



Alaska Regional Development Organizations



Fiscal Year 2023 Annual Report

Mike Dunleavy,
Governor
State of Alaska

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

Sandra Moller,
Director
Division of Community and
Regional Affairs

For additional assistance with this report, contact the Alaska Division of Community and Regional Affairs' Mapping, Analytics, and Data Resources section at: dcresearchandanalysis@alaska.gov

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

Photo Credits:

Department of Commerce, Community and Economic Development, Division of Community and Regional Affairs' Community Photo Library <https://www.commerce.alaska.gov/dcra/admin/Photo>
Page 38 – Used with permission from Southeast Conference

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

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

The views and opinions expressed in this report do not necessarily reflect the official policy or position of the State of Alaska, the Department of Commerce, Community, and Economic Development, or the Division of Community and Regional Affairs.



TABLE OF CONTENTS

INTRODUCTION1

ANCHORAGE ECONOMIC DEVELOPMENT CORPORATION.....2

BERING STRAIT DEVELOPMENT COUNCIL7

COPPER VALLEY DEVELOPMENT ASSOCIATION15

FAIRBANKS NORTH STAR BOROUGH ECONOMIC DEVELOPMENT COMMISSION19

KENAI PENINSULA ECONOMIC DEVELOPMENT DISTRICT21

NORTHWEST ARCTIC BOROUGH COMMUNITY & ECONOMIC DEVELOPMENT COMMISSION27

PRINCE WILLIAM SOUND ECONOMIC DEVELOPMENT DISTRICT31

SOUTHEAST CONFERENCE.....37

SOUTHWEST ALASKA MUNICIPAL CONFERENCE47

ARDORs MAP54

CONTRIBUTORS.....55

FISCAL YEAR 2023 ANNUAL REPORT





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 of each ARDOR is customized to each specific region. ARDORs encourage economic development and growth in their regions and are strengthened by their connections to the State of Alaska and to other regions through the statewide program.

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

The ARDOR program was reauthorized for ten years in the 2021 legislative session. Qualified ARDORs historically received annual base project funding from the [Alaska Department of Commerce, Community, and Economic Development](#) (DCCED) that could be leveraged for funding from federal, local, and private programs. In FY2022, some ARDORs received funding through DCCED to assist with the development of the 2022-2027 [Statewide Comprehensive Economic Development Strategy](#).

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 September 2023, DCCED sent a survey instrument to the nine designated ARDORs. This instrument was designed to directly address the reporting requirements of AS 44.33.896(e) relating to the activities of the ARDORs. All ARDORs responded to the survey instrument.

All data in this report is derived from information provided by the ARDORs. Due to significant differences in how each respondent organized and formatted their replies, what appears in this report may differ from the verbatim survey response. Any opinions expressed in this report are based upon the survey responses from the nine designated ARDORs and do not necessarily reflect the opinions of the State of Alaska.



ANCHORAGE ECONOMIC DEVELOPMENT CORPORATION



AEDC
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 2023, AEDC reported the following sources of revenue:

- \$ 141,355.42 – U.S. Department of Commerce, Economic Development Administration
- \$ 244,500.00 – Private Sector Sponsorships¹

Status of Projects Funded by State or Federal Grants:

U.S. Department of Commerce, Economic Development Administration: AEDC finalized research expenditures related to the United States Economic Development Administration's grant in FY 2023. There were no outstanding grants from the state or federal government at the end of the reporting summary.

Meeting Summary:

AEDC held seven board meetings between July 2022 and June 2023. Key meeting topics included:

September 7, 2022 (AEDC Boardroom): Discussion topics included investor council and board member resignations and identification of prospective candidates to fill vacancies, July 2022 financials, *Destination Anchorage* initiative, *Defend our Constitution* voter initiative, airport research projects, *Alaska Pass* initiative, *Choose Anchorage* initiative, AIAI-Infra's upcoming visit, and staff updates.

October 5, 2022 (AEDC Boardroom): Discussion topics included August 2022 financials, a resolution supporting an Anchorage municipal land trade with Alaska Housing Finance Corporation, a resolution appointing a vice-chair and a secretary/treasurer to the AEDC Board of Directors, a presentation from TIP Strategies regarding Anchorage's revitalization action plan, and a report on staff activities from the President & CEO.

¹ AEDC reported 59 private sector sponsors, ranging from \$1,000 to \$15,000 each.



December 7, 2022 (BP Energy Center): Discussion topics included October 2022 financials, the 2023 budget, a resolution confirming 2023 board positions and officers, the 2023 calendar of meetings, the appointment of members to the 2023 Investors Council, and creating a leadership committee for the *Choose Anchorage* initiative.

February 7, 2023 (BP Energy Center): Discussion topics included December 2022 financials, two resolutions appointing new board members, a review of AEDC's Economic Forecast luncheon, the expansion of AEDC's *Choose Anchorage* leadership committee, an update on *Alaska Pass*, and an upcoming trip with the Anchorage School District to learn about the Ford Foundation's *Academies* program.

March 8, 2023 (AEDC Boardroom): Discussion topics included February 2023 financials, Anchorage Municipal Proposition 14 (dedicating marijuana taxes to childcare and early education), Anchorage Municipal Proposition 6 (the creation of a Chugach State Park Access Service Area), Anchorage Municipal Proposition 7 (Girdwood service area local housing and economic stability power), and an update on the *Choose Anchorage* initiative.

April 5, 2023 (AEDC Boardroom): Discussion topics included March 2023 financials, a municipal operating grant, progress on the *Choose Anchorage* initiative, and the development of a 501(c)(3) development land trust.

May 10, 2023 (AEDC Boardroom): Discussion topics included March 2023 financials, a presentation from the Anchorage School District regarding the *Academies* education model, a resolution to update banking accounts, a resolution forming the AEDC Development Fund subsidiary 501(c)(3) non-profit corporation, and an update on the *Choose Anchorage* initiative.

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

AEDC's work plan for addressing Anchorage's economic development needs, established in FY 2023 and meant to be a multi-year plan, is the *Choose Anchorage* plan. The Board adopted the *Choose Anchorage* plan with the objective of profiling and building a business case for sustainable recruitment and retention targets that leverage Anchorage's current and emerging economic strengths and assets, including its natural resources, for value-added diversification and to identify gaps and opportunities in its workforce pipeline.

Guiding principles of this plan reflect tenets broadly shared by the community. In the context of this strategic plan, they are a set of statements expressing the economic development values and priorities in Anchorage. These principles were crafted through input from stakeholders throughout the planning process. The guiding principles also serve as a foundation for the plan, as all the strategies and actions identified should tie to at least one of the principles.

This plan consists of four major goals that build on one another: (1) driving new business investment and strengthening the existing business base, (2) deepening the pipeline of skilled talent, (3) enhancing the city's quality of place, and (4) investing in vital infrastructure. Based on input from stakeholder engagement and competitive analyses, the set of strategies and actions identified under each goal is meant to provide community partners with a roadmap to collectively strengthen Anchorage's economic vitality over the next five years and beyond.



Business Vitality (Goal 1): *Create a dynamic and diverse business base that drives higher levels of new investment and job creation.*

- 1.1. Strengthen AEDC's business retention and expansion efforts.
- 1.2. Focus diversification efforts on emerging market opportunities.
- 1.3. Continue expanding and deepening the entrepreneurial ecosystem in Anchorage.
- 1.4. Serve as a source of business intelligence to support Anchorage's efforts to diversify into emerging market sectors.

Talent (Goal 2): Build a robust talent pool with skills that meet the needs of current and future employers to foster a more resilient and diversified economic base.

- 2.1. Develop an independent regional workforce development board covering the Anchorage area.
- 2.2. Expand partnerships in leading sectors to build awareness of career opportunities in the region and offer education and training.
- 2.3. Promote Anchorage's value proposition for talent.
- 2.4. Leverage the existing and future regional veterans' community to support talent demand and career opportunities.
- 2.5. Expand support systems for Anchorage's young professionals to retain talent and grow a future community leadership pipeline.

Quality of Place (Goal 3): Invest in Anchorage's quality of place to help reverse current migration trends and support the retention and attraction of young people.

- 3.1. Increase the number of housing units, owner-occupied and rental, across the spectrum of affordability and density.
- 3.2. Elevate downtown revitalization opportunities, including redevelopment, infill, and adaptive reuse.
- 3.3. Leverage the presence of Anchorage's recreational assets through marketing opportunities.
- 3.4. Support and advocate for creative strategies that address people experiencing homelessness in Anchorage through the *Anchorage Coalition to End Homelessness*.
- 3.5. Develop and promote Anchorage's identity through districts, wayfinding, beautification, and activation.

Infrastructure (Goal 4): Leverage existing assets in a sustainable manner and invest in critical infrastructure to shape quality places that are attractive to business and talent.

- 4.1. Secure full funding for the reconstruction of dock facilities at the Port of Alaska.
- 4.2. Facilitate the development of Ted Stevens Anchorage International Airport as a hub for international air cargo operations and passenger flights.
- 4.3. Work with private developers to provide the infrastructure needed to support new housing construction.
- 4.4. Strengthen the city's transportation network to improve safety, encourage walking and bicycling, activate streets, and encourage economic activity.
- 4.5. Design a public investment strategy to spur private investment and talent retention/attraction in Anchorage.



Current Economic Development Initiatives:

In FY 2023, AEDC brought destination development expert Roger Brooks to Anchorage to finalize a two-part destination assessment of Anchorage and present findings to the public in two separate forums. All recommendations were centered around investing in quality-of-life enhancements to increase Anchorage's livability and competitiveness against other United States cities.

AEDC hosted two economic luncheons focused on the delivery of economic data and forecasts to Anchorage's business community, as well as the broader public, that can be used to make business decisions and strategic investments in the Municipality of Anchorage.

Utilizing an Economic Development Administration grant, AEDC finalized a year-long industry and workforce cluster analysis to understand the pandemic's effect on businesses in Anchorage. Ultimately, the research concluded that Anchorage's primary economic concern was the decline of working age adult population, resulting in a loss of over 15,000 working age adults over the past decade. To achieve economic growth, a focus on efforts to retain and attract young working age adults to Anchorage is needed. The research culminated in a comprehensive economic plan called *Choose Anchorage* that encouraged actions be made in four subject areas: business vitality, talent, quality of place, and infrastructure.

Future Economic Development Initiatives:

The Board is focused on actioning and advocating for strategies within AEDC's *Choose Anchorage* plan that will enhance economic development.

Anticipated Challenges to Regional Economic Development:

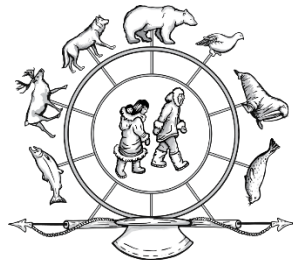
Anchorage's primary economic challenges are demographic in nature. Anchorage's population is aging, its working age adult population has declined by an estimated 18,600 in the last decade, and Anchorage loses approximately one-third of its young people (aged 16 to 26) to another U.S. state. This has contributed to historically low unemployment rates of 3.3 percent in 2022, with less than 5,000 people looking for a job in any given month, while employers are posting at least 15,000 jobs per month.

In addition to population challenges, Anchorage is facing an affordable housing shortage, a childcare crisis, and a cost of living that is 26 percent higher than the national average while simultaneously having average wages that are slightly less than the national average, further reducing residents' buying power.





BERING STRAIT DEVELOPMENT COUNCIL



KAWERAK, INC.

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:

In FY 2023, BSDC reported the following sources of revenue:

\$ 4,700,735.00 – U.S. Department of Commerce, Economic Development Administration

In addition to federal funding, BSDC has numerous private sector collaborators who co-host events and provide other direct and indirect support, including the Nome Chamber of Commerce, Norton Sound Economic Development Corporation, University of Alaska Fairbanks - Northwest Campus, and others. The value of these partnerships is undisclosed.

Status of Projects Funded by State or Federal Grants:

BSDC staff continues to assist the Native Village of Savoonga with the village's Reindeer Commercial Company project by administering and managing the awarded \$4,630,735 grant from the U.S. Economic Development Administration (EDA). With the successful completion of the project, the long-term direct and indirect job creation goals include the following positions: office manager, laborer, chief herder and crews, local carrier agents, and hub receiving freight agents. The anticipated secondary job creation includes commercial stockers, staff at AC and ANICA stores, meat processors, and other small business owners. In total, an estimated 125 jobs will be created.



Kawerak, Inc. retained Coffman Engineering to provide the EDA grant administration and construction management. The business planning specialist will continue to assist and act as a local liaison during the project. Project engineering design is at 35% completion and has been shared with the leadership in Savoonga for their input and direction. Recently, Norton Sound Economic Development Corporation (NSEDC) inquired about adding fish processing to the reindeer processing campus. Ed Leonetti with Coffman Engineers is the lead project manager and has begun researching this new development.

Meeting Summary:

BSDC held three board meetings between July 2022 and June 2023. Key meeting topics included:

July 2022 (Zoom): This meeting was dedicated to review the comprehensive economic development strategy (CEDS) for updates to be submitted to EDA by October 30. The University of Alaska Center for Economic Development has a longstanding partnership with Kawerak, Inc. and the region and facilitated a CEDS Update session. The below services were provided:

Collect, analyze, and update data and information from the 2019-2024 CEDS background section. This will include updating relevant charts and graphs to determine changes to key indicators between 2019 and 2021. This may also include any relevant updates to goals laid out in the region's Local Economic Development Plans (LEDP).

Facilitate a strategic planning session between Kawerak and BSDC during two meetings to gather critical information on progress on the items identified in the CEDS goals and action plan.

Update the strategic direction/action plan according to updates provided by the BSDC and Kawerak staff.

November 2022: This meeting included discussions on the LEDP regional updates. Solomon hired a contractor and Kawerak, Inc. staff reviewed the update and made editing suggestions. The final update, including the priority list, has now been uploaded to [Kawerak's website](#).

Unalakleet, Nome Eskimo Community, and Wales update sessions are complete, and staff is working on the final drafts. Priority ideas were selected; however, the order of the items may change after the tri-entity meetings. Final drafts will be forthcoming.

Kawerak is in contact with King Island, Shaktoolik, Elim, Savoonga, and Stebbins. Update sessions have not yet been scheduled due to a key vacancy.

June 2023 (Zoom): Reporting was provided by Bering Strait Development Council staff. The University of Alaska Center for Economic Development (UACED) was contracted by Kawerak, Inc.'s Community Planning and Development office to develop a regional small business economic recovery and resilience plan. UACED presented the final draft plan via Zoom. BSDC made comment and suggested minimal edits. The plan was approved via resolution.

An overview of upcoming tribal State Small Business Credit Initiative (SSBCI) program and its potential economic benefits for the region and application status was presented. All tribes in the region signed on to participate with the Alaska Small Business Development Center consortium. UACED staff also facilitated a session for BSDC's 2023 CEDS Update.



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

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

Objective	Activities and Tasks	Performance Measures
<p>1.1 Increase housing availability and accessibility</p>	<ul style="list-style-type: none"> • Research the barriers to financing new construction and land ownership in rural Alaska • Advocate for increased NAHASDA and HIP funding • Explore establishing a self-help housing program in Nome • Develop case studies of regional individuals that have financed and/or built their own homes • Examine the viability of increasing the amount of transient housing • Explore the possibility of working with non-profit groups, such as Habitat for Humanity, to increase housing capacity 	<ul style="list-style-type: none"> • Decreased persons per household in communities and the region • Increased construction projects year over year • Number of construction jobs created • Number of 5-star energy homes that have been built • Number of building permits (only applies to Nome)
<p>1.2 Improve public safety and community resiliency</p>	<ul style="list-style-type: none"> • 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 region-wide in obtaining funding for public safety projects • Documenting/tracking “outside of Nome” EMS services provided • 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 	<ul style="list-style-type: none"> • Number of completed plans • Number of projects implemented at the regional and community levels • Number of Memorandums of Agreement in place between Nome EMS and village entities that desire agreements • Number of communities with VPSOs or other public safety presence



<p>1.3 Implement Bering Strait Resiliency Planning</p>	<ul style="list-style-type: none"> • Develop a resiliency plan for COVID-19 recovery and integrate with CEDS • Provide technical assistance and capacity building for member organizations, local businesses, and other local stakeholders impacted by the coronavirus 	<ul style="list-style-type: none"> • Number of businesses served • Amount of relief funding obtained for communities and organizations
--	--	--

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

Objective	Activities and Tasks	Performance Measures
<p>2.1 Educate and train residents for employment in growing industries</p>	<ul style="list-style-type: none"> • Provide region-wide and village-based training opportunities • Assist residents of the region with documented disabilities in improving job-related skills • Explore and promote collaboration on apprenticeship and technical-level type programs for priority industries such as: <ul style="list-style-type: none"> ○ Environmental ○ Business and tribal governance ○ Early childhood education ○ Healthcare (health aide, nursing, etc.) ○ Project management ○ Aviation ○ Construction trades (electrician, carpentry, plumbing, etc.) ○ Engineer (environmental, mechanical, etc.) ○ Diesel engine mechanics ○ Utility management and operations (electrical, fuel, sewer, etc.) ○ Maritime industry ○ Heavy equipment operations ○ Fisheries ○ Scientific research • Coordinate among entities to provide scholarships for regional residents • Pursue zero waste initiatives (recycling, backhaul, etc.) 	<ul style="list-style-type: none"> • Number of trainings offered • Number of certified technicians and completions of programs • Number jobs secured because of the training • Number of residents assisted in gaining job-related skills • Number of scholarships provided



<p>2.2 Support entrepreneurship and the arts; provide business planning and research assistance</p> <p>Champion Kawerak Business Planning Specialist</p>	<ul style="list-style-type: none"> • Promote tuition assistance to individuals interested in new or expanding businesses • Seek new partners and funding to conduct and promote general business startup workshops covering areas such as business planning, marketing, and accounting principles • Promote an environment in which small businesses will succeed by creating networks of resources and business owners • Promote e-commerce by supporting training workshops and educating individuals and tribes on the use of the internet as a business and marketing tool; continue to seek out funding to promote e-commerce • Promote Norton Sound Economic Development small business seed money competitions and provide technical assistance 	<ul style="list-style-type: none"> • Number of individuals completing business-related classes • Number of businesses workshops held in the region • Amount of investment in new or expanding businesses • Number of businesses started • Number of jobs created • Continued visitor surveys
<p>2.3 Capitalize on natural resources in environmentally responsible ways</p>	<ul style="list-style-type: none"> • Work with the Nome Chamber of Commerce to incorporate village concerns and needs into regional tourism planning • Provide technical assistance to villages that have identified tourism as a priority • Work with NSEDC to explore the feasibility of salmon enhancement programs and new salmon enhancement technology • Explore the feasibility of seismic work (like what is being done in Kotzebue) toward finding enough natural gas to run a power plant and for residential use • Identify and provide support services for the gold mining industry • Relying on and supporting research activities in a way that practices self-determination and is collaborative with tribal entities and communities 	<ul style="list-style-type: none"> • Tax revenue • Gold production and price • Fisheries harvest numbers and price • Other mineral production and price • Number of tribes interested in starting a fish hatchery in Norton Sound



Goal 3: Promote economic stability by creating, maintaining, and upgrading infrastructure and regional collaboration to adequately meet our current and anticipated needs.

Objective	Activities and Tasks	Performance Measures
3.1 Improve and increase access to utility infrastructure	<ul style="list-style-type: none"> • Complete local water and sewer plans for Bering Strait communities, including assessments of the current systems, and provide training on how to perform maintenance • Support utilities and municipalities with pricing and management • Creation of utility O&M plans and following through on those plans • Review of current technology around microgrids and self-contained toilets to see if they could be implemented • Improve best practice scores with ANTHC and VHS to reach the minimum standard to obtain funding and technical assistance for water and sewer infrastructure 	<ul style="list-style-type: none"> • Number of communities with completed local plans • Number of communities with sufficient sewer and water systems • Percent of homes served in each community • Price/fee structure for water and sewer service by community • Number of communities following O&M plans • Amount invested in water/sewer infrastructure
3.2 Increase internet speeds and decrease costs	<ul style="list-style-type: none"> • 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 	<ul style="list-style-type: none"> • Price per internet plan • Upload/download speeds • Bandwidth capacity • Number of providers participating in the conversation (GCI, TelAlaska, etc.) • Percent of homes with access to broadband internet
3.3 Explore the feasibility of a regional governance model to capture the benefits of resource development projects	<ul style="list-style-type: none"> • Explore the economic feasibility of a borough government • Explore the economic feasibility of a port authority 	<ul style="list-style-type: none"> • Measure regional interest levels on collaboration models



Current Economic Development Initiatives:

BSDC is undertaking the following economic development initiatives:

- Educate and train regional residents for employment in growing industries.
- Work to develop individual community and regional tourism plans.
- Support entrepreneurship through business planning and research assistance services.
- Capitalize on natural resources in environmentally responsible ways and explore the feasibility of a regional governance model to capture the benefits of resource development projects.
- Improve access to water and sewer infrastructure.
- Increase internet availability and speeds while decreasing costs of these services.
- Increase and provide research for housing availability, affordability, and accessibility.
- Improve public safety and community resilience.

Future Economic Development Initiatives:

High quality, affordable broadband internet access continues to be a key priority for regional resiliency, stemming from the effects of COVID and from additional threats and vulnerabilities. Internet costs in the region remain extremely high and often feature unreliable, low-quality service. In the current digital age, quality, affordable broadband internet is necessary for doing business, running public education systems, and conducting workforce training and education programs. COVID disrupted every aspect of life, including business, government, and education. Lack of quality internet access made remote work and learning extremely challenging and continues to pose a challenge today.

Anticipated Challenges to Regional Economic Development:

Housing: As in most of rural Alaska, housing in the Nome Census Area is expensive and the supply is limited. More than a quarter of homes in the region meet the HUD definition of overcrowding. In the villages, overcrowding rates are even higher. The high cost of construction increases the difficulty of building more homes.

Energy: Villages in the region pay as much as \$0.50 per kWh for electricity, compared to less than \$0.20 in Southcentral Alaska. Heating oil often exceeds \$5.00 per gallon, generating a heavy burden on cash-constrained households. High energy costs also make it difficult for residents to start businesses.

High Rates of Unemployment: Like other rural parts of Alaska, unemployment in the Nome Census Area is persistently higher than the state and national averages. In December 2018, the Nome Census Area had an unemployment rate of over 10 percent, compared to a statewide level of 6.4 percent. The rural villages have even higher rates than Nome. Limited employment opportunities translate into lower incomes for households and high rates of out-migration.

Skills Shortages: A shortage of trained locals often means that jobs in mining, health care, education, and other fields are held by non-locals who relocate to the region. Employers often struggle to find qualified applicants, even as unemployment remains stubbornly high.



Geography and Distance: The Bering Straits region depends on air and seasonal barge transportation for the movement of people and goods. The region’s isolation from other parts of Alaska and the Lower 48 raises the costs of basic supplies like groceries, consumer goods, energy, and building materials. This also increases the difficulty of doing business in the region.





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 2,586. 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 the development and wise use of sustainable resources.

Funding Reported:

In FY 2023, CVDA reported the following sources of revenue:

- \$ 26,427.00 – U.S. Department of Commerce, Economic Development Administration
- \$ 10,611.00 – Denali Commission
- \$ 30,000.00 – Alaska Department of Transportation

Status of Projects Funded by State or Federal Grants:

U.S. Department of Commerce, Economic Development Administration (EDA) and Denali Commission: EDA and Denali provided funding for the Copper Valley Comprehensive Economic Development Strategy (CEDS). At the end of FY 2023, the CEDS was approximately 75 percent complete.

Alaska Department of Transportation (ADOT): Funds are being used for the Copper River Valley – Regional Planning Organization. These funds are provided annually for ongoing operations.

Meeting Summary:

CVDA held seven board meetings between July 2022 and June 2023. All meetings were held in-person, with a Zoom connection available. Key meeting topics included:

July 29, 2022: Executive director's report, CVDA's FY 2023 Senate appropriations submission update, Regional Planning Organization (RPO) update, ADC grant closeout report, CEDS update, and ADOT update.



August 17, 2022: Financial report, executive director's report, FY 2023 Senate appropriations submission update, RPO cooperative agreement signed, RPO committee formation, CVDA CEDS update, statewide CEDS update, and CVDA Rural Placemaking Initiative grant submission.

September 27, 2022: Ratify RPO policy committee members, financial report, executive director report, U.S. Department of Energy Grid Resilience discussion, and ADOT long range transportation planning and freight plan CEDS update.

October 27, 2022: RPO billing agreement ratified, RPO policies reviewed, financial report, executive director report, and CEDS update.

January 12, 2023: CVDA annual meeting, president's report, executive director report, financial report, RPO report, board comments, public comments, CVDA board of directors' elections.

February 15, 2023: Executive director report, CRV-RPO seat, CEDS updates, CRV-RPO and ADOT update, and rural Alaska EMS.

March 22, 2023: Executive director report, CRV-RPO and ADOT airport layout plan public presentation, appropriations submissions update, and CRV-RPO amendment to cooperative agreement – ROW conflicts.

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

Current goals, objectives, and strategies include:

- Continue to work with the Copper Valley Chamber of Commerce, ADOT, state agencies, and federal agencies to rebuild and reinvent existing businesses as well as develop new businesses.
- Support businesses throughout the region to identify available grant and funding opportunities.
- Continue to work on the CEDS goals, objectives, and strategies to address Copper Valley's regional economic development needs and complete the CEDS by June 2024.
- Continue to support the CRV-RPO with ADOT regarding transportation priorities within the Copper River Census Area and continue to improve communication and cooperation with the public in this effort to support larger transportation planning efforts.
- Promote economic development through strategic planning for the Copper Valley region, explore grant opportunities for regional businesses that can be supported by economic development, and expand activity around the Gulkana Airport.

Current Economic Development Initiatives:

Comprehensive Economic Development Strategy (CEDS): Funding was granted by EDA in August 2022 to create a strategic economic plan for the newly formed Copper River Census Area, located within the Unorganized Borough and containing no municipalities. CVDA is in the process of updating the previous 2012 CEDS and providing a new CEDS that will be complete in 2024. CVDA conducted a series of public meetings throughout the Copper River Census Area to collect information from participants asked to voice their values and their concerns around specific aspects of the community life. Surveys were made available to those who could not attend public meetings.



Pilot Regional Planning Organization (RPO): The RPO, a sub-committee of CVDA, continues to provide local and regional input and information on transportation planning and prioritization for the Copper River Census Area. The vision of the RPO is to create a safe, efficient, accessible, and enjoyable transportation system for the Copper River Valley that enables local and regional citizens the capability to connect with each other and the world. An operating agreement was created and ratified by CVDA, provided input, and hosted public meetings to facilitate the submission of an updated Gulkana Airport Layout Plan (ALP) to the FAA for Approval. The RPO is an independent policy committee, housed and administered by the Copper Valley Development Association (CVDA), the regional ARDOR within the State of Alaska, Department of Commerce, Community, and Economic Development. Administrative support and fiduciary responsibility for funding is provided by CVDA.

ADOT Regional Right of Way Application Initiative: ADOT, in cooperation with CVDA, will work to create a process in which the Right-of-Way conflicts within the Copper River Census Area support and help to guide the ADOT to create a new procedure with which to assess land conflicts, and to adopt a process for the *Application for Disposal of State Land a Relinquishment of Land Interests* to landowners where possible.

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, CRV-RPO, and ADOT embarked on a collaborative process to update the Gulkana (GKN) Airport Layout Plan (ALP). The updated ALP was completed, with public participation and input, and was submitted by ADOT to the FAA for approval. The updated ALP provides for several non-aeronautic lease lots to provide area that can be leased by agencies, by the general public, and for private use that will support economic growth in the region. The Gulkana Airport provides a unique opportunity and vehicle to achieve strategic and economic goals and objectives for the Copper River Valley region. The plan is an opportunity for public and private sectors to come together and thrive, and to create a stable economy through the many revenue streams and business opportunities the airport can provide.

2023 Denali Commission Program Grant Submission: CVDA currently receives a base level of funding that supports the administrative functions for the CRV-RPO from the ADOT. Beyond this, there is no mechanism for funding that allows the CRV-RPO to assist with the necessary planning and administrative resources that are vital for the economic health of the Copper River Valley. CVDA applied for a planning grant that will cover three years of funding for planning to improve the effectiveness and outcomes of ADOT projects within the Copper River Census Area. This grant was awarded to CVDA in July 2023.

FY 2024 Congressionally Directed Spending Request: In partnership with the Copper River Basin Child Advocacy Center (CAC), CVDA submitted a request for funding for a Provisional Family Secure Facility for Trauma Victims and Itinerant Professionals. CAC's mission is to unify a community approach to child abuse prevention and response. The project will assist Alaskan children and families who live within CAC's service region by providing a safe interim place, the necessary upgrades to the existing facility, and the ability for a multi-disciplinary team (MDT) approach for successful outcomes. The CAC model fosters these partnerships and the work of the MDT. Currently there are no safe interim places within CAC's coverage area, which is roughly the size of Montana. This grant was awarded in FY 2024's Senate appropriations bill.



Future Economic Development Initiatives:

Potential economic development projects for the Copper Valley region include a regional food hub, a regional business incubator, and prospective public and/or private development at Gulkana Airport.

Anticipated Challenges to Regional Economic Development:

The Copper Valley Census Area is identified as an economically distressed region that will require significant support for prime-age workers to re-engage in the local workforce. High energy costs, lack of infrastructure, the need for business and workforce development, the high cost of fuel, and continued impacts to tourism and related sectors from the COVID-19 pandemic are the area's greatest economic development concerns.

The lack of general support services and the high cost of energy are deterrents for many families and businesses to move to the Copper Valley region and are often the causes for people to move to other areas of the state or nation. This is reflected in the region's consistent decline in population. The lack of services such as day care, elderly care, snow removal, car repair, and affordable, fresh meats and produce, as well as the lack of good housing options, must be addressed in order to make this region attractive and economically viable.





FAIRBANKS NORTH STAR BOROUGH ECONOMIC DEVELOPMENT COMMISSION



P.O. Box 71267

Fairbanks, AK 99707

(907) 459-1351

<https://www.fnsb.gov/452/Economic-Development-Commission>

Mission:

To actively promote, foster and coordinate public and private initiatives that create capital, diversify the economy, and utilize economic capacity in ways that improve the 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:

In FY 2023, FNSBEDC reported no sources of external funding.

Status of Projects Funded by State or Federal Grants:

FNSBEDC reported no projects currently being funded by state or federal grants.

Meeting Summary:

FNSBEDC held six board meetings between July 2022 and June 2023. Key meeting topics included:

July 26, 2022: Update on ARDOR and discuss list of projects in draft CEDS. Reviewed and made recommendation to assembly on two housing tax credit incentive applications.

October 25, 2022: Welcomed new commissioners. ARDOR report to Alaska Legislature. Draft CEDS economic analysis.

November 22, 2022: Economic Update on ARDOR meeting at upcoming Alaska Municipal League conference. Reviewed and made recommendation to assembly on two housing tax credit incentive applications.

January 24, 2023: Economic development work session. No quorum. Meeting was adjourned with no action.



March 28, 2023: Reviewed and made recommendation to assembly on two housing tax credit incentive applications.

May 23, 2023: Reviewed and made recommendation to assembly on one housing tax credit incentive application.

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

Goals, objectives, and strategies are outlined in detail within the [Fairbanks North Star Borough Comprehensive Economic Development Strategy Update, 2022-2027](#).

Current Economic Development Initiatives:

In May 2023, Fairbanks North Star Borough adopted Resolution 2023-27 which authorized an agreement between the City of Fairbanks, the City of North Pole, and the Fairbanks North Star Borough to jointly provide for economic development.

In August 2023, Fairbanks North Star Borough adopted Ordinance 2023-45 that amended *FNSB Code 4.40.015* to update and clarify the role of the Economic Development Commission.

Future Economic Development Initiatives:

Future economic development initiatives are outlined in detail within the [Fairbanks North Star Borough Comprehensive Economic Development Strategy Update, 2022-2027](#).

Anticipated Challenges to Regional Economic Development:

Anticipated challenges to regional economic development are described in detail within the [Fairbanks North Star Borough Comprehensive Economic Development Strategy Update, 2022-2027](#).





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 its history, 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:

In FY 2023, KPEDD reported the following sources of revenue:

- \$ 246,041.00 – Federal funding
- \$ 152,686.00 – Facility lease agreements
- \$ 150,000.00 – Kenai Peninsula Borough funding
- \$ ~15,000.00 – Private event sponsorship

Status of Projects Funded by State or Federal Grants:

All deliverables from current grants are expected to be completed on time and on budget. KPEDD asks that any questions regarding project details should be made to them directly.

Meeting Summary:

KPEDD held five board meetings at the KPEDD board room between July 2022 and June 2023 on the following dates: August 18, 2022; October 20, 2022; February 16, 2023; April 20, 2023; and June 22, 2023.

KPEDD indicates that board meetings are private and confidential, containing sensitive information for both KPEDD and its clients. KPEDD asks that any questions regarding its meetings be made to them directly.



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

KPEDD's goals, objectives, and strategies are described in the *Future Economic Development Initiatives* section of this summary and within the KPEDD Comprehensive Economic Development Strategy and 2023 update, available on the [KPEDD website](#).

Current Economic Development Initiatives:

The full KPEDD Comprehensive Economic Development Strategy and 2023 update has been completed and is available on the [KPEDD website](#). The goals/focus outlined in the plan are on quality-of-life improvements for Peninsula residents through the development of:

- Technology and telecommunication infrastructure
- Workforce and human capital resources
- Infrastructure and land use opportunities
- Business climate and entrepreneurship networks
- Regional partnerships
- Knowledge creation and dissemination

Future Economic Development Initiatives:

Pre-Disaster Planning: Careful coordination and planning for potential disasters ahead of time can pay off when a negative event occurs. A pre-disaster recovery plan spearheaded by KPEDD will describe key stakeholders, roles, actions, and responsibilities in the event of a natural disaster. The major stakeholders include Kenai Peninsula Borough, municipal governments, tribes, chambers of commerce, industry associations, and others. As it has during COVID-19, KPEDD can take on the primary coordinating role among these groups to promote economic recovery. The pre-disaster recovery plan will also include a collection of resources and tools for business recovery, such as sources of funding.

Activating Information Networks: The flow of timely and accurate information between governments, business groups, and residents is essential during a disaster. KPEDD is utilizing a network of partner organizations, detailed web resources, access to media outlets, and a large business distribution list to maintain the flow of information. KPEDD maintains close contact with federal funding agencies, the state legislature, and state agencies, which is also essential. During a prolonged downturn, business surveys can relay vital information to decisionmakers about near-term needs for policy fixes and financial resources. KPEDD's frequent business surveys function as an early-warning indicator, flagging concerns that can lead to large-scale layoffs or closures, as well as to facilitate business retention and expansion (BRE) activities.

Ensuring Access to Capital: Disasters often cause businesses to experience sudden revenue shortfalls, often forcing them to lay off workers, reduce hours, or close their operations entirely. KPEDD has operated a revolving loan fund for more than a decade and is currently working to restructure the fund as a source of emergency capital to respond to resiliency shocks. In addition to its own capital sources, helping businesses access other financial resources will play a key role in future disasters, should they occur. In 2020, KPEDD executed a contract with the State of Alaska to promote the AK CARES business grant program, resulting in \$50 million being distributed to over 1,000 COVID-impacted businesses, proportionately more than any other region of the state. Other government capital programs like the Paycheck Protection Program (PPP) and



Economic Injury Disaster Loan (EIDL) were critical resources, but businesses often required the assistance of organizations like KPEDD and the Alaska Small Business Development Center to access these funds. KPEDD will reprise its role as both a facilitator and provider of capital during future events.

Improve Broadband Access and Affordability: Broadband is critical infrastructure in today's global economy. The pandemic resulted in roughly 40 percent of Alaska workers being forced to work from home for extended periods during 2020 and 2021. The education system, from K-12 through college, also had to utilize videoconferencing services to function. For households without affordable, high-speed internet, remote education and work were not feasible. In addition, many businesses had to transition to selling their products or services online, such as restaurants using mobile apps for take-out and delivery. Although these pandemic conditions were not permanent, they made clear the central role broadband access plays in economic life. In the Kenai Peninsula, less than half of households have access to speeds of 100 Mbps, compared to almost 99 percent of households in Anchorage. Some smaller communities, such as Hope, lack access to speeds greater than 25 Mbps. To improve broadband access, KPEDD is committed to advocating for federal funds to build middle-mile and last-mile satellite and fiber infrastructure.

Streamlining Job Access: Job loss is one of the most feared outcomes from any sort of resiliency shock. Declining revenues cause employers to lay off workers but, when conditions improve, employers often struggle to find qualified workers. Both challenges have been apparent during the COVID recession. At the same time, workforce readiness is a persistent challenge for businesses, who are often forced to hire non-locals when faced with high seasonal demand. With all of these challenges in mind, KPEDD launched the Kenai Peninsula Workforce website as an extensive resource hub for jobseekers, employers, and training programs. The website provides detailed information about high-demand occupations in the region, including average salaries, qualifications, and associated training programs. It also links to job postings, scholarships, apprenticeships, and jobseeker tools like a resume builder.

Ensure Transportation Reliability: Transportation infrastructure is a potential vulnerability for the Kenai Peninsula. The Seward and Sterling Highways connect borough communities to each other and to Anchorage. These highways suffer frequent shutdowns due to fatal traffic accidents and, periodically, avalanches. Poor maintenance conditions in the winter can also sever these key arteries. The Alaska Marine Highway System (AMHS), which has suffered from budget cuts, is another area of transportation concern. AMHS serves Homer and Seldovia but has been forced to reduce the frequency of sailings, disrupting an affordable means to move people and goods. Seldovia is particularly dependent on AMHS, as it lacks highway access. KPEDD advocates for ongoing support for highway maintenance and safety improvements and for continuing state funding for AMHS.

Efficient Land Use: Although the Kenai Peninsula is vast in size, relatively little land is available for residential and commercial use. Between the Kenai National Wildlife Refuge and the Chugach National Forest, private ownership is primarily limited to lands adjacent to the highway system. Efficient use of land to maximize economic benefit is therefore critically important. One protective measure to improve land use is erosion control and mitigation. As mentioned previously, lands in Homer, Kenai, and Seward, as well as other areas threatened by erosion, will require mitigation and protection measures. Without flood and erosion control, private investment will not occur in certain areas, such as Downtown Kenai. Sites formerly used for mining or other historical purposes can also be reused, such as Red Mountain near Seldovia, a former mine proposed for use as a recreational area.



A Focus on Emerging Industries: One way to ensure a prosperous economic future amid uncertainty is to diversify the regional economy by promoting emerging industries. On the Kenai Peninsula, this includes shellfish farming, marine trades, agriculture, and seafood byproduct utilization. KPEDD assists these emerging sectors through business advising, project funding, workforce development, and lending activities. Emerging sectors often require specialized types of infrastructure to thrive. For example, the marine trades require ports and harbors, vessel haul outs, and specialized buildings, such as cold storage facilities. KPEDD and partner organizations work to source funding for these types of projects wherever possible.

Anticipated Challenges to Regional Economic Development:

Regulatory barriers/development costs: Responsible mineral, oil, and gas development all require extensive permitting processes and regulatory hurdles that raise already high development costs. These costs inhibit new investment, especially with Cook Inlet oil and gas development and with mining prospects on the west side of the inlet.

High operating costs: Although some parts of Alaska have much higher costs for real estate, energy, labor, and freight, operating costs on the Peninsula are generally much higher than in the Lower 48.

Workforce limitations: Despite the presence of University of Alaska satellite campuses, AVTEC, and a strong partnership with the Alaska Department of Labor (including the Construction Academy) employers cite limited workforce availability as a major obstacle to business expansion.

Commodity prices: A significant share of the Kenai Peninsula economy relies upon the export of commodities to regions outside of the borough, especially oil, gas, and seafood. The prices for all of these valuable products depend on global market forces outside of local control. These fluctuations contribute to price volatility, heavily influencing the local economy's business success and employment stability.

State fiscal uncertainty: According to KPEDD, many business owners in the region cite the state fiscal situation, namely a lack of resolution on spending, revenues, and Permanent Fund Dividends, as an obstacle to growth and new investment. Potential cuts to state services could threaten public safety and education in the region and new state taxes could dampen business success and investment.

Housing availability: While housing costs are lower on average across the borough, housing availability, in particular seasonal housing, is a challenge in the borough. Communities that see large seasonal fluctuations in workforce, such as Seward, experience the most dramatic housing gaps. With an aging population, senior housing is expected to become an increasingly prominent issue, with the ratio of population of senior citizens to senior facility beds expected to increase from 22:1 to 39:1.

Aging infrastructure: Transportation infrastructure is critical to keeping down the cost of goods and services and acts as an enabler for tourism, recreation, and subsistence harvesting. Road conditions are a concern boroughwide. In addition, aging pipeline infrastructure, with pipeline leaks limiting the supply of natural gas from Cook Inlet, puts the region's energy systems at risk.



Public transportation: Public transportation options are limited across the borough. The temporary closure of Ravn Airlines in 2020 limited passenger air transportation in the region and uncovered weaknesses in the borough's public transportation system. Public transportation linkages between satellite communities and core business centers, such as the route between Anchor Point and Homer, have been cited as specific needs.

Disruptions to marine travel: Budget reductions to the Alaska Marine Highway System have threatened ferry service in the region. Between Fiscal Years 2016 and 2020, system wide revenues were down by nearly 40 percent. Homer and Seldovia are the only two communities in the region with ferry service, providing critical passenger connections and goods transport between the Kenai Peninsula, Southwest Alaska, and Southeast Alaska.

Limited public funding: According to KPEDD, continued State of Alaska budget issues threaten the borough economy from several angles. Reduced State of Alaska Department of Transportation budgets limit winter road maintenance on the Seward Highway, the main road artery to the majority of the Kenai Peninsula. Local government pass-through revenues from the State of Alaska to city and borough governments are decreasing, leaving local government to fill gaps in funding. In addition, the Division of Motor Vehicles office in Homer could close because of proposed cuts.

Access to early childhood education and general childcare: Early childhood education and childcare access across the Kenai Peninsula Borough is limited and expensive. Of the estimated 4,120 individuals under the age of six living in the borough, 32 percent are not having their early childhood education needs met. On average, households in the borough spent 17 percent of their income on licensed early childhood development services in 2020. Only 29 percent of children entering the education system met eleven of the thirteen Alaska Developmental Profile goals. Furthermore, access to childcare for parents who are in or wishing to join the workforce is extremely limited, contributing to the shrinking labor pool. Gaps in early childhood programs in the borough reduce quality of life in the region and impact the long-term strength of the region's economy.

High unemployment: While unemployment rates in the region have historically been lower than statewide averages, the economic impacts of the COVID-19 pandemic, particularly on the tourism and hospitality sectors, caused unemployment on the Kenai Peninsula to spike. Recovery from the economic impacts of the pandemic on the borough workforce will take time.

Out-migration: Between 2011 and 2020, KPB experienced net out-migration in six of the ten years. While migration into and out of a region is natural, constant long-term migration out of the region poses a risk to the strength of the local workforce.

Decline in wages: Over the past decade, the real value of wages in the region has steadily declined, indicating that wage growth on the Kenai Peninsula has not kept up with inflation. This is a threat to quality of life in the region as the real cost of goods and services continues to rise in comparison. It is also a threat to the region's workforce and employers attracting and retaining qualified employees.





NORTHWEST ARCTIC BOROUGH COMMUNITY & ECONOMIC DEVELOPMENT COMMISSION



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

<https://www.nwabor.org/departments/community-and-economic-development/>

Mission:

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

The Northwest Arctic Borough Community & Economic Development 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:

In FY 2023, NWABCEDC reported the following sources of revenue:

- \$ 335,414.33 – Alaska Department of Commerce, Community, and Economic Development
- \$ 2,000,000.00 – Alaska State Legislature
- \$ 2,886,334.00 – Alaska Department of Public Safety
- \$ 76,414.59 – Alaska Division of Retirement and Benefits
- \$ 127,863.00 – Alaska Department of Health
- \$ 590,000.00 – Alaska Energy Authority
- \$ 2,008,765.00 – U.S. Department of Energy
- \$ 5,400,810.69 – U.S. Department of Agriculture
- \$ 26,825,440.00 – U.S. Department of the Interior
- \$ 4,536,000.00 – U.S. Department of the Treasury

Note: All revenue reported by NWABCEDC are funds received by the Northwest Arctic Borough at large, rather than the Community & Economic Development Commission in particular.



Status of Projects Funded by State or Federal Grants:

Alaska Department of Commerce, Community, and Economic Development: Community Assistance Program funding is redistributed to the villages to help with the costs of running local government.

Alaska State Legislature: Construction funding to build a bus barn for Kivalina School and to replace the HVAC system at Buckland School.

Alaska Department of Public Safety: Public safety funding supported the cost of hiring Village Public Safety Officer personnel for village patrols (\$1,136,334), the construction of warm storage units to store public safety equipment (\$1,500,000), and the construction of a VPSO house in Kivalina and a public safety building in Deering (\$250,000).

Alaska Division of Retirement and Benefits: These funds are dedicated to Public Employee Retirement System contributions.

Alaska Department of Health: Support for broadband telehealth system in borough communities via the Healthy and Equitable Communities grant.

Alaska Energy Authority: Funding to support the design and permitting for solar photovoltaic batteries for the communities of Ambler, Kiana, Noorvik, and Selawik.

U.S. Department of Energy: Funding from the Office of Indian Energy in support of the Noatak Solar Array, currently being spent down after being awarded during a past fiscal year.

U.S. Department of Agriculture: USDA provided a Rural Energy Pilot Program grant in the amount of \$1,998,820 to support the solar project in Selawik. USDA also provided two separate American Rescue Plan Act grants in the combined amount of \$3,401,991. These grants were issued during a past fiscal year and are being spent down.

U.S. Department of the Treasury: The borough has been awarded funds through the Local Assistance and Tribal Consistency Fund, as authorized by the American Rescue Plan Act.

Meeting Summary:

NWABCEDC held three board meetings between July 2022 and June 2023. On October 13, 2022, the meeting included updates on the Cape Blossom Road project, the Sulianich Art Center, and the Bornite Deposit in the Ambler Mining District near Kobuk. The meetings on January 3, 2023, and May 2, 2023, were facilitated by [Sustainable Economic Futures](#), which is assisting the Northwest Arctic Borough with implementing an entrepreneurship program.



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

Vision Statement: The Northwest Arctic Borough has a robust and diverse economy supporting economic self-sufficiency and *İñunialautaq* (good life) for all residents.

Goal A – Improvement and Development of Critical Infrastructure Goal: 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 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 Goal: Develop natural resources, such as minerals, fisheries, agriculture, oil & 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 fisheries, agriculture, and others.
- *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 Goal: Improve academic achievement at the K-12 public education level, increase postsecondary opportunities with vocational and academic training, and enhance employability skills and local workforce. 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:

Current economic development initiatives include hiring a deputy director for community and economic development and implementing a second Independent Power Producers contract with the community of Noatak, following the successful completion of the Shungnak/Kobuk solar project in fall 2021 and the completion of the initial Noatak solar project in Fall 2022.



Future Economic Development Initiatives:

Potential projects that have been identified include:

1. Cape Blossom port site
2. Noatak Road to Red Dog port site
3. Regional alternative energy projects, including solar in Shungnak and Noatak
4. Ambler Road and mine site development

Anticipated Challenges to Regional Economic Development:

Anticipated challenges include:

1. High cost of living – average heating fuel price is about \$10 per gallon
2. Limited housing – the ability to construct new housing is restricted by the high cost of transportation, high cost of construction, and limited local infrastructure
3. Lack of education and training – the borough continues to support higher education for its young people and provide training opportunities for working age adults





PRINCE WILLIAM SOUND ECONOMIC DEVELOPMENT DISTRICT



**PRINCE WILLIAM SOUND
ECONOMIC
DEVELOPMENT
DISTRICT**

1000 Orca Road #237
Cordova, AK 99574
(907) 424-5533
<https://www.pwsedd.org/>

Mission:

To grow a prosperous, sustainable, and diverse economy.

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 Chugach National Forest surrounds the region’s coastal communities. Economic activity is focused on oil distribution and support services; the maritime sector, including seafood harvesting and production; the visitor industry; and outdoor recreation.

Funding Reported:

In FY 2023, PWSEDD reported the following sources of revenue:

- \$ 376,161.85 – U.S. Department of Commerce, Economic Development Administration
- \$ 20,000.00 – Denali Commission
- \$ 9,000.00 – RurAL CAP Foundation
- \$ 1,700.00 – Alaska Community Foundation
- \$ 5,000.00 – CoBank and CEC
- \$ 10,000.00 – Native Village of Eyak
- \$ 20,000.00 – Copper River/Prince William Sound Marketing Association
- \$ 250.00 – Sheridan Consulting

Status of Projects Funded by State or Federal Grants:

U.S. Department of Commerce, Economic Development Administration: EDA CARES Act funding was used to fund a feasibility study for the Prince William Sound Ferry Authority. This project is complete. EDA Paycheck Protection Program funds were used to implement PWSEDD’s CEDS. Implementation of the CEDS is ongoing. EDA Build Back Better funds were utilized to fund Phase I work that contributed to a Phase II application for a statewide mariculture cluster project. The application is now complete.

Denali Commission: Denali Commission funds, in combination with funds from Native Village of Eyak and Copper River/Prince William Sound Marketing Association, were used to fund a feasibility study for a shared seafood/food processing center. The feasibility study is complete.



Meeting Summary:

PWSEDD held seven board meetings between July 2022 and June 2023, all by Zoom videoconference. Key meeting topics included:

September 1, 2022: Financial position review, staff report, approval of IRS Form 990, adoption of amended by-laws, and approval of a conflict-of-interest policy.

November 9, 2022: Presentations on climate science, climate resilience adaptation planning, Prince William Sound Ferry Authority feasibility analysis, LaTouche Island Copper Mine remediation, board appointments, staff report, financial statements review and election of officers.

December 1, 2022: Financial position review, staff report, approval of a 2023 operating budget, entering into a Memorandum of Agreement for the Cordova Community Garden, and fiscal sponsorship for the Mavis Island Project.

January 6, 2023: Special meeting regarding fiscal sponsorship, to discuss PWSEDD's framework for serving as a fiscal sponsor for mission-related, IRS-recognized charitable activities.

February 6, 2023: Special meeting revisiting fiscal sponsorship to authorize the PWSEDD executive director to apply for, sign grant agreements for, and administer a Rural Business Enterprise Grant.

March 2, 2023: Presentation on Phase I research from the Prince William Sound Ferry Authority feasibility study, a financial position review, staff report, approval of a retirement savings plan, and discussion about the Alaska Mariculture Cluster Committee.

June 1, 2023: Presentation on Phase II research from the Prince William Sound Ferry Authority feasibility study, a financial position review, staff report, and board members' annual conflict of interest declarations.

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 within the 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:

Goal A: Improvement and Development of Critical Infrastructure

- **Housing Development:** The Minnesota Housing Partnership (MHP) accepted PWSEDD's request for technical assistance in housing development, with support from the Prince William Sound Housing Working Group, which consists of local governments and tribes. PWSEDD has contracted with McKinley Research Group to conduct a housing needs assessment for Prince William Sound communities, which will include interviews with stakeholders (realtors, builders, housing authority staff, municipal staff, and tribal staff) and distribution of a housing survey to Prince William Sound residents. MHP and the Prince William Sound Housing Working Group will next begin work on a funding source matrix.
- **Ferry Dock Reconfigurations:** Awarded a Port Infrastructure Development Program grant (\$28 million) for ferry dock reconfigurations at Chenega, Tatitlek, and Cordova, in coordination with the Alaska Department of Transportation and Public Facilities (AKDOT/PF) and the Alaska Municipal League. PWSEDD staff worked to develop a grant agreement, including the environmental assessment process (categorical exclusion, using Federal Highway Administration protocol) with the U.S. Department of Transportation (USDOT). A memorandum of agreement to transfer funds between PWSEDD and AKDOT/PF has been drafted but not finalized. USDOT staff made a site visit to Prince William Sound in late May, and PWSEDD staff met virtually with Chenega and Tatitlek representatives to discuss design ideas and concerns for each site.



- **Prince William Sound Ferry Authority:** McKinley Research Group (MRG) completed Phase II of the Prince William Sound Ferry Authority Feasibility Analysis for the PWSEDD and presented it at the 6/1/2023 board meeting. This project was initiated in the context of declining state support for the Alaska Marine Highway System. MRG's research shows no scenario in which a Prince William Sound Ferry Authority could break even by relying on fare revenues. MRG looked at two service models: a single day boat and a two-day boat fleet. MRG is sending a draft final report for distribution to the PWSEDD board, whose members were asked to review and comment before MRG issues a final report.
- **Shared Seafood/Food Processing Center for Cordova:** PWSEDD received a final report regarding the Shared Seafood/Food Processing Center Feasibility Analysis from McKinley Research Group by the end of June 2023. PWSEDD staff is beginning to work with other non-profit partners, Cordova District Fishermen United, and Copper River/Prince William Sound Marketing Association, to develop a detailed business plan that will be used to apply for EDA funds to purchase the building.

Goal B: Workforce Development

- **Childcare Initiatives:** Based on the results of a survey of childcare needs in the Cordova community, PWSEDD staff are looking to host a Child Care Symposium in Cordova this winter, modeled after the Child Care Symposium held in Valdez in February 2023. The symposium may include first aid and CPR training required for childcare providers, a session on modifying a home to be licensed as a childcare facility, and free daycare for participants. PWSEDD staff is also working with representatives from the Alaska Child Care Program Office and local stakeholders to discuss other opportunities to strengthen regional childcare.
- **Business Assistance:** PWSEDD provides support to local and regional businesses who seek to start or expand a business. Assistance includes loan application document preparation, expense and revenue projection, assistance with choosing accounting software, guidance in financial management, and setting up payroll, marketing, and online commerce. PWSEDD staff is currently gathering information to share with regional businesses about the Incumbent Worker Training program, which funded training for 5 employees at Cordova Community Medical Center in March 2022.

Goal C: Strengthen Existing Industries and Diversify Economy

- **Mariculture Drying/Processing:** PWSEDD submitted an application to USDA for a Rural Business Development Grant to purchase kelp drying equipment and, in partnership with Prince William Sound Science Center researcher Alysha Cypher, submitted a proposal to the Alaska Fisheries Development Foundation to establish a kelp processing line in partnership with a seafood processor in Cordova. PWSEDD staff also organized a site visit by Alaska Mariculture Cluster and NOAA staff in August for a Mariculture Roundtable and a kelp and oyster farm site tour.
- **Whittier Tourism Best Management Practices:** Working with a large coalition of Whittier business owners, residents, city staff, land managers, and tourism stakeholders, PWSEDD drafted a set of Tourism Best Management Practices guidelines for pilot use in Whittier this summer. The core advisory group and participants will meet with Whittier residents and business owners in the fall to debrief on lessons learned, what worked, and what needs more attention.



- **Cordova Fisheries Climate Adaptation Strategy:** In partnership with Dr. Marysia Szymkowiak, a NOAA social scientist, PWSEDD continues to hold stakeholder meetings to discuss the vulnerability of Cordova's fishing economy to climate change. The foundation for planning mitigation and adaptation strategies will take the form of a vulnerability assessment, which is currently under development and expected to be completed in late summer 2023. This project will serve as a model to be replicated across Prince William Sound communities.
- **Prince William Sound Marine Use Areas/NOAA Aquaculture Opportunity Areas:** PWSEDD has conducted research and coordinated stakeholder meetings to explore the development of a user group map for various commercial uses in Prince William Sound and plans to work with Cordova District Fishermen United and Copper River/Prince William Sound Marketing Association to participate in NOAA's upcoming Aquaculture Opportunity Areas process for Alaska.
- **Cordova Community Garden:** In partnership with the Copper River Watershed Project, PWSEDD used RuralCAP grant funds to successfully launch a Cordova Community Garden. Twenty garden beds were distributed to underserved community members and ten were installed at Saint Michael's Russian Orthodox Church, the location of the community garden site. Grant funds were also used to hire a community garden manager who currently helps oversee the garden and works with community members to help their garden beds flourish.

Future Economic Development Initiatives:

Prospective economic development initiatives include:

- A Prince William Sound Ferry Authority
- Harbor renovations in Cordova, Whittier, Valdez, and Tatitlek
- Construction of middle-income housing in Valdez, Tatitlek, Whittier, Chenega, and Cordova
- Refinement of Whittier's Tourism Best Practices and the development of a complementary Wilderness Best Management Practices program for western Prince William Sound
- Remediation of the contaminated Buckner Building site in Whittier
- Replacing the Valdez Museum facility with a modern, expanded facility
- Developing a shared seafood and food product processing facility in Cordova
- Increasing options for childcare in Cordova and Valdez
- Creating a "heat map" to identify the locations of various user activities in Prince William Sound for optimal mariculture site development and user conflict mitigation
- A Prince William Sound climate adaptation strategy



Anticipated Challenges to Regional Economic Development:

Anticipated challenges include:

- Lack of capacity for kelp drying and processing.
- 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 conduct adaptation planning.
- Lack of state fiscal support for public education, causing degradation to educational opportunities for pre-k to grade 12 academics, post-secondary academics, and vocational and technical offerings for regional residents.
- Lack of direct support for regional economic development efforts and staffing, as regional coordination is critical for putting together clear, strong project proposals for federal opportunities relating to broadband, energy, infrastructure, food security, and business support.





SOUTHEAST CONFERENCE



9360 Glacier Highway, #201

Juneau, AK 99801

(907) 586-4360

<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.

Funding Reported:

In FY 2022, SEC reported the following sources of revenue:

\$	156,607.00	– Southeast Conference Membership Revenue
\$	605,514.59	– OneUSDA, Southeast Alaska Sustainable Strategy
\$	41,662.65	– Denali Commission
\$	751,404.11	– U.S. Economic Development Administration
\$	22,125.99	– U.S. Department of Agriculture
\$	21,702.25	– Alaska Marine Highway System
\$	96,939.42	– Alaska Energy Authority / U.S. Forest Service (Biomass)
\$	40,000.00	– 2022 Scholarship Auction Revenue

Status of Projects Funded by State or Federal Grants:

Alaska Energy Authority (AEA): SEC continues a close working relationship with the Alaska Energy Authority and assists with project development and program implementation as needed. SEC also participates in AEA's working groups related to alternative energy and energy efficiency programs and supports the many programs managed by the state's energy office to help lower the cost of energy to Alaskans.



SEC's Biomass Coordinator works with AEA and the US Forest Service (USFS) to provide technical support and facilitation for biomass energy projects across the state, and chairs the Alaska Wood Energy Development Task Group, which consists of a coalition of federal agencies, state agencies, and not-for-profit organizations seeking to increase the utilization of wood for energy and biofuels production in Alaska.

SEC works in partnership with the University of Alaska-Fairbanks, State of Alaska Division of Forestry, Alaska Center for Energy and Power, Renewable Energy Alaska Project, and USFS on a biomass outreach program to assist communities with feasibility plans and to provide technical assistance and workforce training to the private sector and those communities that have existing systems. SEC participates in statewide roundtables and are planning an international biomass conference in fall 2023 in Fairbanks.

SEC also participates in the AEA Alaska Electric Vehicle Working Group that meets quarterly to discuss electric vehicles (EVs) and charging infrastructure in Alaska. SEC supports AEA's efforts to reduce barriers to EV adoption and plan for opportunities to bring new industries to Alaska, promote its economy, and save Alaskans' money. SEC participated in the development of the State of Alaska Electric Vehicle Infrastructure Implementation Plan as part of the National Electric Vehicle Infrastructure Formula Program, as well as promoting partnerships with the private sector to host charging stations using Volkswagen Trust Funds.





U.S. Forest Service (USFS): SEC has long been a leader in promoting renewable energy infrastructure for Southeast Alaska and the State of Alaska. Full utilization of local resources for energy needs has long been a regional priority. One of the local resources that makes sense for Alaska is woody biomass, utilizing urban and forest residues. Utilization of woody biomass for thermal energy (*i.e.*, heat) creates local employment, utilizes local resources, and develops local infrastructure. A recent survey found that two-thirds of Southeast residents' energy consumption was for thermal heat. SEC sees a possible solution, embracing new technology that utilizes biomass waste streams and is right sized for local community heat needs.

USFS and the Denali Commission awarded funding to SEC to pursue a demonstration biomass pellet mill project to be constructed in Ketchikan to serve as a proof-of-concept pilot project for other proposed locations. The facility will support the timber industry, forest health, and habitat by utilizing natural waste streams, allowing experimentation with community biomass waste, such as used pallets and cardboard.

Denali Commission: The Denali Commission provided funding for SEC to provide technical assistance for rural underserved communities in Southeast Alaska. These funds have been used in community efforts and private sector investment to leverage other federal funding opportunities, bringing in over a million dollars to date.

One USDA, Southeast Alaska Sustainable Strategy for Economic Development: The U.S. Department of Agriculture (USDA) announced the new Southeast Alaska Sustainability Strategy (SASS) initiative to support a diverse economy, enhance community resilience, and conserve natural resources in Southeast Alaska. SASS is created to support economic diversification activities in Southeast Alaska through a strategic partnership of USDA and the key regional economic development organizations of SEC, Tlingit and Haida Central Council, and Spruce Root.

As part of the strategy, the Secretary of Agriculture made an initial commitment of \$25 million to the region. A OneUSDA team comprised of USFS, Natural Resources Conservation Service, and USDA Rural Development engaged Southeast Alaska partners, communities, Tribes, and Alaska Native corporations to ensure that investments were responsive to local priorities, complemented ongoing partnerships, and were inclusive of the values and peoples in the region.

SEC convened the SASS partners during the September Annual Meeting to develop metrics to assess regional progress toward economic diversification, capture key lessons learned, develop annual reports, support a capacity building grant pool, and make sub-awards into proposed SASS projects. These efforts will strengthen how the network of SASS partners work together on economic diversification, make it easier to assess progress, build the capacity of local organizations, and support economic diversification projects. SEC has held multiple meetings with three subaward recipients targeted during the first wave of funding: Alaska Sustainable Fisheries Trust, Craig High School, and OceansAlaska. SEC is coordinating the Prince of Wales Mariculture Processing facility in Craig and recently signed a project memorandum of agreement with the Craig Tribal Association, Craig's tribal corporation (Sháan Séet), and the City of Craig to jointly develop the facility.

EDA Build Back Better Regional Challenge (BBBRC): SEC is at the center of several new opportunities in mariculture development, leading a unique coalition of mariculture stakeholders pursuing BBBRC funding for the development of an Alaska Mariculture Cluster stretching from Southeast Alaska across Alaska's coastal waters through to the Aleutians.



The Alaska Mariculture Cluster is the next step in the implementation of the Alaska Mariculture Development Plan, the Alaska Mariculture Task Force’s Five-Year Action Plan, and findings within the Alaska Mariculture Alliance’s (AMA) Final Report to the Governor. The BBBRC aims to transform regional economies by growing new regional industry clusters or by scaling existing ones. SEC, along with the Alaska Fisheries Development Foundation (AFDF), AMA, Prince William Sound Economic Development District (PWSEDD), Southwest Alaska Municipal Conference (SWAMC), Kenai Peninsula Economic Development District (KPEDD), the State of Alaska (SOA), Alaska SeaGrant, the University of Alaska (UAA, UAS, UAF), Central Council Tlingit and Haida Indian Tribes of Alaska (CCTH), and the Alaska Longline Fisherman’s Association (ALFA) formed a strategic coalition called the Alaska Mariculture Cluster (AMC) on behalf of Alaska’s mariculture industry and submitted the AMC proposal in October 2021. The partnership also includes over 30 private sector businesses and numerous Tribal entities, including Sealaska, the Native Conservancy, Alutiiq Pride Marine Institute, and CCTH.

SEC, as lead applicant of the AMC proposal, was selected as one of 21 finalists out of 529 applications nationwide for the EDA’s \$1 billion BBBRC grant. The process to develop the final \$49 million application included more than 115 meetings with mariculture and seafood sector stakeholders and more than 30 informational and logistical meetings with EDA. The five-year project has a goal of utilizing 25 percent of the project funding for Alaska Natives and another 25 percent to underserved communities. AMC’s proposal for developing Alaska’s mariculture industry included the following elements critical to the industry’s development:

1. *Governance, Coordination and Outreach:* The Governance Body is composed of all four southern coastal ARDORs (SEC, KPEDD, PWSEDD, SWAMC), four board members of AMA, four regional Tribal entities (CCTH, Chugach Alaska Corporation, The Aleut Corporation, and Koniag), as well as a representative from the Alaska fisheries industry. The Governance Body has met quarterly since April 2023.
2. *Workforce Development to Support Industry Growth:* SEC works closely with all three state universities (UAA, UAF, UAS) to develop training materials, curriculum, and an aquatic farm operation training handbook.
3. *Equipment and Technology:* SEC is developing a request for proposals to procure professional support in the purchase and distribution of equipment. The contractor(s) will conduct pre-investment analysis based on applications received and conduct feasibility studies to assess the needs of existing and proposed facilities. SEC has executed a subaward agreement with ADEC to modernize the state’s equipment for toxin testing.
4. *Green Energy:* SEC is working with AFDF to assess the energy usage of the mariculture industry and will develop a best practices guide to lower energy costs and consumption.
5. *Research and Development:* SEC has three strategic partners involved in this project: AFDF, ADFG, and Alaska Department of Natural Resources (ADNR). Research includes seaweed tissue analysis, chemistry and nutritional profiles, and joint innovation projects with the private sector to accelerate development of applied technologies. Both AFDF and ADFG will be purchasing equipment for this component project.
6. *Marketing:* The market development component project is an essential part of the mariculture grant. SEC is working with the private sector to form a steering committee that will guide the market research on seaweed, shellfish, and brand development.



7. *Mariculture Revolving Loan Fund*: This industry specific revolving loan fund (RLF) will support all aspects of operations and seeks to fill the gaps left unmet by traditional financing institutions. SEC is working with financial institutions and industry stakeholders within and outside of Alaska to develop an administrative structure, loan policies, and products that will meet the needs of Alaska's developing mariculture industry and assist SEC in finalizing the AMC RLF Administration Plan and overall management structure. SEC is partnering with Spruce Root, who will administer half the funds that are targeted to Alaska Natives and underserved communities.

Alaska Marine Highway System (AMHS): SEC has since 1958 sought to establish, sustain, and support the ferry system. In recent years, the focus has been on modernization and now, with the federal priority to reduce emissions, incorporating renewable energy resources into the operations of AMHS.

As a regional planning organization, SEC has worked with AMHS staff, the SEC Transportation Committee, Alaska Marine Highway Operations Board, municipalities, Tribes, and stakeholders across the state. SEC organized public meetings to gather input and gauge support for proposed AMHS projects and completed two documents supporting AMHS priorities. The first was the completion of the technical report titled *Cultivating a Systems Approach to Sustainable Transportation by Implementing Climate Responsive Ferry Vessel Options*. This research-level technical report examined the feasibility of low and zero-carbon emitting fuel options for routes within the Alaska Marine Highway System. The second project, at the invitation of Saxman and Metlakatla, was to conduct the South Tongass Ferry Terminal Concept Scoping Report that considers relocating the Revilla Island terminal of the M/V Lituya from AMHS Berth 3 to the Saxman Seaport.

USDA Rural Development: USDA Rural Development funding to SEC is being used to assist businesses statewide with technical understanding on how to deploy renewable energy resources and provide outreach, technical assistance, and training programs. These resources are being developed to support local jobs for installers, operators, and maintenance staff. Accredited trainings for the private sector are planned for the coming year in partnership with the National Renewable Energy Laboratory (NREL) with a focus on heat pumps, solar installations, and maintenance.

The Southeast Alaska Solid Waste Authority (SEASWA): 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.

During FY 2023, SEC continued to support SEASWA activities as the discussions broadened to include additional municipalities and stakeholders. The regional tire chipper purchased by SEC is moving from community to community and interest remains high to explore technology available for turning waste into energy. The current model of municipal solid waste management strategy in Southeast Alaska is increasingly to ship waste south to Washington or Oregon as landfills continue to close. This is a costly practice that neglects the potential to use municipal solid waste as a resource within the region. A regional waste-to-energy facility could create jobs in Southeast Alaska and the energy produced could be useful to off-grid businesses and residents. The next step is to identify prospective partners and funding for a pilot project.



Meeting Summary:

SEC held seven board meetings and two economic development conferences between July 2022 and June 2023. All board meetings were conducted via Zoom. The economic development conferences were blended in-person and virtual events.

July 19, 2022: The board heard reports on the executive director's recent travels including a trip to Norway with the State of Alaska, Launch Alaska, and others, to learn about low-emission ferries as well as a trip to Ketchikan and Prince of Wales Island to discuss a potential pellet mill and other forestry related opportunities. A report was also given about the BBBRC application process, noting that a decision should be reached by the upcoming annual meeting. The board discussed the upcoming annual meeting, potential speakers, and agenda topics. The board approved the FY 2023 budget and a cooperative pass-through agreement between USFS and SEC. Potential new board members were also discussed.

August 15, 2022: The board discussed the Southeast Alaska Regional Dive Fisheries Association (SARDFA) municipal board seat that SEC has the responsibility of assigning. They also talked about the dates for the 2023 annual meeting and mid-session summit. The board chose to sign a letter supporting mineral studies in the Tongass. They then adjourned to executive session to evaluate a performance review of the executive director. When they adjourned, they commended the executive director for his work.

September 12, 2022: The board met prior to the beginning of the annual meeting in Ketchikan. They approved the appointment of Richard Harney to the SARDFA municipal board seat, as well as the ballot for the FY 2023 board of directors' elections. The board also approved forwarding a resolution to the membership that, if passed, would publicly oppose a proposed constitutional convention. An update was also given on the pellet mill project.

October 4, 2022: The board congratulated staff on a successful annual meeting, scholarship auction, and the BBBRC grant award. The board welcomed SEC's new deputy director, Dan Lesh, and was informed that additional new hires are on the horizon in support of the new mariculture project. The board was informed that, with the increase in staff, an office move would be necessary. Upcoming AEA EV projects and broadband funding were discussed. Board committee assignments were made, and a full executive committee was appointed.

December 13, 2022: Plans for the upcoming mid-session summit were discussed, including a supplemental transportation symposium on day three, organized and led by SEC's transportation program manager, Jon Bolling. Plans were made by the board to review and update the SEC personnel manual. A budget amendment was approved to authorize the expenditure of BBBRC Phase II funds, and to add deputy director, Dan Lesh, as an approved check signer.

February 2, 2023: Following the 2023 mid-session summit, board members gathered to discuss the Wildfish Conservation lawsuit, passed a resolution opposing the fisheries shutdown, and heard a brief update on SEC's current projects. Other topics discussed included SEC's 501(c)(3) status, broadband, SARDFA, SEC branding, USFS and young-growth timber issues, the Prince of Wales Island mariculture project, and the BBBRC grant.



April 20, 2023: The executive director updated the board on his recent travels as well as his appointment to the Governor’s Energy Security Task Force. He also gave an overview on the status of the pellet mill project, BBBRC grant, SASS projects, and legislative bills that SEC was tracking. The board asked for more time to discuss the 501(c)(3) foundation. Award recommendations were made by the UAS scholarship committee. The board also discussed changing some of the scholarship awardee requirements and the way the scholarship is advertised. The board approved the purchase order policy, check authorization policy, and resolution 23-04 to establish a revolving loan fund.

Annual Meeting: SEC held its FY 2023 annual meeting in Ketchikan from September 13-15, 2022. The meeting attracted over 300 in-person attendees, 50 virtual attendees, 30 sponsors, and 90 speakers and panelists. Highlights included forums for U.S. Senatorial and Congressional candidates as well as an Alaska State Gubernatorial candidate forum. Additionally, EDA announced SEC as the winner of a \$49 million grant in the Build Back Better Regional Challenge for mariculture, and the USDA announced \$12 million to the region for special projects distributed through partners SEC, CCTH, and Spruce Root. The University of Alaska Scholarship auction raised \$40,000.

This year’s theme, *Charting the Course Ahead*, was demonstrated in each presentation, panel discussion, and industry updates and projections. All presentations, as well as full recordings of the meeting, can be found at <https://www.seconference.org/2022-annual-meeting/>.

Mid-Session Summit: The 2023 mid-session summit was held at the Elizabeth Peratrovich Hall in Juneau from January 31-February 1, 2023, with a transportation summit on February 2. SEC welcomed 225 in-person attendees and 35 online attendees. Session content featured 75 speakers and panelists and the conference was sponsored by 23 businesses and organizations.

The day after the mid-session summit was followed with a transportation symposium. This regional gathering covered transportation planning at the local community level, with presentations by federal, state, and Tribal agencies.





Publications:

2023 Regional Business Climate Survey: Each year SEC conducts a regional business climate survey to track Southeast Alaska business confidence. Here are the top findings:

1. *Strong Business Climate:* Nearly two-thirds (65 percent) of regional business leaders currently have a positive view of the Southeast Alaska business climate, the highest positivity rating since recording began in 2010.
2. *Strong Future Outlook:* 42 percent of regional business leaders say that their business or sector is on track for continued growth over the next year, making this the second most positive outlook recorded.
3. *Businesses are Hiring:* 30 percent of regional businesses are in a hiring mode and expect to add employees over the next twelve months.
4. *Housing and Childcare Shortages Create Workforce Shortages:* Business leaders identified housing and childcare shortages as key culprits in workforce turnover and/or workers not able to take job offers in the first place. “The biggest limitation to business growth is housing for employees,” noted one respondent. Other key factors resulting in attracting workers and long-term workforce retention include access to recreation and finding staff originally from Alaska.

2023 Southeast Alaska by the Numbers: Business leaders in Southeast Alaska are reporting the best business climate since business climate surveying began. In 2022, jobs were up by 5 percent and wages were up by 11 percent. Seafood, the top private sector industry in 2022, had its most valuable catch since 2014 and the region’s value-added seafood products garnered record profits. Tourism brought 1.16 million more visitors to the region in 2022 than in 2021. As tourism jobs flooded back, visitor-dependent communities saw massive job returns. Jobs in Skagway increased by 41 percent, while job increases in Hoonah and Gustavus were above 20 percent.

Employment was up across nearly every sector. Tourism, government, healthcare, retail, construction, professional and business services, and transportation sectors all added workers to their payrolls. Mining and Tribal government grew by 12 percent each. Substantial federal investments paved the way for development or rehabilitation of roads, bridges, airports, broadband, harbors, and recreational facilities, which generated jobs and created much needed community improvements.

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

In addition to the conferences and publications produced, SEC is continually involved in 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, AIDEA, SBA, SBDC, ARDORs, USDA Rural Development, AEA, ACEP, REAP, USFS, the Denali Commission, University of Alaska, communities, Tribes, the Alaska Municipal League, and other stakeholder groups 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 statewide economies.



SEC has presented to several Southeast Alaska community chambers of commerce and Rotary groups, as well as the Alaska Municipal League, the National Association of Development Organizations, Western Governors' Association, Kenai Peninsula Economic Development District's annual meeting, mariculture presentations, pellet mill presentations, and low-emissions ferries presentations.

SEC wrote countless letters of support for regional projects that support the regional economic initiatives identified in SEC's 5-Year Comprehensive Economic Development Strategy.

Current Economic Development Initiatives:

SEC's scope of work focuses primarily on economic development planning and implementing economic development program activities. It is driven by the goals, objectives, and action plan contained in the Southeast Alaska Economic Plan, the regional Comprehensive Economic Development Strategy (CEDS), that is developed over a year-long process in collaboration with business, municipal, and Tribal leaders in the region.

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. SEC's planning activities are part of a continuous process involving the active participation of the private sector, municipal and Tribal government officials, non-profit organizations, educational institutions, and individual citizens. As part of the process, SEC analyzes local economies through its annual regional economic analysis publication, *Southeast Alaska by the Numbers*. SEC will continue to work with partners across the region to define and refine Southeast Alaska's economic development goals, especially as the economy changes. SEC continues to host two membership meetings annually.

FY 2023 saw new economic opportunities with the potential to create jobs and increase prosperity in the region. Mariculture has caught the attention of so many in Southeast Alaska and beyond, and the economic opportunities through the EDA-funded Alaska Mariculture Cluster have the potential to be game-changing.

The Alaska Marine Highway System (AMHS) is at a historic crossroads. SEC is pleased to partner with the State of Alaska, Alaska Marine Highway Operations Board (AMHOB), and statewide partners as next steps are taken to modernize and electrify a new fleet of low-emission ferries and replace the aging mainline ferries. With new federal funding available, there is an opportunity to reform AMHS into the sustainable component needed in today's multi-modal transportation system.

Future Economic Development Initiatives:

Most of the current economic development projects mentioned previously are multi-year projects that will continue for another three to five years. SEC has other projects in the works including a mariculture community processing incubator project to be built on Prince of Wales. SEC also signed a memorandum of agreement to assist Ucore in securing a site for a rare earth metal separation plant in Ketchikan as part of a natural resource development complex to be constructed on Gravina Island. This complex will include the biomass pellet project as well as other economic development ventures.



SEC is working with forestry stakeholders in southern Southeast Alaska to examine young growth timber as an emerging commodity and is facilitating conversations to plan activities that support the forest health, habitat needs, and economic opportunities on Prince of Wales Island. AEA is working to install chargers for electric vehicles throughout the state and is working with SEC to reach out to Southeast Alaska communities for a regional pilot project.

Anticipated Challenges to Regional Economic Development:

In the recent 2023 business climate survey, employers continued to identify affordable housing as a roadblock for economic development. The following factors continue to contribute to regional labor shortages: inflation, supply chain issues, high energy costs, and transportation challenges. Childcare has also emerged as an impediment to the workforce. Despite these challenges, the overall outlook has improved dramatically since the onset of the COVID-19 pandemic.





SOUTHWEST ALASKA MUNICIPAL CONFERENCE



Southwest Alaska Municipal Conference

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

Mission:

To grow a prosperous, sustainable, and diverse economy.

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. SWAMC received ARDOR designation in 1989 and received federal Economic Development District designation in 1991. 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:

In FY 2023, SWAMC reported the following sources of revenue:

\$	7,500.00	– Alaska Department of Commerce, Community, and Economic Development
\$	100,000.00	– U.S. Department of Agriculture
\$	75,000.00	– U.S. Department of Commerce, Economic Development Administration
\$	32,574.00	– Membership dues

Status of Projects Funded by State or Federal Grants:

Alaska Department of Commerce, Community, and Economic Development: Funds were used to support two months of focused and aggressive outreach and education regarding the importance of regional participation in the development of a statewide Comprehensive Economic Development Strategy (CEDS). The result of the funding was strong participation by stakeholders in each subregion of the SWAMC service area via scheduled Zoom discussions and email.

U.S. Department of Agriculture (USDA): Funds came to SWAMC through the Renewable Energy Development Assistance, Energy Audit Program for small business and fishing vessels. This grant provides subsidized energy audits to small businesses statewide. Over the three-year program to date, 81 audits have been completed and, with help from its partners, SWAMC has helped 27 small businesses access over \$300,000 from the USDA Rural Energy for America Program (REAP) grant program to implement the energy efficiency measures identified in their audit.

U.S. Department of Commerce, Economic Development Administration (EDA): EDA funds came in the form of a Partnership Planning Grant, used to pay for SWAMC operations and payroll.



Meeting Summary:

SWAMC held twelve board meetings between July 2022 and June 2023. All meetings, except for the December board meeting and retreat and the pre- and post-conference board meetings in March at SWAMC's annual in-person Economic Summit and Membership Meeting, are held via Zoom on the third Thursday of every month at 10:00. The December meeting and the Economic Summit were held in-person in Anchorage.

All meeting agendas include the previous month's financial report from The Foraker Group, who handles SWAMC's accounting, for board review and approval; the minutes of the previous month's board meeting; governance and policy additions or changes for review; and discussion and follow up if needed. Meetings also include addressing any management or program issues and updates for board review, discussion, and decision making. A full staff report is provided to the board, and any questions for the executive director are answered or scheduled for further discussion at the next meeting.

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

Goal A – 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.

Strategies – Programs, Projects, Activities

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



9. Partner with other organizations to leverage funding and staff to support natural resource development, value-added manufacturing, and new tourism opportunities.
10. Highlight natural resource development, value-added manufacturing, and new tourism opportunities at the annual Economic Summit and Membership Meeting.

Goal B – 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.

Strategies – Programs, Projects, Activities

1. Advocate for regional and local public and private transportation projects that provide vital transportation services such as ports, harbors, runways, air services, and marine transportation services, including the Alaska Marine Highway System.
2. Advocate for and facilitate improvements to and maintenance of cellular and broadband services throughout the SWAMC region.
3. Provide planning assistance to communities wishing to access programs, grants, and loans to help improve community infrastructure and recover from the COVID-19 impacts.
4. Review and facilitate updates to the State Transportation Improvement Program (STIP) to reflect the priorities of SWAMC communities for transportation infrastructure projects.
5. Assist communities with energy sustainability planning and the pursuit of lower cost and renewable energy projects in collaboration with state, federal, and private industry partners.
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 and 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 and construct new infrastructure to support energy systems 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 similar 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 C – People and Partnerships Networking

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

Strategies – Programs, Projects, Activities

1. Partner with the Alaska Safety Alliance or other organizations to update and implement the *Alaska Maritime Workforce Development Plan*.
2. Coordinate business workforce needs with colleges, job training institutions, and high school curriculums to prepare residents of the SWAMC region for high-paying employment opportunities.
3. Support and conduct Science, Technology, Engineering, and Mathematics (STEM) programs to help prepare young people for jobs that are technical or technology driven.
4. Advocate for SWAMC regional economic issues and interests before the Alaska State Legislature and U.S. Congress.
5. Organize, host, and promote the SWAMC Economic Summit and Membership Meeting to allow stakeholders from Southwest Alaska to network, learn, and share their positions on economic and political issues impacting the region.
6. Engage with local, state, and federal agencies and institutions to support and advocate for programs and activities that support economic development and COVID-19 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 its outreach efforts to foreign and domestic mariculture/aquaculture investors.
9. Assist communities in becoming more resilient by helping them plan and prepare for disasters, both natural and man-made. Focus on lessons learned from the COVID-19 pandemic to avoid future negative impacts to businesses and investors.
10. Partner with other ARDORs and economic development organizations to promote mutually beneficial projects that support economic development.
11. Maintain a living and active Comprehensive Economic Development Strategy that is updated annually and rewritten every five years to keep the document relevant and address a changing market environment in a timely manner.

Goal D – Quality of Life Initiatives

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

Strategies – Programs, Projects, Activities

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

Current Economic Development Initiatives:

SWAMC continues to manage the 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 to date, 81 audits have been completed and through its partners SWAMC has helped 27 small businesses access over \$300,000 from USDA's REAP grant program to implement the energy efficiency measures identified in their audit. This SWAMC-managed program has been very successful in helping people in Southwest Alaska and across the state lower their annual energy costs.

SWAMC closed out the supplemental CARES Act funding from the Economic Development Administration. The funding plan was designed for each of SWAMC's three subregions to provide a pathway to recovery, resilience, and risk mitigation for future economic impacts or natural disasters. A broad coalition of stakeholders and the public were instrumental in gathering data and reviewing the successful partnership creation needed to react to significant economic downturns, social impacts, and medical impacts that could occur in the future. This plan has been bound, printed, and delivered to municipalities, Tribal organizations, and seafood and marine transportation industry leaders.



SWAMC partnered with Southeast Conference on behalf of the Alaska Mariculture Cluster to apply for the Economic Development Administration's Build Back Better Regional Challenge grant. SWAMC partnered with the Alaska Mariculture Cluster to implement Phase 2 by providing \$75,000 in non-federal match annually to support the development of the mariculture industry in Alaska and play an advisory role to the governance body.

Future Economic Development Initiatives:

Potential future economic development initiatives include:

- Expanding broadband coverage
- Increasing maritime opportunities and training
- Supporting a reliable Alaska Marine Highway System
- Sourcing energy production upgrades and improvements
- Creating workforce development partnerships with the maritime industry

Anticipated Challenges to Regional Economic Development:

When developing SWAMC's 2020-2024 CEDS, regional stakeholders and the board of directors identified challenges to economic development in Southwest Alaska. Each of these challenges are analyzed in more depth in the CEDS document posted on SWAMC's website. Long-time challenges include the high cost of energy in the region, the difficulty planning for infrastructure upgrades or new construction due to not being on the road system, and the shifting seafood industry markets, species, and fishery closures.

Resources:

- Extreme weather
- Year-to-year resource fluctuations that make long-term planning difficult
- Strong resource seasonality and vulnerable market prices
- Lack of value-add manufacturing, exacerbated by high energy and shipping costs
- Resource development conflicts between fishing and mining
- Potential impacts of climate change
- Competing markets for seafood outside Alaska
- Impacts of federal EPA regulations and environmental protections

Infrastructure:

- Geography and connectivity in a massive coastal region
- Cost of ongoing maintenance and aging industrial facilities
- Costly and unreliable air service
- Poor communications structure, including internet connectivity
- High energy costs
- Limited affordable quality housing
- Significant reduction or elimination of Alaska Marine Highway System service
- High cost of building and reduced public investment

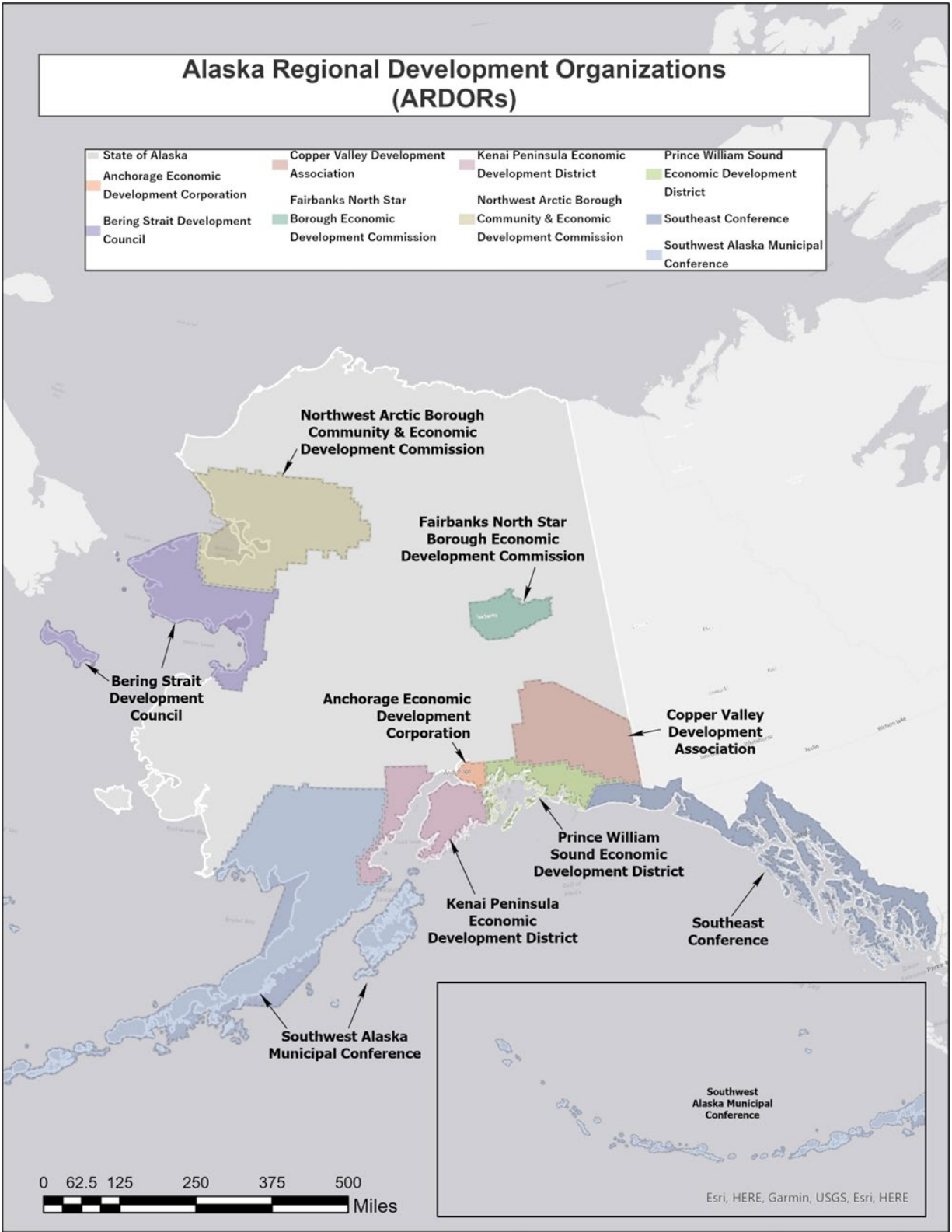


People and Partnerships:

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



ARDORS MAP



CONTRIBUTORS

Editor

Eric Caldwell – Research Analyst 3
Division of Community and Regional Affairs
Department of Commerce, Community, and Economic Development

Contributors

Claire Campbell – Research Analyst 3
Division of Community and Regional Affairs
Department of Commerce, Community, and Economic Development

Grace Beaujean – Research Analyst 4
Division of Community and Regional Affairs
Department of Commerce, Community, and Economic Development

Jason Whipple – Publications Specialist 2
Division of Community and Regional Affairs
Department of Commerce, Community, and Economic Development

Jenna Wright – President and CEO
Anchorage Economic Development Corporation

Barbara Nickels – Program Director
Bering Strait Development District

Jen Rosenthal – Executive Director
Copper Valley Development Association

Jim Williams – Chief of Staff
Fairbanks North Star Borough

Caitlin Coreson – Program Manager
Kenai Peninsula Economic Development District

Erin Stephens – Grant Writer
Northwest Arctic Borough

Kristin Carpenter – Executive Director
Prince William Sound Economic Development District

Robert Venables – Executive Director
Southeast Conference

David Nelson – Executive Director
Southwest Alaska Municipal Conference



STATE OF ALASKA

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

DIVISION OF COMMUNITY AND REGIONAL AFFAIRS