscal policy initiative update; and staff updates on the EDA industry cluster and workforce cluster research project application, impacts of COVID-19 on the economy, and general activities.

**October 7, 2020:** Alliance to Activate Anchorage update; a presentation by University of Alaska Interim President Pat Pitney; a facilitated board engagement discussion by Foraker Group President and CED Laurie Wolf; and staff updates on the membership drive, EDA cluster analysis research project, OneAlaska initiative update, ad-hoc committee reports for Incentives for Investments and state fiscal policy, Economic Resiliency Task Force update, AK CARES grant program update, strategic planning update, and general activities.

**December 2, 2020:** Alliance to Activate Anchorage update; election of board members and officers for 2021; approval of 2021 budget and strategic planning initiatives; setting the board meeting calendar for 2021; appointing 65 members to the Investors Council for 2021; a recap of 2020 activities; and staff updates on the January Forecast Luncheon, membership drive, Economic Resiliency Task Force, and general activities.

**February 3, 2021:** Board member election; discussion about Incentives for Investments project; and updates on the COVID Coalition, transition from Economic Resiliency Task Force to Reopening a Vital and Safe Anchorage (RVSA) initiative, and a recap of the Forecast Luncheon.

**March 17, 2021:** Discussion about the State Fiscal Policy initiative and updates on the Incentives for Investments project, Senior Survey project, economic video briefings project, planning efforts to bring staff back into office, August Outlook Luncheon planning, and the AKSPEED multi-model logistics project initiative.

**April 7, 2021:** Economic questions for mayoral candidates. Updates on Incentives for Investments project, the State Fiscal Policy initiative, the Roger Brooks community evaluation project proposal, RVSA initiative, AKSPEED project, Senior Survey, economic video briefings project, and the August Outlook Luncheon.

**May 5, 2021:** Mayoral candidates questionnaire results and updates on the State Fiscal Policy initiative, the Roger Brooks community evaluation project proposal, RVSA initiative, AKSPEED project, Senior Survey project, <u>gBeta</u> \$1.5 million Gener8tor project grant application, and the Anchorage Vaccination Week initiative.

June 2, 2021: Mayoral transition discussion, updates on Incentives for Investments project, State Fiscal Policy initiative, the Roger Brooks Project, RVSA initiative, AKSPEED project, and Senior Survey project.

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

**Business Attraction and Marketing:** 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 is pursuing these goals through local and national media engagement, direct company outreach, and increased content delivery via digital media.

In 2020, 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. AEDC continued to measure these goals in 2021 through media impressions, ad equivalency, and social media impact.



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

<u>Live. Work. Play.</u> Three-Pronged Plan: AEDC continues to be involved in a ten-year redevelopment strategy to make Anchorage more attractive to talent through highlighting its strengths as a place to live, work, and play. The longterm goal is to maintain growth in developing a reliable, high quality talent pool that will attract further investment to Anchorage. The Three-Pronged Plan is indicative of AEDC's efforts toward developing a vision, list of priority projects, and options for private and public funding for three distinct regions of Anchorage: Downtown, the U-MED District, and the Chester Creek Greenbelt.

In 2021, AEDC has identified the following goals for this initiative:

- For each of the three prongs, establish a working group to define a vision and set of priority initiatives;
- Execute a communication plan to unify the message and garner public support;
- Revisit and refresh as needed the Live. Work. Play. narrative from 2015;
- Develop a funding strategy to sustain this effort;
- Identify quick wins and low-hanging fruit; and
- Identify a 2030 goal for each of the three prongs.

#### **Current Economic Development Initiatives:**

AEDC's current major economic initiatives include continuations of the <u>Live. Work. Play.</u> and the Business Attraction and Marketing initiatives described above.

Other current initiatives include the following:

<u>AnchorageJobFinder.com</u>: A free to the public job posting search tool that aggregates all job postings for Anchorage and Alaska to make an Alaskan job search process simple. AnchorageJobFinder.com captures over 99 percent of all area job postings.

Assistance to Businesses and Investors: Assistance includes business planning, investment, workforce, financing, government processes, and market research needs.

**Market Research:** Research is disseminated to the public through more than 20 monthly, quarterly, or annual reports provided at no charge to the business community, government, and the public.

Anchorage Pacific Air-to-Sea Service (ANC PASS): ANC PASS is a new logistics product that aims to meet a market need that is cheaper than air cargo yet faster than surface container shipping. Through ANC PASS, product is shipped by air to Anchorage, consolidated into container modules, then shipped through the Port of Alaska to the Puget Sound area via private cargo carriers.

- ANC PASS has the potential to fill more than 1,700 empty cargo containers weekly on southbound ships while offering shippers a 30% to 50% less expensive option than air cargo with a delivery window of 6 to 15 days.
- AEDC is contracted to market ANC PASS through a targeted campaign of retailers and manufacturers in the Lower 48.



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

Two federally funded initiatives - the Industry/Workforce Cluster Research Project and the Roger Brooks Project - will begin in January 2022 and are both slated for completion during the first half of FY2023.

The Industry/Workforce Cluster Research Project is a deep evaluation of Anchorage's industry clusters and workforce clusters to evaluate what impacts three years of recession and two years of the COVID-19 pandemic have had on key industry sectors. The foci of this project are how to rebuild industry clusters, to identify potential new industry clusters needing attention and investments, and present issues related to workforce development and how to overcome labor shortages in the short-, mid-, and long-term.

The Roger Brooks Project will evaluate Anchorage's attractiveness to potential tourism visitors, to workers considering moving to Anchorage for job opportunities, and to investors considering injecting funds into the Anchorage economy.

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

AEDC indicates that workforce shortages in the <u>Municipality of Anchorage</u> are expected to continue growing as outmigration to the Lower 48 persists. Through the Industry/Workforce Cluster Research Project and the Roger Brooks Project, AEDC will seek means to mitigate or reverse this outmigration.





## **Bering Strait Development Council**



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

**Mission:** 

#### 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.

The Bering Strait Development Council (BSDC) serves as the region's Comprehensive Economic Development Strategy Committee.

#### **Funding Reported:**

- \$581,750.00 CARES Act (COVID-Safe Travel and Marketing Grant)
- \$70,000.00 U.S. Economic Development Administration, Partnership Planning
- Undisclosed direct and in-kind support from <u>Nome Chamber of Commerce</u>, <u>Norton Sound Economic</u> <u>Development Corporation</u>, <u>University of Alaska Fairbanks - Northwest Campus</u>, and unlisted private sector collaborators

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

#### CARES Act (COVID-Safe Travel and Marketing Grant): Funds covered the following contractual costs:

- Social media marketing via blogging, an influencer campaign, and platform ads;
- Television advertising and commercial production;
- Online advertising, including through vacation planning sites and through continued upgrades and redesigns for the <u>Nome Convention and Visitors Bureau</u> and <u>Katirvik Cultural Center</u> websites;
- Marketing tools, including a website, promoting legal walrus ivory art;
- Developing a local walking tour map; and
- Coordinating vendors, entertainment, and dance groups for the Berry Festival.



#### Status of 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 and 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.

In-house production services from BSDC media partner, Gray Television, produced three commercials featuring assets from Nome's most popular attractions. The messages communicated that Nome is a COVID-safe travel destination and encouraged Alaskans to explore Nome this summer. Some of the unique features of visiting Nome included the Inupiag culture and dance group; gold rush history; wildlife viewing of musk ox, birds, and more; and the three roads that extend 70 miles east, west, and north into the remote Alaska wilderness. The commercials also offered exceptional views from Salmon Lake Campground, Pilgrim Hot Springs, Nuuk fish camps, the excellent fly fishing, and other outdoor recreation opportunities. Measurable positive results came from the campaign (Figure 1).

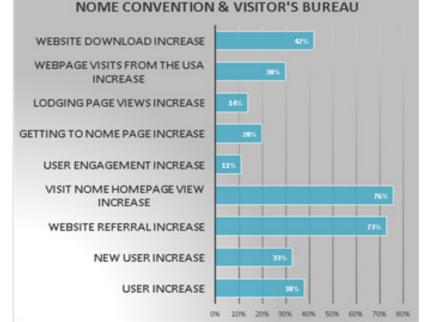


Figure 1 - Impact of Nome's Media Campaign

The advertising campaign for walrus ivory art, developed under a contract with Helvey Communications, appeared in online, print, and televised media. Social media campaigns were created on Facebook at

<u>https://www.facebook.com/walrusivory</u> and Instagram at <u>https://www.instagram.com/walrusivory</u>. A 60-second video was produced with a call to action for viewers to visit <u>https://www.walrusivory.org</u> to promote travel to Alaska and purchase of walrus ivory art within the state. The 60-second commercial may be viewed at <u>https://youtu.be/mP6j4Hv3qmM</u>.

**U.S. Economic Development Administration, Partnership Planning:** This grant has been awarded to support longterm economic development planning efforts. These efforts include small business development, technical assistance, and implementation. Part of this grant includes the development of an annually updated <u>Comprehensive Economic</u> <u>Development Strategy (CEDS)</u>, which is designed to bring together the public and private sectors in the creation of an economic development roadmap to diversify and strengthen the region's economy.

#### **Meeting Summary:**

Due to strict travel restrictions to and from area villages, BSDC did not host in-person meetings during FY2021. Likewise, many members of area villages lacked sufficient bandwidth to maintain connections for virtual meetings. A quarterly meeting was held shortly after the end of FY2021, on July 16, 2021.



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

BSDC has created an extensive list of goals and objectives:

Goal 1: Improve community services to increase resiliency and quality of life.

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

#### **Activities and Strategies:**

- Research barriers to financing new construction and land ownership in rural Alaska.
- Advocate for increased <u>NAHASDA</u> and <u>HIP</u> 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 <u>Habitat for Humanity</u>, to increase housing capacity.

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

#### **Activities and Strategies:**

- Review and update Hazard Mitigation Plans (HMP), Emergency Operation Plans (EOP), and Small Community Emergency Response Plans (SCERP).
- Support communities in actively developing plans through research and advocacy.
- Assist grant writers across the region to pursue funding for public safety projects.
- Document and track "outside of Nome" Emergency Management Services (EMS) provided within the region.
- Develop MOAs 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.

**Objective 3:** Implement Bering Strait Resiliency Planning.

#### Activities and Strategies:

- Develop a resiliency plan for COVID-19 recovery and integrate with the CEDS.
- Provide technical assistance and capacity building for member organizations, local businesses, and other local stakeholders impacted by COVID-19.





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

**Goal 2:** Strengthen the economy in ways that preserve and enhance regional quality of life while ensuring the environment is not harmed.

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

#### **Activities and Strategies:**

- Provide region-wide and village-based training opportunities.
- Assist residents of the region who have documented disabilities to improve their job-related skills.
- Explore and promote collaboration on apprenticeship and technical-level type programs for priority industries, including:
  - o Environmental
  - o Business and tribal governance
  - o Early childhood education
  - o Healthcare (*e.g.*, health aides, nurses)
  - o Project management
  - o Aviation
  - o Construction and trades (e.g., electrician, carpenter, plumber)
  - o Mechanical and environmental engineering
  - o Diesel engine mechanics
  - o Utility management and operation
  - o Maritime
  - o Heavy equipment operation
  - o Fisheries
  - o Scientific research
- Coordinate among entities to provide scholarships for regional residents.
- Pursue zero waste initiatives (recycling, backhaul, etc.).

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

#### Activities and Strategies:

- Promote tuition assistance to individuals interested in creating new or expanding existing 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 <u>Norton Sound Economic Development Corporation</u> small business seed money competitions and provide technical assistance.



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

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

#### **Activities and Strategies:**

- Work with the <u>Nome Chamber of Commerce</u> to incorporate village concerns and needs into regional tourism planning.
- Provide technical assistance to villages that have identified tourism as a priority.
- Work with <u>Norton Sounds Economic Development Corporation</u> to explore the feasibility of salmon enhancement programs and new salmon enhancement technology.
- Explore the feasibility of seismic work toward finding enough natural gas to run a power plant and for residential use.
- Identify and provide support services for the gold mining industry.
- Support research activities in a way that practices self-determination and is collaborative with tribal entities and communities.
- **Goal 3:** Promote economic stability by creating, maintaining, and upgrading infrastructure and regional collaboration to adequately meet the region's current and anticipated needs.

**Objective 1:** Improve and increase access to utility infrastructure.

#### Activities and Strategies:

- Research the barriers that currently prevent financing of new construction and land ownership in rural Alaska.
- Advocate for increased <u>NAHASDA</u> and <u>HIP</u> funding.
- Explore establishing a self-help housing program in Nome.
- Develop case studies of people in the region who have financed and/or built their own homes.
- Examine the viability of increasing the amount of transient housing.
- Explore working with non-profit groups such as <u>Habitat for Humanity</u> to increase housing capacity.

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

#### Activities and Strategies:

- 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 our 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.

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

#### **Activities and Strategies:**

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



#### **Current Economic Development Initiatives:**

BSDC staff are consistent in communicating with state and federal funding agencies to discuss potential projects and receive advice on how its projects could be better positioned for funding. In turn, the federal and state funding agencies reciprocate by keeping BSDC appraised of upcoming opportunities. There is a great working relationship between BSDC staff and its federal funding partners. BSDC also has relationships with foundation and local funders and are notified when they have opportunities where identified funding would prospectively move a regional project forward.

<u>Kawerak</u>, the Alaska Native regional corporation for Bering Strait, has a strategic priority of focusing on small business development as a means to address the chronic unemployment and high poverty levels found in the Bering Strait region, and now during the pandemic. Artists are vital contributors to their communities' existing economic landscapes. When BSDC and Kawerak link artists with additional business resources, access to markets, and places to make art, there is an opportunity to produce positive community economic development outcomes. BSDC's <u>Community Planning and</u> <u>Development (CPD)</u> section maintains a partnership with <u>First Peoples Fund</u> to collect much needed input and feedback from artists in the Bering Strait region on the importance of the economic, cultural, and social roles of the arts in their lives.

BSDC assisted in the creation, distribution, and collection of Local Economic Development Plan (LEDP) surveys to update LEDPs for 4 communities: Unalakleet, Shishmaref, Shaktoolik, and Koyuk. BDSC also updated and completed final versions of LEDPs for Elim and Brevig Mission. With updated LEDPs, BSDC staff work with regional development coordinators and grant writers to offer funding opportunities and technical assistance through monthly teleconferences.

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

BDSC has identified access to high quality broadband internet as being key to regional resiliency. Currently, internet costs in the region are extremely high for often unreliable, low-quality service. Quality, affordable broadband internet is necessary for doing business, running public education systems, and conducting workforce training and education programs. When COVID disrupted every aspect of life, including business, government, and education, the need for improved broadband was highlighted. Lack of quality internet access made remote work and learning extremely challenging and, in many cases, impossible.

Broadband internet access is necessary for resilience against large shifts in the local and global economy in the digital age. Businesses, organizations, and government entities need to have an online presence to be viable, effective, and competitive. Students, including those in K-12, vocational, technical, university, and adult education programs, need strong digital skills to be taught wherever they are learning to prepare them for today's increasingly virtual economy.

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

Household overcrowding is a key economic indicator which is routinely tracked in BSDC's <u>CEDS</u>. Overcrowding proved to be a pain point during the COVID-19 pandemic and, thus, rose in priority as a major challenge in the region. Household overcrowding generated higher rates of COVID-19 transmission across communities in the Bering Strait region. The impacts of this trickled through the regional economy, impacting residents' capacity to participate in the workforce, students' ability to attend school, and strains across the region's local health care systems. The consequences of household overcrowding reinforced the region's critical need for affordable, quality housing to allow Bering Strait residents to participate in economic and cultural activities which strengthen the region's economy.



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

Additional economic development challenges identified by BSDC include:

**Workforce Development**: Year-round employment opportunities in the region are limited and, in many cases, local skill sets are unable to meet the needs for higher paying jobs in local communities. Labor in the healthcare, education, and construction industries are frequently imported from outside the region. Local workforce training programs designed to train and employ residents in the region in these critical fields can be limited.

**Broadband and Technical Proficiency:** Broadband quality, cost, and availability are all challenges in the region and threaten resiliency. In addition, technical proficiency and technology availability is a hurdle. In 2020, when many activities converted to virtual formats in response to the COVID-19 pandemic, these challenges limited residents' ability to fully participate in economic and educational activities.

**Broadband Infrastructure Development:** Federal funding offerings that emphasize improving broadband access to rural areas present an opportunity to improve and expand broadband infrastructure in the Bering Strait region. Technical assistance and further funding from the Denali Commission present additional support for facilitating broadband projects.

**Childcare:** Access to childcare in the region is constrained. <u>thread</u>, an Anchorage-based child care agency, estimates that 13% of children under the age of six in the Nome Census Area do not have access to licensed or regulated early childhood education services. This gap was exacerbated by the COVID-19 pandemic when daycare providers, both facilities and at-home care, had to reduce capacity or close entirely.

**Medical Capacity:** The COVID-19 pandemic is straining medical capacity across the region and statewide. In the Bering Strait region's small communities, space and workforce capacity to quarantine and provide care is especially constrained. These constraints are intensified by the rate of household overcrowding in the region, ballooning the spread of the virus.

**Reduce Dependency upon Local Government and Healthcare Employment:** The Bering Strait region has limited sources of employment, with local government and healthcare being the largest sectors. Local government depends heavily on state government revenues, which are increasingly challenged by the state fiscal deficit. This poses challenges for employment growth in the future. While healthcare has grown steadily, it also depends on funding from outside the region. Most healthcare jobs are in Nome and not the villages.

**Mental Health:** Mental health challenges were an existing threat before the COVID-19 pandemic; however, many challenges were heightened by the pandemic. Mental health issues among youth populations became especially apparent as school closed and extra-curricular activities were limited.

**COVID Shutdowns:** COVID related shutdowns in many communities limited travel, closed schools, and created job losses in the region in 2020. The challenges continue as some communities in the region experience outbreaks of the Delta variant. COVID shutdowns threaten local economies as residents are limited in or restricted from participating in the workforce and subsistence harvests.



## **Copper Valley Development Association**



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
- \$60,000.00 Ahtna Inter-Tribal Resource Commission
- \$25,000.00 In-kind donations from Board of Directors

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

**CARES Act:** CVDA collaborated with the Division of Community and Regional Affairs 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 assisted with economic development of businesses, natural resources, and infrastructure through partnerships with state agencies, federal agencies, and private industry. Funding was received during FY2020 and work was finalized in FY2021.





#### **Meeting Summary:**

All meetings were simulcast online from the host location.

**August 5, 2020:** Topics included CARES Act progress, EDA-CEDS grant, the Road Belt Inter-Tie, CVDA Annual Meeting preparation, and the AVEC Hub project.

**September 30, 2020:** CVDA Annual Meeting featuring the election of board members and a presentation on all current projects and initiatives for the general public.

**October 13, 2020:** Topics included the election of officers, CARES Act progress, Road Belt Inter-Tie, AVEC Hub project, and EDA-CEDS grant.

**December 8, 2020:** Topics included CARES Act grant funding, Road Belt Inter-Tie, CEDS funding application, and the Gulkana Airport Study.

**January 13, 2021:** Topics included CARES Act grant closure, an insurance claim, CEDS update, Ahtna Inter-Tribal Resource Commission (AITRC) work, prospective funding sources, a financial report, and a Memorandum of Understanding between CVDA, AITRC, and Tanana Chiefs Conference relating to the Road Belt Inter-Tie.

**February 9, 2021:** Topics included a CEDS update, Road Belt Inter-Tie, FCC Tribal Broadband, Rural Development Block Grants, Community Wildfire Protection Plan, USDA Rural Energy for America program, Gulkana Operations Cooperative (Gulkana Airport), Glennallen Improvement Corporation water and sewer system update, a Division of Forestry follow-up, Executive Director contract review, and a financial report.

**April 6, 2021:** Topics included the economic development plan for the Gulkana airport, CEDS update, Road Belt Inter-Tie, COVID-19 relief funding via Division of Community and Regional Affairs, Census Area Relief Funds, and a financial report.

**May 19, 2021:** Topics included the economic development plan for the Gulkana airport, COVID Safe Travel grant, CEDS update, Road Belt Inter-Tie, Community Wildfire Protection Plan, Gulkana Airport Operations, and a financial report.

#### 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's devastating effects on businesses and local economy though CARES Act and other federal and state programs.
- 2. Work with the <u>Copper Valley Chamber of Commerce</u>, 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, <u>AVTEC Hub</u>, and the <u>Alaska Small Business Development Center</u>.
- 4. Support the <u>Road Belt Inter-Tie</u> 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 FAA upgrades to Gulkana Airport and the development of the <u>Alaska to Alberta (</u>A2A) railroad project.



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

CVDA worked on numerous economic development initiatives in FY2021.

**CARES Act Applications and Technical Assistance:** This initiative assisted businesses with applications, technical assistance, and other issues stemming from COVID-19 and related economic downfalls. Significant work was performed with the assistance of Glennallen Community Association (dba <u>Copper Valley Community Library</u>) for community CARES grants and the Mentasta Traditional Council for CARES community distribution planning. This initiative was operated through one-time federal funding.

U.S. Department of Commerce, Economic Development Administration - Comprehensive Economic Development Strategy (CEDS): ): CVDA worked with a contractor to assist with data collection for a funding request to EDA to create a new CEDS for the Copper Valley Region. CVDA was granted funding for conducting a Regional CEDS and this project should be initiated in 2022.

**U.S. Department of Agriculture, Farm Service Agency - Seafood Trade Relief Program Grants:** CVDA provided 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: C**VDA provided technical assistance to local agricultural producers to secure federal funds under the Farmers and Ranchers grant program.

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

**Gulkana Airport:** CVDA worked with the Alaska Department of Transportation, the U.S. Department of Transportation, and private industry to improve the Gulkana Airport to Federal Aviation Administration standards. Gulkana has the potential to become a central hub for distribution of goods to and from remote rural Alaska given its proximity to both a deep-water port and the Canadian Border.

**Fire Fuel Mitigation:** This was a collaborative project with the Alaska Division of Forestry and the U.S. Bureau of Land Management 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.



#### FISCAL YEAR 2021 ANNUAL REPORT

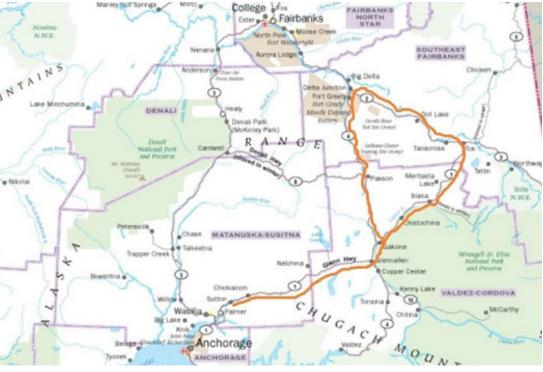


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Road Belt Inter-Tie (RBIT):

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

AVTEC Hub: CVDA sought to start a distance learning program with the <u>Alaska</u> <u>Vocational Technical</u> <u>Center</u> in partnership with the <u>Alaska Department</u>



of Education and Early Development, the Alaska Department of Labor and Workforce Development, the Copper River School District, and private industry. A distance learning hub would accommodate short-term and long-term training and accreditation in a variety of trades.

**Small Business Startup:** CVDA actively pursued a partnership with the <u>Alaska Small Business Development Center</u> 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 was 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.

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

In addition to its current initiatives, CVDA has identified the FCC Tribal Broadband Initiative as a critical future economic development initiative.

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

CVDA's Board of Directors identified high energy costs, lack of infrastructure, the need for business and workforce development, and impacts from COVID-19 to tourism and related sectors as its greatest concerns.

One further challenge involves a vacancy in the CVDA executive director position, for which the organization has been actively recruiting. CVDA plans to develop its five-year CEDS after the new Executive Director is in place.



# Fairbanks North Star Borough Economic Development Commission



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

#### **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 Carryover from FY2020
- Undisclosed Fairbanks North Star Borough Direct Allocation

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

FNSBEDC indicates that there were no federal- or state-funded projects, aside from a continuation of the CARES Act funding received in FY2020. The previous reporting of these funds' status was as follows:

**CARES Act:** This funding was used to secure a contractor to provide business technical assistance to Interior businesses and to market the Fairbanks North Star Borough 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 CARES (Paycheck Protection Program, Economic Injury Disaster Loans, AK CARES, City of Fairbanks CARES, City of North Pole CARES, and FNSB CARES). The marketing aspect promoted the Fairbanks North Star Borough CARES funding and eligibility requirements throughout the Interior business community through social media, direct marketing, postcards, and other means.



#### Meeting Summary:

Complete FNSBEDC meeting minutes are available online at <u>https://www.fnsb.gov/AgendaCenter/Economic-Development-Commission-14</u>.

#### September 22, 2020 (via Zoom): Topics included:

- Interior Alaska COVID-19 Impact and Recovery Plan
  - o Website relaunch report
  - o Implementation update
- Report on municipal CARES Act programs
- Report on CEDS update
- Updates on federal, state, and local actions

#### October 27, 2020 (via Zoom): Topics included:

- Interior Alaska COVID-19 Impact and Recovery Plan
  - o Website relaunch report
  - o Implementation update
- Report on municipal CARES Act programs
- Report on CEDS update
- Updates on federal, state, and local actions

#### February 23, 2021 (via Zoom): Topics included:

- Fairbanks North Star Borough CARES Act Grant Project Close Report
- Summary of <u>ARDOR Fiscal Year 2020 Annual Report</u>
- Summary of report from <u>Associated General Contractors of Alaska The Economic Benefits of Alaska's</u> <u>Construction Industry, January 2021</u>
- Summary of <u>Alaska Small Business Development Center 2020 Annual Report</u>
- Summary of Alaska Center for Economic Development 2020 Economic and Demographic Factsheets
- Summary of Explore Fairbanks The Recent Cruise Ban and Other Issues Facing the Travel Industry
- Interior Alaska COVID-19 Impact and Recovery Plan
- Report on CEDS update

March 23, 2021 (via Zoom): Minutes were not available at the time of publication; however, the agenda included:

- CEDS Kickoff
  - o Introduction of project team
  - o CEDS purpose and project schedule
  - o Role of EDC as the Steering Committee
  - o Discussion of Public Involvement Plan
  - o SWOT Activity

April 27, 2021 (via Zoom): Minutes were not available at the time of publication; however, the agenda included:

- CEDS Status Report
   Interior Alaska COVII
  - Interior Alaska COVID-19 Economic Impact and Recovery Plan
    - o Review and discuss action items for implementation status and continued relevancy
    - o Review and discuss draft Real-Time Market Data report



#### Meeting Summary (cont.):

#### May 25, 2021 (via Zoom): Topics included:

- Interior Alaska COVID-19 Economic Impact and Recovery Plan
  - Review and discuss action items for implementation status and continued relevancy
     Review and discuss draft Real-Time Market Data report
- ARDOR Status Update
  - o HB 192 update
  - o Recap of presentation to the Senate Labor & Commerce Committee
  - o ARPA funding for ARDORs

June 22, 2021 (in-person and Zoom): Minutes were not available at the time of publication; however, the agenda included:

• Presentation from Agnew Beck Consulting on CEDS plan development

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

FNSBEDC did not respond to requests regarding its goals, objectives, and strategies, aside from indicating that the borough is currently updating its Comprehensive Economic Development Strategy (CEDS). The project webpage can be found at <u>https://fnsbceds.com</u>.

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

FNSBEDC did not respond to requests regarding its economic development initiatives, aside from indicating that its CEDS is currently being updated. The project webpage can be found at <u>https://fnsbceds.com</u>.

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

FNSBEDC did not respond to requests regarding anticipated challenges to regional economic development, aside from indicating that its CEDS is currently being updated. The project webpage can be found at <u>https://fnsbceds.com</u>.





## Kenai Peninsula Economic Development District



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:**

- \$37,500.00 Denali Commission ARDOR Grant
- \$35,960.00 Denali Commission/U.S. Economic Development Administration Workforce Grant
- \$75,000.00 U.S. Economic Development Administration Planning Grant
- \$139,538.00 U.S. Economic Development Administration Capacity Increase Grant
- \$7,620.40 U.S. Economic Development Administration Resilience Planning Grant
- \$8,000.00 Industry Outlook Forum Sponsorship

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

Denali Commission ARDOR Grant: Project was completed on December 31, 2020.

**Denali Commission/USEDC Workforce Grant:** Research and website development is complete and can be viewed at <a href="https://www.kenaipeninsulaworkforce.org">https://www.kenaipeninsulaworkforce.org</a>.

**Planning Grant:** The FY2021 Comprehensive Economic Development Strategy update has been completed and is available on the KPEDD website at <u>https://www.kpedd.org</u>.

Capacity Increase Grant: Work on the KPEDD Capacity Increase program will be completed by June 30, 2022.

Resilience Planning Grant: Work on the KPEDD Financial Resilience Plan will be completed by June 30, 2022.



#### **Meeting Summary:**

KPEDD indicates that board meetings are confidential, contain sensitive information for KPEDD and its clients, and are not subject to the Open Meetings Act. As such, KPEDD has not reported dates, locations, or summary details of its meetings during FY2021.

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

The <u>Comprehensive Economic Development Strategy</u> (CEDS) five-year update was released in June 2021. This update incorporated public comment and reflected the objectives and strategies completed to meet the six determined development goals:

Overarching Goal - High quality of place and quality of life

- **Goal 1** Technology/Telecommunications
  - Expanded broadband access across the Kenai Peninsula Borough
- Goal 2 Workforce and Human Capital
  - Industry partnerships and vocational-technical education
  - Attract, retain, and train a qualified workforce
- Goal 3 Infrastructure and Land Use
  - Industry-focused infrastructure
  - Stability and resiliency in transportation infrastructure
  - Mitigation and responsible use of lands
- Goal 4 Business Climate and Entrepreneurship
  - Outreach, education, and information sharing with government in support of businesses
  - Promote responsible development of natural resources
  - Develop and support entrepreneurship
  - Create incentives to bring new businesses to the area
- Goal 5 Regional partnerships
  - Coordinate with industry
  - Coordinate with municipalities, communities, and non-profits



#### KPEDD's CEDS includes the following action plan to describe its goals, objectives, strategies, and initiatives:

Objective	Strategies and Actions	Metrics/Impacts	Key Partners
0.1 Develop the Kenai Peninsula "brand" for residents, visitors, and businesses	<ul> <li>Initiate a promotion campaign to attract families to relocate to the Kenai Peninsula</li> <li>Support telework/remote work opportunities</li> <li>Sustain and enhance visitor marketing efforts to attract more shoulder-season and independent visitors</li> <li>Promote the Kenai Peninsula as a safe destination during COVID-19 with high vaccination rates and minimal crowds</li> <li>Support arts and cultural programming at the local level</li> </ul>	<ul> <li>Above average tourism rates, increase in visitors to region, sales tax revenues, gross sales increases</li> <li>Increase in fishing license sales (ADFG)</li> <li>Hashtags, locations shared on social media platform, increase in website visits</li> </ul>	<ul> <li><u>Alaska Travel</u> <u>Industry Association</u> (ATIA)</li> <li>Chambers of Commerce</li> <li><u>Alaska State Parks</u></li> <li>Municipal governments</li> </ul>
0.2 Promote expansion of recreational amenities and public access	<ul> <li>Fund, develop, and construct the Soldotna Fieldhouse</li> <li>Fund, develop, and construct the Soldotna Riverfront Redevelopment Project</li> <li>Advance the Seward to Fairbanks trail concept</li> <li>Solicit additional recreational projects for federal funding</li> </ul>	<ul> <li>Increased platforms to share project information</li> <li>Project approvals/ votes</li> <li>Funding opportunities</li> </ul>	<ul> <li><u>Economic</u> <u>Development</u> <u>Administration</u> (EDA)</li> <li>Municipal governments</li> </ul>



Goal 1: Technology/T	Goal 1: Technology/Telecommunications			
Objective	Strategies and Actions	Metrics/Impacts	Key Partners	
1.1 Expand broadband access across the borough	<ul> <li>Build fiber optic connection to Hope</li> <li>Secure federal or other funds to build or expand fiber optic lines or satellite internet access to all communities to improve speeds and costs</li> </ul>	<ul> <li>Average speeds</li> <li>Monthly costs</li> <li>Percent of households with access</li> </ul>	<ul> <li><u>Denali Commission</u></li> <li><u>Economic</u> <u>Development</u> <u>Administration (</u>EDA)</li> </ul>	
1.2 Improve digital infrastructure to advance economic activity	<ul> <li>Improve access to videoconferencing services at public facilities such as libraries, civic buildings, and schools</li> <li>Encourage development of businesses related to information technology</li> <li>Enable hospitals and clinics to make better use of telemedicine</li> <li>Provide communities and residents with greater access to education through distance learning</li> <li>Make the Kenai Peninsula more attractive to technology driven businesses and corporations</li> <li>Enhance public safety and emergency response systems</li> <li>Encourage and promote the use of distance delivery for business workshops and workforce trainings</li> </ul>	<ul> <li>Number of technology startups</li> <li>Number of public buildings with video- conferencing services</li> <li>Virtual trainings held</li> </ul>	<ul> <li><u>USDA</u></li> <li>State of Alaska (<u>DCCED</u>, <u>Alaska</u> <u>Development Team</u>)</li> <li>Regional tribes</li> </ul>	



Goal 2: Workforce and Human Capital			
Objective	Strategies and Actions	Metrics/Impacts	Key Partners
2.1 Build stronger industry partnerships for K-12, vocational- technical programs, secondary, post- secondary, and adult education	<ul> <li>Create partnerships between industry and K-12 programs as a gateway and pipeline to facilitate career exploration and to build awareness of potential careers</li> <li>Support apprenticeship or engaged learning opportunities that provide actual workforce readiness</li> <li>Collaborate to start an agricultural training program for students to work on farms during the summer</li> <li>Develop and implement Tyonek tribal workforce plan</li> </ul>	<ul> <li>Increased apprenticeship program enrollment numbers</li> <li>Student outreach numbers</li> <li>Employer outreach surveys</li> </ul>	<ul> <li><u>AVTEC</u></li> <li><u>University of Alaska</u></li> <li>Employers</li> <li>School districts and home school programs</li> <li>Tribal governments</li> </ul>
2.2 Attract, train, and retain a qualified workforce	<ul> <li>Expand on "attraction" campaigns to show off that this is a great place to live. Highlight remote work opportunities</li> <li>Targeted outreach for specific community groups (veterans, adult learners, at risk/ recovery population) focused on entering the workforce and accessing training</li> <li>Provide online training opportunities including re-skilling or up-skilling programs. Including credit and non-credit options</li> <li>Identify the need for new programs and certificates based on industry feedback; including training around new/emerging technology</li> <li>Support affordable housing efforts/ programs in the Kenai Peninsula through public/private partnerships</li> </ul>	<ul> <li>Greater application rates</li> <li>Increased enrollment in colleges</li> <li>Increased apprenticeship applications</li> </ul>	<ul> <li>Young Professionals Group</li> <li>Veterans groups</li> <li><u>AVTEC</u> (or provider of re-skilling/up- skilling training)</li> <li><u>University of Alaska</u></li> <li>KPEDD; <u>Workforce</u> <u>Development</u> <u>Website</u></li> <li><u>Kenai Peninsula</u> <u>Borough School</u> <u>District</u></li> </ul>
2.3 Connect job- seekers to employers and training opportunities	<ul> <li>Maintain and grow the Kenai Peninsula Workforce website as a hub for employers, educators, trainers, and job- seekers</li> <li>Develop an ongoing assessment of workforce needs for each industry</li> </ul>	<ul> <li>Increased website traffic and clicks</li> <li>Number of employer engagements</li> </ul>	<ul> <li>Local/borough employers</li> <li>Vocational-technical programs</li> <li><u>Kenai Peninsula</u> <u>Borough School</u> <u>District</u></li> <li><u>UAA Kenai Peninsula</u> <u>College</u></li> </ul>



Objective	Strategies and Actions	Metrics/Impacts	Key Partners
3.1 Develop industry-specific infrastructure	<ul> <li>Complete the Seward Dock and Rail project</li> <li>Fund and develop the <u>Alutiiq Pride Visitor</u> <u>Center</u> in Seward</li> <li>Develop cold storage capacity to grow the agricultural sector</li> <li>Advocate and seek funding for port and harbor expansions in Homer, Kenai, Seldovia, and Seward</li> <li>Develop and expand shoreside infrastructure to support the seafood, oil and gas, and marine trade sectors</li> <li>Develop the "KPEDD innovation campus" concept with commercial kitchen</li> </ul>	<ul> <li>Project dollars secured (public and private)</li> <li>Complete implementa- tion and completion of projects</li> </ul>	<ul> <li><u>Alaska Railroad</u></li> <li>Farming groups</li> <li><u>Nutrien (formerly</u> <u>Agrium USA, Inc.)</u></li> </ul>
3.2 Advance stability and resiliency in transportation infrastructure	<ul> <li>Advocate for stable funding for the <u>Alaska</u> <u>Marine Highway System</u> (AMHS) to maintain or improve service to Peninsula communities</li> <li>Assess impacts of reduced AMHS service for affected communities</li> <li>Advocate for year-round maintenance of the Seward and Sterling Highways to maintain access and safety at all times</li> <li>Advocate for ongoing state support to improve and maintain airports</li> <li>Identify and advocate for other needed improvements in road, marine, rail, and air transportation</li> </ul>	Number of advocacy emgagements	<ul> <li><u>AMHS</u></li> <li>ARDORs</li> <li><u>Alaska Department</u> of Transportation and Public Facilities (DOT&amp;PF)</li> </ul>



Goal 3: Infrastructure, Land Use, and Natural Resources			
Objective	Strategies and Actions	Metrics/Impacts	Key Partners
3.3 Mitigation and responsible use of lands	<ul> <li>Complete erosion mitigation projects in Kenai and Homer to enable continued development</li> <li>Assess the reuse/redevelopment of former gravel pits for new uses (such as recreation sites)</li> <li>Identify and assess the need for zoning improvements between municipal and borough governments</li> <li>Reclaim and redevelop the former Red Mountain Mine site in Kachemak Bay into a recreation area with access and trails</li> <li>Mitigate spruce beetle damage by removing dead trees and milling the lumber for commercial or residential use</li> </ul>	<ul> <li>Dollar value of public and private investment</li> </ul>	<ul> <li><u>US Forest Service</u></li> <li><u>US Fish and Wildlife</u> <u>Service</u></li> <li><u>Alaska Division of</u> <u>Parks and Outdoor</u> <u>Recreation</u></li> </ul>
3.4 Promote responsible development of natural resources	<ul> <li>Advocate for a stable and predictable tax structure for mining, oil, and gas operations at state and local level</li> <li>Advocate for ongoing incentives to encourage oil and gas exploration in Cook Inlet to secure energy supplies</li> <li>Support responsible mining projects that create local jobs and revenues</li> </ul>	<ul> <li>Number of advocacy engagement</li> </ul>	<ul> <li><u>State of Alaska</u></li> <li><u>Kenai Peninsula</u> <u>Borough</u></li> <li>Industry groups</li> </ul>



Goal 4. Busiliess Clill	Goal 4: Business Climate and Entrepreneurship			
Objective	Strategies and Actions	Metrics/Impacts	Key Partners	
4.1 Outreach, education, and information sharing in support of businesses resiliency	<ul> <li>Continue business retention and expansion (BRE) activities to determine health of businesses and ways to assist with pandemic recovery</li> <li>Promote buy local program</li> <li>Help businesses access other support services such as the Small Business Development Center</li> <li>Conduct surveys of businesses to evaluate ongoing needs and areas of assistance needed</li> <li>Provide updates on the regional economy and business climate to chambers, local governments, and industry groups</li> </ul>	<ul> <li>Number of surveys completed</li> <li>Number of businesses provided with assistance</li> <li>Number of businesses reporting favorable views of business climate</li> </ul>	<ul> <li><u>Alaska Small</u> <u>Business</u> <u>Development Center</u> (SBDC)</li> <li><u>Small Business</u> <u>Administration (SB</u>A)</li> </ul>	
4.2 Improve access to capital for businesses	<ul> <li>Restructure KPEDD's revolving loan fund to meet needs during an economic downturn or natural disaster</li> <li>Assist businesses with obtaining relief funding through federal, state, and local assistance programs</li> <li>Assess the use of financial incentives such as tax credits and abatements to attract new businesses to the region or help existing businesses expand</li> </ul>	<ul> <li>Funding dollars awarded to businesses</li> <li>Number of businesses assisted</li> </ul>	<ul> <li><u>Alaska Industrial</u> <u>Development and</u> <u>Export Authority</u> (AIDEA)</li> <li><u>Small Business</u> <u>Administration</u> (SBA)</li> <li><u>Economic</u> <u>Development</u> <u>Administration</u> (EDA)</li> </ul>	
4.3 Develop and support entrepreneurship and new business formation	<ul> <li>Host entrepreneurship workshops for individuals starting businesses</li> <li>Assist in running Startup Weekend on the Kenai Peninsula every November</li> <li>Advise and counsel startup businesses</li> <li>Promote Central Peninsula Small Business Week</li> </ul>	<ul> <li>Number of workshops hosted</li> <li>Number of businesses assisted</li> </ul>	<ul> <li>Chambers of Commerce</li> <li><u>UA Center</u> for Economic <u>Development</u> (UA CED)</li> <li><u>Alaska Small</u> <u>Business</u> <u>Development Center</u> (SBDC)</li> </ul>	
4.4 Support emerging sectors with high growth potential	<ul> <li>Assist mariculture operations in meeting capital and expansion needs</li> <li>Counsel and assist industrial maritime businesses such as ship builders and repair operations</li> <li>Initiate a pilot project to develop seafood byproducts into marketable products</li> <li>Counsel and assist manufacturing businesses</li> </ul>	<ul> <li>Number of marine focused businesses assisted</li> </ul>	<ul> <li>Alaska Manufacturing Extension Program Center (MEP)</li> <li>Alaska Small Business Development Center (SBDC)</li> </ul>	



Goal 5: Build and Grow Regional Partnerships for Resiliency			
Objective	Strategies and Actions	Metrics/Impacts	Key Partners
5.1 Proactively coordinate roles for economic resiliency	<ul> <li>Align and streamline assistance roles between funding agencies and resource partners in the event of an economic disaster</li> <li>Promote and expand current processes for regular communication, monitoring, and updating business community needs and issues to be used post-event</li> </ul>	Complete KPEDD resiliency plan	<ul> <li>Funding agencies</li> <li>Borough government</li> <li>Municipal governments</li> <li>Tribal entities and Native organizations</li> <li>Chambers of Commerce</li> <li>Industry groups</li> <li>Nonprofits</li> </ul>
5.2 Produce pre- disaster recovery plan	<ul> <li>Create a collection of resources (especially financial resources) of private, local, state, and federal tools for economic recovery for residents, businesses, and communities</li> <li>Generate a plan describing key stakeholders, roles, actions, and responsibilities in the event of a natural disaster</li> </ul>	Complete KPEDD resiliency plan	<ul> <li>Funding agencies</li> <li>Borough government</li> <li>Municipal governments</li> <li>Tribal entities and Native organizations</li> <li>Chambers of Commerce</li> <li>Industry groups</li> <li>Nonprofits</li> </ul>



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

KPEDD has identified the following challenges to regional economic development:

- Population decline
- Dependence on government revenues for essential services
- Declining school enrollment
- Lack of early childhood and pre-kindergarten education
- Cost and availability of goods and services
- Instability in the tourism sector
- Changes to fishery policies and declines in seafood harvests
- Oil and gas production decline
- Cost of energy
- Housing availability
- Quality of broadband and wireless communications
- Lack of public transportation
- Aging infrastructure
- Disruptions to marine and air travel
- State government budget deficit
- COVID-19 pandemic impacts
- High unemployment
- Outmigration





## Northwest Arctic Borough Community & Economic Development District



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

#### Mission:

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

#### **Funding Reported:**

- \$2,316,194.00 Alaska Department of Commerce, Community, and Economic Development
- \$252,270.00 Alaska Department of Administration
- \$1,252,640.00 Alaska Department of Public Safety
- \$12,041.00 Alaska Department of Transportation and Public Facilities
- \$75,000.00 Denali Commission
- \$1,291,675.00 U.S. Department of Agriculture Rural Development
- \$58,008.00 U.S. Department of Justice
- \$1,265,142.00 U.S. Department of the Interior
- \$4,160,873.00 U.S. Department of the Treasury
- \$373,112.00 U.S. Department of Health and Human Services

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

**Federal Funding: T**he federal awards that have been received are 85% spent down. These funds have been used in a multitude of ways, in various capacities. The largest component was an award from the <u>U.S. Department of Treasury</u>, passed through the State of Alaska, from CARES Act funding. These funds were broken down into four components: medical, education, public services, and economic development.

Additionally, there were smaller federal grants received from other federal agencies. A <u>USDA Rural Development High</u> <u>Energy Cost Grant</u> was received for renewable energy development and implementation; this grant was reported as 79% spent down. The <u>U.S. Department of the Interior</u> provided funds through a <u>Payment in Lieu of Taxes</u> (PILT) agreement. The <u>U.S. Department of Justice</u> awarded an emergency COVID-19 supplemental grant that was used to purchase deep cleaning supplies and has been spent in full. Funding from the <u>Denali Commission</u> was utilized to develop the Alaska Regional Development Network and has been spent in full. The <u>U.S. Department of Health and Human Services</u>, through the State of Alaska's <u>Department of Health and Human Services</u>, disbursed funds from the COVID-19 Epidemiology and Laboratory Capacity for Infectious Diseases. These funds were passed through to Maniilaq Association and one-third of the funds have been spent down.



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

**State Funding:** While most state funds to the <u>Northwest Arctic Borough</u> are not necessarily administered by NWABCEDC, these funds are of great relevance to the region. Half of the state grants to the Northwest Arctic Borough have been spent. Most of the unallocated funds earmarked for the construction and maintenance of Kivalina School. Of the \$2,000,000 allocated for <u>Kivalina School</u>, only \$80,847 had been spent. The <u>Department of Administration</u> granted \$252,270 for the Public Employee Retirement System (PERS), which has been spent to completion. The <u>Department of Public Safety</u> awarded the borough three grants in relation to the VPSO program, totaling \$1,252,640, all of which was spent. The <u>Department of Transportation</u> issued a small grant (\$12,041) for the creation and maintenance of an ice road.

#### **Meeting Summary:**

NWABCEDC is a commission within the Northwest Arctic Borough. Minutes of all Borough Assembly meetings are online at <u>https://www.nwabor.org/assembly/minutes/</u>. Assembly meetings were held on the following dates:

- July 10, 2020: Assembly Special Meeting
- August 25, 2020: Assembly Regular Meeting
- September 22, 2020: Assembly Regular Meeting
- October 12, 2020: Assembly Special Meeting
- October 28, 2020: Assembly Regular Meeting
- November 28, 2020: Assembly Regular Meeting
- February 23, 2021: Assembly Regular Meeting
- March 24, 2021: Assembly Regular Meeting
- April 27, 2021: Assembly Regular Meeting

In addition to the regular assembly meetings, NWABCEDC held three commission meetings at the Northwest Arctic Borough Chambers. Topics included:

#### August 4, 2020:

- Red Dog Update
- Ambler Metals Update
- Cape Blossom Project Update
- Housing Update
- NANA Update
- Crowley Dock Update
- Updates on the Kotzebue Solar Project, Heat Pumps, and a prospective Joint Action Agency

#### November 6, 2020:

- Red Dog Update
- AIDEA Update
- Ambler Metals Update
- Cape Blossom Project Update
- NANA Update
- Alaska Travel Industry Association
- Northwest Arctic Borough CARES Economic Relief Program

#### February 25, 2021:

- Noatak to Red Dog Haul Road
- Noatak Solar Project
- Ambler Metals Update
- NANA Update



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

Vision Statement: The <u>Northwest Arctic Borough</u> has a robust and diverse economy supporting economic self-sufficiency and lñunialautaq (good life) for all residents.

- Goal A: Improvement and Development of Critical Infrastructure: Develop the critical utilities, transportation, energy, and housing infrastructure to lower cost burdens and adapt to climate change while preserving subsistence resources. Improved infrastructure will increase economic development investment; attract new business opportunities; grow, attract, and retain the region's labor force; protect communities from the effects of climate change; and promote sustainability.
  - **Priority Objective 1:** Enact regional energy plan to reduce costs, increase capacity for bulk fuel storage, improve and increase energy efficiency, and support innovative approaches to alternative energy, where feasible.

**Priority Objective 2:** Increase the number of affordable housing units in the borough.

Priority Objective 3: Support development of Cape Blossom road and port.

- **Goal B: Natural Resource Development and Economic Diversity:** Develop natural resources, such as minerals, fisheries, agriculture, oil and gas, and tourism to increase economic diversity while preserving subsistence resources. Promote revenue diversification and stability, broaden business development opportunities, and enhance employment potential in a culturally appropriate way.
  - Priority Objective 1: Seek opportunities to diversify natural resource development including, but not limited to, fisheries and agriculture.
  - Priority Objective 2: Promote economic diversification through entrepreneurship development.
  - **Priority Objective 3:** Engage tribal governments and communities to ensure economic development is done in a culturally appropriate way.
  - Priority Objective 4: Develop visitor industry opportunities in the region.
- **Goal C: Education and Workforce Development:** Improve academic achievement at the K-12 public education level, increase postsecondary opportunities with both vocational and academic training, and enhance employability skills and local workforce development. Develop and prepare workforce to meet the competitive needs of economic and business opportunities in a culturally appropriate way.

Priority Objective 1: Implement entrepreneurship, business, financial, and technical training for borough residents.

**Priority Objective 2:** Increase transfer of culture from one generation to the next to strengthen educational outcomes.



#### **Current Economic Development Initiatives:**

**Frank R. Ferguson Memorial Scholarship Program:** The <u>Frank R. Ferguson Memorial Scholarship Program</u> has awarded a total of \$107,940 this fiscal year. The scholarship provides up to \$2,000 per semester for residents of the Northwest Arctic Borough to attend accredited colleges or vocational/technical programs.

**Northwest Arctic Borough Small Business Grant:** The exclusive purpose of the <u>NWAB Small Business Grant</u> is to assist small business owners, including artists, craftsmen, and other individuals or entities who are starting small businesses. This grant opportunity offers financial assistance options for new applicants. These options are intended to encourage growth of locally owned and operated businesses, provide additional employment and income in the region, and promote ideas and the overall spirit of independent enterprise.

**Sulianich Art Center:** This year's Alaska Federation of Natives conference will be virtual, using an online platform called Collective49. Inuit artist Aakatchaq has items for sale on the <u>Collective49</u> website and has had orders via the platform. Aakatchaq has been painting walls in the gallery to complete a slat wall display in advance of the holidays.

**Energy Program:** The <u>Energy Group</u> will continue to proceed with the creation of Independent Power Producers for the communities under a joint Memorandum of Understanding between <u>Northwest Arctic Borough</u> and <u>NANA Regional</u> <u>Corporation</u> that has been signed to continue working together on regional energy issues. The Energy Group is meeting every Thursday on a regular basis.

Northwest Arctic Borough wrote a proposal for a <u>USDA Rural Development High Energy Cost Grant</u> to build a 150-200 KW solar photovoltaic and battery solution in Noatak. Meetings have been held in Noatak and with <u>Alaska Village Electric</u> <u>Cooperative</u> to facilitate the creation of the grant proposal. While the original application for this competitive grant was not successful, the work of the borough to acquire resolutions and letters of support laid the groundwork to successfully apply for funding through the <u>U.S. Department of Energy Tribal Grant</u> program.

At the time of publication, the Northwest Arctic Borough has begun producing a working schedule and scope of work. Ongoing discussions are occurring with the U.S. Department of Energy seeking approval for the project's Statement of Project Objectives (SPO). FAA approval has been received to construct the solar array and the borough is working with Alaska Village Electric Cooperative on the technical specifics for the project. A request for proposals has been prepared and is ready for posting once the SPO is fully approved.

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

The following prospective projects have been identified as potentially enhancing regional economic development:

- <u>Cape Blossom Road and port site</u>
- Noatak Road to Red Dog port site
- Regional alternative energy projects
- Ambler Road and mine site development

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

The following challenges to regional economic development were identified:

- High cost of living
- Limited housing
- Lack of education



# **Prince William Sound Economic Development District**



622 First Street, #202 Cordova, AK 99574 (907) 424-5533 <u>https://www.pwsedd.org/</u>

**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, Cordova, Tatitlek, Valdez, and Whittier. The <u>Chugach National Forest</u> surrounds the region's coastal communities. Economic activity is focused on oil distribution and support services; the maritime sector, including seafood harvesting and production; the visitor industry; and outdoor recreation

# **Funding Reported:**

- \$110,325.22 U.S. Economic Development Administration CARES Act Award
- \$46,123.07 U.S. Economic Development Administration Partnership Planning Program
- \$500.00 Membership contributions

# Status of Projects Funded by State or Federal Grants:

**Cordova Community Garden and Greenhouse:** PWSEDD collaborated with the <u>Copper River Watershed Project</u> (CRWP) to submit a grant application to the USDA's Farm to School program, which was awarded to CRWP in June 2021. Current efforts are being made by an advisory group to identify a suitable location for raised beds and composting. PWSEDD and CRWP are also working with <u>Cordova City School District</u> teachers on summer education activities centered on growing food and teaching plant biology.

# **Meeting Summary:**

**September 15, 2020 (videoconference):** The agenda included review of financial statements and staff reports, review of Form 990 nonprofit income statement for the IRS, discussion of coronavirus impacts in Prince William Sound communities, and planning for PWSEDD's annual meeting.

**November 12, 2020 (Annual Meeting):** The annual meeting covered the launch of the Comprehensive Economic Development Strategy (CEDS) planning process for PWSEDD, remarks from Representative Louise Stutes regarding the <u>AMHS Reshaping Group</u>, a presentation by the <u>New Vision for EVOS Trust group</u>, and the election of PWSEDD board officers.

**December 16, 2020:** The agenda included a review of financial statement and staff reports, review of comments submitted to NOAA regarding <u>Aquaculture Opportunity Areas</u>, and a CEDS process update.



# Meeting Summary (cont.):

**March 4, 2021 (videoconference):** The agenda included an update on CEDS process for Prince William Sound communities and discussion on next steps for AMHS reform. Ferry service topics included a brief presentation by former Governor Walker on the port authority concept and an overview of Rep. Louise Stutes' <u>House Bill 63</u> which creates a new <u>Alaska Marine Highway Operations Board</u>.

**June 3, 2021 (videoconference):** The agenda included approval of PWSEDD's operating budget, review of a draft Request for Proposals for a Prince William Sound Ferry Authority feasibility analysis, review of letters of support submitted for several regional projects, a presentation by <u>Valdez Museum & Historical Archive</u> on its new building, and a presentation by <u>Chugach Alaska Corporation</u> on the Nawesik multi-use development project in Valdez.

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

PWSEDD's CEDS goals and priority objectives for 2021 – 2025 are:

**Goal A - Improvement and Development of Critical Infrastructure:** Improve regional connections by enhancing transportation and utilities infrastructure. Enhance infrastructure to build resilience to climate change, increase economic development opportunities, and enrich the way of life in Prince William Sound.

Priority Objective 1: Develop regional transportation infrastructure

Priority Objective 2: Increase broadband internet access and capacity

Priority Objective 3: Increase housing quality and affordability

Priority Objective 4: Enhance recreational infrastructure throughout the region

**Priority Objective 5:** Increase energy efficiency and integration of renewable resources

**Goal B - Workforce Development:** Boost the regional continuum of education from early childhood learning through post-secondary opportunities. Enhance employability skills and adapt to the evolving opportunities of regional economic development through education and training.

Priority Objective 1: Increase access to early childhood education

Priority Objective 2: Enhance in-region post-secondary vocational training opportunities

Priority Objective 3: Strengthen Prince William Sound College connections in-region

**Goal C - Strengthen Existing Industries and Diversify Economy:** Seek business development and support entrepreneurs' investment to promote regional industry growth, responsible resource development, and economic diversity. Attract business opportunities to the region that support employment opportunities in every season.

**Priority Objective 1:** Build on and sustain Prince William Sound's blue economy (*i.e.*, development of oceanic resources in a socially and ecologically sustainable way)

Priority Objective 2: Promote Prince William Sound and its outdoor recreation assets as a tourism destination

Priority Objective 3: Support the local arts and humanities community

Priority Objective 4: Cultivate entrepreneurship

Priority Objective 5: Identify climate change mitigation projects

Priority Objective 6: Collaborate with Chugach Alaska Corporation on pursuing mining opportunities

Priority Objective 7: Support responsible forestry opportunities

Priority Objective 8: Attract new residents who telework.



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

**Business Counseling:** PWSEDD provides support to local and regional businesses who seek to start or expand a business. Assistance includes loan application preparation, assistance with choosing accounting software, guidance in financial management, and setting up payroll, marketing, and online commerce.

**Kelp Farming Assistance:** PWSEDD has worked to obtain grant funds for a kelp buyer familiarization tour of Prince William Sound and to convene seafood processors and kelp farmers to discuss whether processors are interested in processing kelp and what plant modifications might be needed.

**Cordova Community Greenhouse & Garden:** PWSEDD is working with the <u>Copper River Watershed Project</u> on a Farm-to-School Planning Grant to assist with establishing growing facilities in Cordova that could produce food for use in school meals and provide hands-on education opportunities to K-12 students.

**Multi-purpose Seafood and Food Processing Facility for Cordova:** PWSEDD is working with partners to assess the feasibility of a facility for use by small businesses engaged in processing food products including direct marketers of salmon or other seafood products, kelp farmers, and other food-related businesses.

**Entrepreneurial Ecosystem Working Group:** PWSEDD is gathering a group of entrepreneurs and regional leaders that support entrepreneurism (*e.g.*, bank representatives, chambers of commerce) to deepen support for existing and aspiring entrepreneurs in the Prince William Sound region. PWSEDD plans to identify which support services already exist and to advertise these services in a more cohesive way, as well as identify and fill gaps in service that would support entrepreneurs in their efforts to develop local and regional businesses.

**Workforce Development Working Group:** PWSEDD is working with Cordova employers (*e.g.*, <u>City of Cordova</u>, <u>Cordova</u>, <u>Cordova</u>, <u>City School District</u>, <u>Cordova Community Medical Center</u>, <u>Cordova Chamber of Commerce</u>) in identifying employers' workforce needs and strategizing on how to fill those needs. PWSEDD is also working with community organizations to address childcare needs, including summer camp activities.

<u>Statewide Comprehensive Outdoor Recreation Plan (SCORP)</u>: PWSEDD has convened a regional stakeholder group to assist with drafting the Prince William Sound segment for SCORP. Priority projects include a Prince William Sound Marine Trail, hiking trail restoration, public use cabins and camping facilities, and mooring buoys.

**Tribal Council Assistance:** PWSEDD is assisting regional tribal councils with tapping into currently available economic development and infrastructure grant funding.





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# **Future Economic Development Initiatives:**

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

- Regular, consistent ferry service among all Prince William Sound communities
  - o This includes a feasibility study for a prospective regional ferry authority
- Recreational facilities in Whittier, including:
  - o A kayak launch facility at the Head of the Bay
  - o A new municipal park to serve as a community and visitor recreational hub
- Remediation of the Buckner Building in Whittier
- Replacing the <u>Valdez Museum</u> facility with a modern, expanded facility
- Development of a multi-purpose seafood and food product processing facility in Cordova

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

PWSEDD has identified several immediate challenges to regional economic development:

- Lack of consistent, reliable ferry service across Prince William Sound
- Lack of market-rate housing built to current building code and energy efficiency standards
- High cost of energy in rural regions
- Climate change and a lack of resources to execute a coordinated response
- Lack of state fiscal support for public education, causing degradation of educational opportunities for PK-12, post-secondary academics, and vocational-technical offerings for regional residents





# **Southeast Conference**

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

# **Mission**:

# To 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 first advocate for the marine transportation needs of Southeast communities, and then continued to work on other economic development priorities in the region. In 1989, SEC became an ARDOR and then was also designated as a federal Economic Development District. The region extends 500 miles along the Southeast 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.

The Southeast Conference Scope of Work focuses primarily on economic development planning and implementing economic development program activities. It is driven by the goals, objectives, and the action plan contained in the <u>Southeast Alaska Economic Plan</u>, the regional Comprehensive Economic Development Strategy (CEDS). The purpose of SEC's investment is to implement and continue to improve the regional economic plan for the purpose of creating and retaining new and better jobs. Southeast Conference'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, <u>Southeast Alaska by the Numbers</u>. SEC will continue to work with partners across the region to define and refine our economic development goals, especially as the economy changes. SEC will continue to host two membership meetings annually.

# **Funding Reported**

- \$88,382.52 Alaska Energy Authority Biomass Energy Contract
- \$71,037.10 DCRA Southeast Alaska Solid Waste Authority
- \$31,050.50 <u>Denali Commission</u>
- \$30,000.00 U.S. Department of Agriculture Renewable Energy Development Assistance
- \$70,000.00 U.S. Economic Development Administration Community Planning
- \$150,000.00 U.S. Economic Development Administration Resiliency Planning
- \$132.462.40 Southeast Conference Membership Fees
- \$13,045.00 2020 Virtual Scholarship Auction Revenue





# Status of Projects Funded by State or Federal Grants:

**Division of Community and Regional Affairs - SEASWA:** The <u>Southeast Alaska Solid Waste Authority</u> (SEASWA) was developed through the joint efforts of SEC and Southeast Alaskan leaders. 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. In 2021, SEASWA approved the purchase of a tire shredder to address the excess of discarded tires in many Southeast Alaskan communities. 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.

**Alaska Energy Authority:** SEC continues a close working relationship with the <u>Alaska Energy Authority</u> and assists with project development and program implementation as needed. Current projects include the U.S. Department of Energy START program project in Kake, biomass programs in Craig and Hoonah, and the Remote Alaska Communities Energy Efficiency project in Klawock. Additionally, Kasaan, Naukati, and Hydaburg received grants to enhance their existing biomass programs. SEC's Biomass Coordinator provides technical support and facilitation for biomass energy projects across the state and chairs the <u>Alaska Wood Energy Development Task Group</u>, 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.

SEC works with communities and agencies on a statewide basis as well. In partnership with the <u>University of Alaska</u> <u>Fairbanks</u>, <u>State of Alaska Division of Forestry</u>, and the <u>U.S. Forest Service</u> they have produced two informational posters on biomass and three publications for small wood lot owners on how to process biomass. They are facilitating active projects in the <u>City of Nenena</u>, the community of Mentasta, and with Walter Northway School (<u>Alaska Gateway School</u> <u>District</u>). SEC also works with the <u>Alaska Energy Authority</u> on a biomass outreach program with communities that have existing systems and participate in statewide roundtables including the Statewide Biomass Call in and the FEDCO Forestry Roundtable.

**Denali Commission:** The <u>Denali Commission</u> 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. Technical assistance has been offered to project proponents including broadband infrastructure in Gustavus.

**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. They are working with utilities such as <u>Inside Passage Electric Cooperative</u> in Kake to investigate how to deploy solar into the local microgrid. Outreach, technical assistance, and training programs are being developed to support local jobs for installers, operators, and maintenance.

## **Meeting Summary:**

**August 5, 2020:** It was announced that the efforts towards a <u>University of Alaska Southeast</u> merger with other University of Alaska campuses was scrapped. The board discussed the upcoming annual meeting and sponsors. Executive Director Venables gave reports on the <u>AK Cares</u> program's success (\$67.2 million went to 1,388 Southeast Alaska businesses) and the <u>Alaska Marine Highway System</u> Reshaping committee as well as plans for DC delegation members to visit Ketchikan with a Mariculture focus.



# Meeting Summary (cont.):

**September 25, 2020 - Annual Meeting - Resiliency in Southeast Alaska:** New president, Markos Scheer, took office and welcomed new board members, Kaitlyn Jared and Zak Kirkpatrick. Approval for the 2020 Annual Meeting location in Haines passed unanimously. SEC members voiced praise for the ability to hold a quality event virtually and encouraged SEC to take action on the recommendations made by the annual meeting speakers in the coming year.

**October 16, 2020:** Katherine Bell was introduced to the board, joining the staff for 6 months as an Alaska Fellow. The board also discussed writing a Disaster Declaration request for the region to Governor Dunleavy in light of the devastating fishing and tourism seasons and natural disaster in Haines. Board members volunteered for committee assignments.

**December 9, 2020:** The disaster declaration request was submitted to Governor Dunleavy on behalf of the Southeast region. The board also discussed a request from the <u>City of Gustavus</u> to help in securing support for improved broadband as well as a request from the <u>Alaska Shellfish Growers Association</u> requesting administrative assistance with their upcoming annual meeting.

**January 15, 2021:** The plans for the upcoming Mid-Session Summit was discussed at length including the agenda and sponsors. SEC also talked about the website re-design and asked for board help in identifying any areas that needed improvement. SEC's Short Term Resiliency Plan was presented by Meilani Schijvens, to be shared with membership at the Mid-Session Summit.

**February 9-11, 2021 - Mid-Session Summit - Resiliency in Southeast Alaska, Getting Through to '22:** Normally held in Juneau in February, the 2021 Mid-Session Summit was forced to pivot to a virtual platform due to the pandemic. Despite this unconventional format, the conference was an unequivocal success. Thirty funders and facilitators joined 60 presenters and panelists to discuss economic development from the industry, state, and federal perspectives; and updates were given from the Alaska state and federal delegations. Attendance exceeded 325 registrants.

**April 2, 2021:** The board heard updates on the current legislative bills relating to economic development in the region. Feedback from the Mid-Session Summit was positive, many praising SEC for the incredible content and flawless event execution. Karen Petersen announced a planned biomass tour on Prince of Wales Island, scheduled for May. Juliana Melin was introduced to the board, joining the staff of SEC as the Economic Resiliency Coordinator. As per their bylaws, representatives from Southeast Alaska Regional Dive Fisheries Association asked that SEC appoint the municipal seat to their board. Updates were given regarding the progress of the business climate survey and the CEDS, as well as SEASWA's tire shredder and work on a proposal for a mariculture industrial complex to be built on Prince of Wales Island.

**May 24, 2021:** A tire shredder has been purchased on behalf of SEASWA for use in Southeast Alaska communities. SEC worked with <u>Thompson & Company</u> of Anchorage to apply for the COVID Safe Tourism Grant. The State Legislature voted to renew the ARDOR Program for another 10 years. An update was given on the planning progress for the mariculture industrial complex. The business climate survey received 460 responses. The 2025 CEDS was published in draft form and was available for public comment for the following 30 days.



# Short-Term Economic Development Initiatives:

**Southeast Alaska Resiliency Plan:** In 2021, SEC completed <u>Getting to 2022: Short-Term Southeast Alaska Resiliency Plan</u>. The resilience plan was continuously presented and distributed across the region. SEC worked in various ways to support the regional economy. SEC's short-term resilience plan is intended to immediately help shore up the regional economy and protect it from additional decline. It also provides a caretaking role for Southeast Alaska institutions to ensure the fundamentals of the regional economy will be in place by 2022. A shortened version was added to the CEDS. The work that SEC has done has been setting the stage for a long-term economic recovery and short-term relief. Some of the successes seen in implementation of the Southeast Alaska resilience plan to date include:

- **Support Expedited Vaccine Distribution:** Southeast Alaska continued to lead the state in total percentage of vaccinated residents. SEC has been strongly supporting this effort.
- Revitalization of the Air, Ferry, Cruise, and Freight Transportation Services: SEC actively participated in statewide efforts that led to the return of the cruise ship season, thanks to Alaska's Congressional Delegation. SEC has identified opportunities for independent travelers and is facilitating a regional \$3 million effort to set strategic direction over the next 5 years using funds from the COVID Safe Travel program. Progress has been made to address ferry and freight transportation issues through the emergence of a new oversight board with professional maritime expertise for the Alaska Marine Highway System (House Bill 63) and efforts on the state and federal level to provide program support for long-term operations.
- **Economic Disaster Declaration Request:** SEC actively participated in actions at the state and federal level that brought relief support to the fisheries industry through <u>Magnuson-Stevens Act</u> provisions.
- Advocate for Childcare Prioritization to Restart the Economy: SEC led a regional discussion regarding the importance of childcare and impacts on economic resiliency.
- **Support Expedited Resolution to Solid Waste Shipping:** SEC developed a report, <u>Solid Waste Management</u> <u>Alternatives</u>, to support regional solid waste shipping and remediation. Implemented key priority of acquiring equipment that could be shared throughout the region to address regional waste streams.

**Regional Business Climate Survey:** The <u>Southeast Alaska Business Climate Survey</u> is an annual survey that is conducted by on behalf of a partnership that includes SEC, <u>Spruce Root</u>, the <u>City and Borough of Wrangell</u>, the <u>Petersburg</u> <u>Borough</u>, the <u>Sitka Economic Development Association</u>, the <u>Haines Chamber of Commerce</u>, the <u>Skagway Development</u> <u>Corporation</u>, and the <u>City of Ketchikan</u>. A total of 440 regional business leaders participate in the survey. The results of this annual business climate survey have informed policy leaders and community developers of the economic trends and direction of Southeast Alaska since 2015.

In the last two years, the survey included comprehensive questions relating to COVID-19 business impacts, along with identifying how best to support the private sector during the pandemic. Presentations on these data were also provided across the region. All can be viewed at <a href="https://www.seconference.org/publications/">https://www.seconference.org/publications/</a>. Breakout versions of the study were developed for individual communities in order to better help local community leaders understand specific business trends.

**Southeast Alaska by the Numbers:** Each year, SEC compiles a breakdown of regional economic and socioeconomic trends in a publication titled <u>Southeast Alaska By the Numbers</u>. The overview provides analyses of demographics, employment, and earnings in the maritime, visitor, seafood, mining, timber, construction, and health care industries; along with public sector developments, economic projections, and a business climate confidence index from regional business leaders by key industry. The 2021 edition pointed out that Southeast Alaska is headed into a prolonged period of economic recovery as regional business leaders are finding ways to succeed in a volatile but improving business climate.



# Short-Term Economic Development Initiatives (cont.):

**CEDS Presentations and Outreach:** In addition to the conferences and publications produced, SEC is continually involved in countless conversations, presentations, committees, projects, etc. that support Southeast Alaska's Comprehensive Economic Development Strategy. SEC staff actively engaged with the Alaska Division of Community and Regional Affairs, Alaska Industrial Development and Export Authority (AIDEA), United States Small Business Administration - Small Business Development Centers, other ARDORs, United States Department of Agriculture - Rural Development, Alaska Energy Authority, Alaska Center for Energy and Power, Renewable Energy Alaska Project, United States Forest Service, Denali Commission, University of Alaska, and other stakeholder groups - such as communities, tribes, and the Alaska Municipal League - to develop and implement strategies to provide technical assistance to small businesses in need of state and federal aid and to plan for revitalizing the regional and state economy.

SEC has presented to numerous Southeast community chambers, <u>Alaska Municipal League</u>, Electrify Alaska Conference, <u>Alaska Forest Association</u> Meeting, <u>Alaska Defense Forum</u>, <u>National Association of Development Organizations</u> Conference (receiving a 2021 Impact Award), <u>National Hydropower Association Conference</u>, and <u>Western Governors</u> <u>Association</u>. SEC has also organized and facilitated round-table discussions with Alaska's U.S. Senators as well as the U.S. Department of Commerce Deputy Secretary Don Graves. SEC has also assisted the community of Gustavus in obtaining funding for broadband connectivity, wrote letters of support for everything from mariculture grants and mining operation plans to model language for Alaska legislative bills supporting tourism and licensing of nursing professionals.

## Long-Term Economic Development Initiatives:

As thoroughly outlined in Southeast Conference's award-winning <u>2021-2025 Comprehensive Economic Development</u> <u>Strategy</u>, the membership made up of more than 400 people representing small business, tribes, Native organizations, municipalities, and non-profits have developed an overall vision statement identifying over 50 objectives and four priority objectives. These objectives drive SEC's implementation strategy of economic development programs, including an action plan containing steps, costs, evaluation measures, partners, and project champions.

## 2025 Action Initiatives:

- Transportation
  - Priority Objective: Sustain and support the Alaska Marine Highway System
    - · Develop a long-term, strategic, multi-modal, regional transportation plan
    - Ensure the stability of regional passenger transportation services
    - Move freight to and from markets more efficiently
    - Enact ports and harbors infrastructure improvements
    - Initiate road development
- Seafood
  - o Priority Objective: Mariculture development
    - Work to promote a year-round seafood economy
    - · Further develop seafood markets
    - · Maintain a stable regulatory regime
    - · Research the effects of changing ocean conditions on the marine environment
    - Support regional processors becoming economically competitive
    - Communicate importance of salmon hatcheries
    - · Seafood sector workforce development
    - Full resource utilization and ocean product development



# Long-Term Economic Development Initiatives (cont.):

## • Maritime

- o Increase employment and training opportunities for Southeast Alaska residents in the marine industry support sector
- o Increase energy efficiency and reduce energy costs
- o Expand marine industrial support capacity

## • Visitor Industry

- o Priority Objective: Market Southeast Alaska to attract more visitor spending and visitor opportunities
  - · Grow cultural and arts tourism opportunities
  - Increase access to public lands and expand trail network
  - · Increase yacht and small cruise ship visitation
  - Educate public on the economic value of tourism

## • Energy Sector

- o Priority Objective: Promote beneficial electrification
  - Continue to support rural Southeast communities that lack access to lower cost hydroelectricity
  - Work with communities to create energy systems that provide sustainable, affordable, and renewable thermal energy
  - Implement a regional energy plan with a focus on "committed units" and deployment of renewables
  - Pursue energy workforce development

## • Timber Industry

- 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 Management Plan
- o Support an integrated timber industry that includes harvest of young growth and old growth
- o Support community-based timber workforce development
- o Work with the United States Forest Service to direct federal contracts and timber sale opportunities toward eligible locally-owned businesses

## Mining Industry

- o Proactively support mining operations and mineral exploration projects
- o Support efforts to increase access to minerals and energy sources for mining on state and federal lands
- o Support mining and exploration workforce development
- o Preserve access to reliable, year-round transportation for miners living in rural Southeast Alaska
- o Attract mining capital
- Health Care
  - o Plan for a post COVID-19 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 and state



# Future Economic Development Initiatives (cont.):

## • Other Objectives

- o Child Care Increase child care capacity
- o Housing Support the sustainable development of housing
- o Communications Improve communications access
- o Education Partner with University of Alaska Southeast and K-12 school districts to build career pathways and meet employer needs for a skilled workforce
- o Natural Disaster Planning Support disaster preparation and relief efforts
- o Solid Waste Support regional solid waste management solutions
- o Food Security Increase supply, demand, and equitable access and distribution of local foods and regional food system opportunities
- o Arts Increase the recognition of Southeast Alaska's thriving Northwest Coast arts economy
- o Cultural Wellness Support the development of activities and infrastructure that promotes cultural wellness and multicultural wellness

## **Potential Projects for Regional Economic Development:**

SEC has several projects in the works including a mariculture community incubator project to be built on Prince of Wales Island and have also signed a Memorandum of Agreement to assist Ucore in the development of a rare earth metal separation plant in Ketchikan. SEC co-authored an Op-Ed piece with the Alaska Mining Association regarding the Roadless Rule impacts in the Tongass and have been in talks with the United States Forest Service and stakeholder groups regarding its recent Southeast Alaska Sustainability Strategy. SEC was founded with the Alaska Marine Highway System as a top priority and has recently been working toward efforts to modernize and reform that system.

SEC's Transportation Committee drafted a resolution to utilize the committee's and region's shared knowledge and expertise to create a region-wide multi-modal transportation plan. As a recipient of funds from the State of Alaska's Tourism COVID Safe Travel marketing grant, SEC worked with the Southeast Alaska Tourism Council to create marketing materials to attract travelers to the region and created a media kit with images and videos to use for future marketing campaigns.

SEC has hired an Economic Resiliency coordinator to help implement more of these objectives identified in the CEDS and is looking to hire a second staff member in this area.

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

The COVID-19 pandemic, subsequent Delta variant, and the compounding issues that stem from it continued to pose challenges to economic recovery in the region. While on the rebound, the tourism industry has been the hardest hit casualty of the pandemic. Labor shortages, supply chain issues, and decreased revenue are also direct impacts. Additionally, there is an inherent high cost of doing business in the region due to lack of volume, economies of scale, and accessibility challenges. The economic disruption to the region was exacerbated by historic low salmon returns and pricing as well as devastating natural disasters.



# **Southwest Alaska Municipal Conference**



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

**Mission:** 

# To advance the collective interests of Southwest Alaska people, businesses, and communities, promoting economic opportunities to improve quality of life, and influencing long-term responsible development.

Southwest Alaska Municipal Conference (SWAMC) is a non-profit, regional economic development organization for Southwest Alaska comprised of the Alaskan Peninsula, Aleutian/Pribilof Islands, Bristol Bay, and Kodiak Island. Since 1989, SWAMC has been the designated ARDOR and federal Economic Development District entity tasked to pursue public-private partnerships based on sound strategic planning efforts. SWAMC acts as a liaison between state government and regional leaders by 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:**

- \$100,000.00 <u>U.S. Department of Agriculture Renewable Energy Development Assistance Energy Audit</u> <u>Program</u>
- \$75,000.00 U.S. Economic Development Administration Partnership Planning Grant
- \$200,000.00 U.S. Economic Development Administration Supplemental Emergency COVID Grant
- \$32,516.35 SWAMC Membership Dues
- \$25,250.00 Cash and In-Kind Sponsorships for SWAMC's 2020 Economic Summit

# Status of Projects Funded by State or Federal Grants:

All current projects are funded by federal grants. Descriptions of these projects, their status, and the funding sources associated with each are found in the Current and Future Economic Development Initiatives section of this summary.

# **Meeting Summary:**

July 16, 2020 (via Zoom): There was not a quorum to conduct business. The meeting was adjourned until August.

**August 20, 2020 (via Zoom):** Review and approval of monthly financials, minutes, and staff reports for July and August. Updated the board on the EDA Supplemental Award, the annual membership drive plan for the next 12 months, the two-month extension of the FORWARD program contract with SWAMC's contractor, and a review of the regional communications plan improvements as developed with Anchorage-based contractor Information Insights.



# Meeting Summary (cont.):

**September 17, 2020 (via Zoom):** Review and approval of monthly financials, minutes, and staff reports. Final update on the EDA Supplemental Award with treasury funds expected in the following week, and a final update on the membership drive improvements with new members being actively pursued. The new associate members being pursued are contractors in the Anchorage area who do most of the engineering, planning, and consulting work for the municipalities in the Southwest Alaska region. Lastly, there was discussion regarding whether the Board of Directors should meet for their annual Board Retreat in person or online for the 2020 event. The decision was made to meet electronically due to an abundance of caution related to the COVID risk.

**October 15, 2020 (via Zoom):** Review and approval of monthly financials, minutes, and staff reports. The Board discussed and unanimously approved three projects for its EDA Supplemental funding: <u>Regional Recovery and Resilience Plan</u>, <u>Regional Broadband in a Box Plan</u>, and a Mariculture Project Plan to focus on education, training, and partnerships in the Southwest Alaska region. The Board discussed naming the SWAMC newsletter; however, chose to wait until meeting in person at the annual conference to get the memberships input. The Board reviewed the Captain Cook floor plans, sanitizing process, food service options, and social distancing options to decide on whether to hold the annual Economic Summit and Membership Meeting in person and to compare costs and protections with the Marriott Hotel. The dates were set for the annual November Board Retreat and Executive Director performance review, and the decision was made to meet virtually, handling the retreat and evaluation electronically.

**November 24, 2020 – Board Retreat (via Zoom):** Review and approval of monthly financials, minutes, and staff reports. The Board focused on the 2020 Conference agenda for clarity and a solid staff work plan. The Broadband in a Box project's draft contract with Alaska Tribal Broadband was reviewed and approved, as was the Request for Proposals for the Regional Recovery and Resilience Plan. The Board reviewed and updated the Goal and Action Plan for the CEDS, as required annually; discussed and prioritized the SWAMC Legislative Priorities for the next Legislative Session; and reviewed the evaluations provided by the Board members on the Executive Director's performance in the past year.

**December 17, 2020 (via Zoom):** Review and approval of monthly financials, minutes, and staff reports. SWAMC's accountant from the Foraker Group provided an overview of the accounting protocols and grant accounting, leaving a period for Board discussion and questions. The Board made appointments to fill the Kodiak and Aleutian/Pribilof seats left vacant after two municipal directors were not re-elected to their seats in their local government elections. The seats will require final approval by the full membership at SWAMC's annual conference to serve for in the two year role. The Board also reviewed, amended, and approved the Conference Committee recommendations for agenda items, timing, and registration fees for its first ever digital Annual Economic Summit and Membership Meeting. The meeting was shifted to a virtual format due to COVID travel restrictions throughout Southwest Alaska.

January 21, 2021 (via Zoom): Review and approval of monthly financials, minutes, staff reports, and updates on conference planning.

February 18, 2021 (via Zoom): Review and approval of monthly financials, minutes, staff reports, and Economic Recovery and Resilience Plan RFP review and selection.

**March 3, 2021:** Pre-Conference board meeting - Conference agenda review; speaker introductions and moderators selected; and annual membership meeting documents, process planning, and resolutions reviewed and approved.

**March 8, 2021:** Post-Conference board meeting - Ratification of board election, election of officers, action on resolutions (none taken), meeting debrief by staff, discussion for the dates for the 2022 annual meeting (March 3 and 4, 2022 at Hotel Captain Cook), and board comments.



# Meeting Summary (cont.):

**April 15, 2021 (via Zoom):** Review and approval of minutes, monthly financial statements, review and approval of budget revision reflecting U.S. EDA Supplemental Funding, update from Alaska Tribal Broadband on the Broadband in a Box project, update on the Recovery and Resiliency Plan progress by McKinley Research, staff reports, and board comments.

May 3, 2021 (via Zoom): Work session - Review and approval of FY22 draft budget, the revised EDA Supplemental budget, and an update of 2021 grant activity. Review and approval of monthly financials, staff reports, and board comments.

**May 20, 2021 (via Zoom):** Review and approval of minutes, monthly financials, budget approval, staff reports, and board comments. A presentation was given to the board about the 2021-2024 EDA Planning Grant SOW for review and approval. Staff gave the board a 2021 CEDS update, an update on the Resiliency and Recovery survey process and next steps, and a USDA Energy Audit Program write-up.

**June 17, 2021 (via Zoom):** Review and approval of minutes, monthly financials, staff reports, board comments, and a discussion on the American Rescue Act Plan (ARPA) and how to best assist the region navigate ARPA's complex and very competitive application process. Discussion on the creation of a Funders Roundtable via Zoom to help our communities understand what funding is available and how to access it.

## 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 Southwest Coastal 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 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.

- 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.



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

- 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, valueadded 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.

### **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.

- 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 <u>State Transportation Improvement Program</u> (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.



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

- 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.
- 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 <u>Comprehensive Economic</u> <u>Development Strategy</u> 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.

- 1. Partner with the <u>Alaska Safety Alliance</u> or other organization to update and implement the <u>Alaska Maritime</u> <u>Workforce Development Plan</u>.
- 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.



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

- 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 <u>SWAMC Economic Summit and Membership Meeting</u> 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.
- 8. Increase SWAMC membership and participation to foster economic development in Southwest Alaska by expanding 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 <u>Comprehensive Economic Development Strategy</u> 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.

- 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 and Future Economic Development Initiatives:**

**USDA Renewable Energy Development Assistance Energy Audit (REDA-EA) Grant:** This grant provides subsidized energy audits to small businesses statewide. Over the three-year program, 66 audits have been completed and SWAMC and its project partners have helped 27 small businesses access over \$300,000 from the USDA REAP grant program. These funds were used to implement energy efficiency measures identified in their audits. SWAMC is applying to USDA to extend its grant management past 2021 to cover additional applicants who have not been served. This program has been very successful in helping people in the Southwest Alaska region lower their energy costs on an annual basis. SWAMC intends to continue to provide grant oversight and financial reporting for another two-year funding timeline.

**Supplemental CARES Act Grant:** SWAMC is in the last year of a two-year grant cycle and in the final stages of designing an Economic Recovery and Resiliency Plan for Southwest Alaska. This plan will be designed for each of SWAMC's three sub-regions and provide a pathway to recovery, resilience, and risk mitigation for future economic impacts or natural disasters. A broad coalition of stakeholders and the public have been instrumental in gathering data and reviewing successful partnership creation needed to quickly and effectively react to significant economic, social and medical impacts that may occur in the future.

SWAMC also used Supplemental CARES Act funding to partner with Alaska Tribal Broadband (ATB) to focus on the delivery of high-speed internet into Southwest Alaska communities that are significantly underserved or not served at all. The contract with ATB has a very specific goal: Help municipalities and villages plan for the deployment of Tribal-owned 2.5 GHz wireless spectrum and to provide a standardized plan to deliver broadband service via a fixed wireless broadband system. The plan's primary objective is to get tribes "shovel ready" to apply for any funding from state, federal, or private sources that would enable deployment. This "Broadband in a Box" plan has been provided to 27 Tribal governments in Southwest Alaska. Details on the "Broadband in a Box" plan are available at <a href="https://www.swamc.org">https://www.swamc.org</a>.

While the term "Broadband in a Box" is an oversimplification, it represents the intention to develop a standardized broadband solution that will fit deployment of the Tribal-owned 2.5 GHz wireless spectrum asset for any Alaska Native village. While this solution requires modification to fit the topology and demographics of each village, the 2.5 GHz portion of the broadband network is standardized. The plan identifies the equipment, infrastructure, and other cost elements, such as construction, installation, and shipping, that each tribe needs to incorporate into its own comprehensive broadband plan. It provides a benchmark budget by village size to help determine what items are needed and how much funding to request when applying for the National Telecommunications and Information Administration's Tribal Broadband Connectivity Program or other grant funding. Assistance is available from ATB and others to support tribes who are finalizing their broadband plans and grant applications.

**Seaweed Processor Training Program:** SWAMC partnered with the <u>Alaska Fisheries Development Foundation</u> to create a Seaweed Processor Training Program (SPTP) for interested seafood processors and new processors in Southwest Alaska. The program rollout included outreach and dissemination of project results to a diverse set of stakeholders.

SPTP will inform conventional seafood producers and new seaweed processors of the seaweed species and product forms, processing techniques, and potential equipment conversion that will facilitate an increase in the seaweed processing capacity in Southwest Alaska. Utilizing market research and processing and quality handling guides from complementary projects, SPTP will provide necessary training for interested participants to convert existing processing infrastructure to process seaweed in Alaska. Several communities will be targeted for outreach and applications. This project will enable increased seaweed processing capacity in Southwest Alaska. Seaweed processing capacity is a current bottleneck to growing seaweed farming in the region. Infrastructure conversion will allow sustainable business development, diversify economies, and increase the resiliency of coastal communities participating in the seaweed industry in SWAK, including full utilization of existing processing facilities and other fishery infrastructure. SWAMC partnered with <u>Alaska Sea Grant</u> in 2021 to complete this project.



# **Current and Future Economic Development Initiatives (cont.):**

American Recovery Plan Act (ARPA): SWAMC entered a business contract with Keri Scaggs of Compass North Solutions LLC to be the primary contact for municipalities, Tribal leadership, regional nonprofit Native Organizations and health care providers, and others to navigate the multiple grant funding opportunities provided by the U.S. Economic Development Administration (EDA) through ARPA. As SWAMC's partner, Compass North has been the primary liaison between SWAMC and the communities, villages, and municipalities that are SWAMC members and worked toward successful applications for grant funding that will result in the recovery and resilience of Southwest Alaska's population following the impacts of the COVID-19 pandemic.

In 2021, Compass North worked directly with tribal organizations, administrators, and municipal managers in the SWAMC region to identify grant opportunities that meet specific criteria for eligibility, then provide in-person, online, and phone support for successful application submittal. Support services include language and project explanations to meet the EDA's required parameters for funding. Compass North provides a help line seven days a week, providing SWAMC members with edits, suggestions, and other grant-related advice. In addition to the services provided by Compass North, SWAMC is assisting low-capacity communities with grant writing and project development.

**Community Messaging:** SWAMC's final project for FY2021 was to create clear and focused messaging to its member communities identifying the role of ARPA funds to help promote economic recovery, improve quality of life, and influence long-term responsible development across Southwest Alaska. Through a contractor, multiple informational videos were created to walk prospective tribal administrators and municipal leaders through the eligibility and application process for ARPA in a clear and simple way. SWAMC has clarified critical information through targeted ads, website updates, and video tutorials to reach the region's most vulnerable communities. These materials explain what help is available to communities and how to structure grant request submissions in ways that will result in future funding. Some smaller communities are intimidated by complex grants such as ARPA; however, the funds they provide could be transformational for many of the region's residents. SWAMC has been providing information in a personal, simple, and informative way through these videos by talking through the grant submission process and breaking it down into achievable steps.





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

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

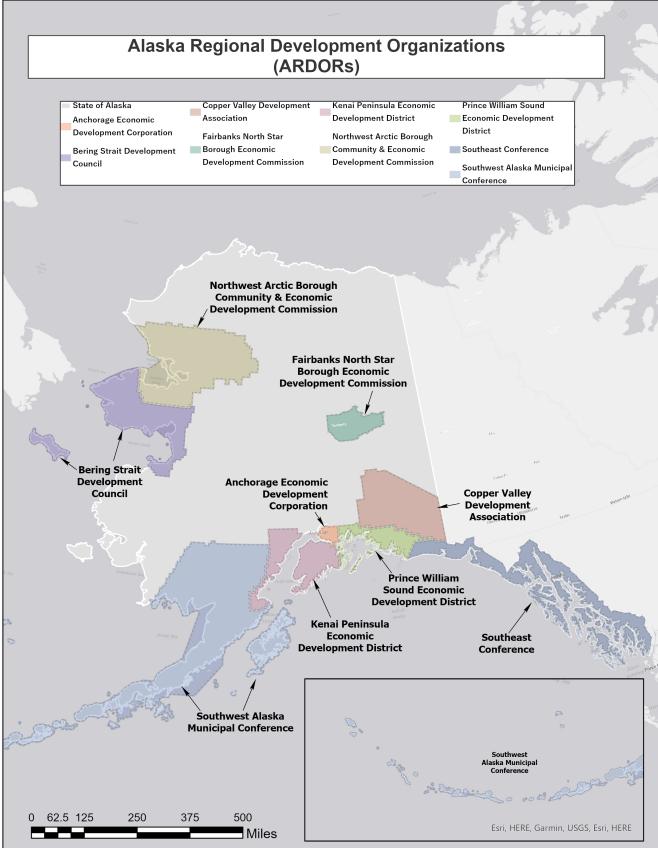
- 1. Access to Resources:
  - a. Extreme weather
  - b. Year-to-year resource fluctuations that make long-term planning difficult
  - c. Strong resource seasonality and vulnerable market prices
  - d. Lack of value-add manufacturing, exacerbated by energy and shipping costs
  - e. Resource development conflicts between fishing and mining
  - f. Potential impacts of climate change
  - g. Competing markets for seafood outside Alaska
  - h. Impacts of federal EPA regulations and environmental protections
- 2. Infrastructure:
  - a. Geography and connectivity in a massive coastal region
  - b. Cost of ongoing maintenance and aging industrial facilities
  - c. Costly and unreliable air service
  - d. Poor communications structure (including internet connectivity)
  - e. High energy costs
  - f. Limited affordable quality housing
  - g. Significant reduction or elimination of AMHS service
  - h. High cost of building and reduced public investment
- 3. People and Partnerships:
  - a. Lack of training for new technology in seafood industry
  - b. Aging population
  - c. High non-resident employment and net outward migration of younger population
  - d. Substance abuse and lack of local treatment facilities
  - e. Heavy local government reliance on public funding
  - f. Financial difficulties with satisfying government regulations and restrictions
  - g. Lack of regional interconnectivity in air and marine travel





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## **FISCAL YEAR 2021 ANNUAL REPORT**



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# **STATE OF ALASKA**

# DEPARTMENT OF COMMERCE, COMMUNITY, AND ECONOMIC DEVELOPMENT

**DIVISION OF COMMUNITY AND REGIONAL AFFAIRS**