



**Southwest Alaska
Comprehensive
Economic
Development
Strategy
2003-2008**

**2007
Annual
Update**

Southwest Alaska Comprehensive Economic Development Strategy Annual Update 2007

prepared for the
United States Department of Commerce
Economic Development Administration

Alaska Department of Community and Economic Development
Division of Community Advocacy

by
Southwest Alaska Municipal Conference

July 2007



Contents

1.0 Introduction	4
2.0 SWAMC	
Board/CEDS Committee	5
Energy Task Force	7
Fisheries Committee	7
HEPS Committee	7
Infrastructure Committee	8
Tourism Committee	8
Workforce Development Council	9
Staff	9
SWAMC Membership	9
5.0 Population Trends &	
Characteristics	12
Population Trends	12
Components of Population Change	13
Population Characteristics	13
6.0 Labor Force, Employment &	
Income	20
Labor Force	20
Seafood Harvesting Labor Force	22
U.S. Coast Guard Personnel	23
Employment & Earnings	23
Non-resident Employment	24
Unemployment	26
Underemployment	27
Income	28
9.0 Southwest Alaska	
Regional Economy	31
Commercial Seafood Harvesting	
& Processing	31
Shore-based Processing	32
EEZ Groundfish Fisheries	35
CDQs	35
Ex-Vessel Value	35
Gross Product Value	35
Resident Permitting and	
Harvesting Activity	37
Minerals	41
Exploration Activity	41
Community and Environmental	
Concerns	42
Oil & Gas	42
Tourism	43
Municipal Tax Revenues	44
11.0 CEDS Progress Report	
& Performance Evaluation	45
CEDS Distribution	45
Consistency Review	45
Goal Attainment	46
Other Performance Measures	48
Quality of the Regional CEDS	48
Participation	48
Appendix B: CEDS Action Plan	
Appendix C: Community	
Improvement Projects	

1.0 Introduction

This report is the fourth annual update to the Southwest Alaska Comprehensive Economic Development Strategy 2003 - 2008 (CEDS). As a milestone for implementation of the CEDS, the 2007 Annual Update serves as a progress report on economic development activities pursued throughout the planning cycle, changes in key economic conditions within the region, and emerging issues that may impact or influence further implementation of the CEDS.

This document should be viewed solely as an addendum to the CEDS and not as a separate stand-alone document.

Since the CEDS was completely revised in 2003, this annual update focuses on changes or newly available information on key economic indicators, as well as the more significant changes or developments in primary economic sectors.

As an ongoing part of the planning process, SWAMC has also revised the inventory of community improvement projects for the region. This inventory is provided as Appendix C.

As the result of the first four years of implementation under the current CEDS and a review of the related goals, the SWAMC CEDS Committee and Board of Directors has determined that the plan remains relevant to the conditions and circumstances of the region.

The CEDS Action Plan has been updated to accurately reflect the progress made on each goal, strategy and task. Where appropriate, tasks have been reassigned, consolidated, or added to reflect evolving economic circumstances, new information or understanding gained as part of the first three

years of implementation, or new partnerships.

SWAMC continues to seek still-greater levels of engagement by a broad range of stakeholders in the ongoing planning and implementation process. A new regional workforce development council has been chartered; bringing new volunteers to the economic development process. Through its committees, annual economic summit, other workshops and meetings, and extensive networking with stakeholders, SWAMC has developed a broad base of involvement in the CEDS implementation process.

In 2005, SWAMC completed the first wave of research on the Southwest Alaska Quality of Life Index. The index compares Southwest Alaska to the State of Alaska, Southeast Alaska, and the Municipality of Anchorage using six indicators, including education, the situation for children, infrastructure, the environment, health and safety, and community and economic resources. As an insight into key variables that shape the quality of life and sense of well-being in the region, the index is a tool for SWAMC and other regional partners to refine plans and focus limited resources.

As the planning process continues with year five implementation of the CEDS, SWAMC will continue to broaden awareness of both the planning process and its implementation. In FY2006, SWAMC continued the regional energy project with the assistance of a VISTA volunteer and the energy task force. In addition, the fisheries labor report *Improving Seafood Harvesting Labor Data* was completed, requiring substantial regional efforts for the year to come.

Board of Directors & CEDS Committee

The SWAMC Board of Directors, representing key areas within the Southwest region, act as the committee to oversee the Southwest Alaska Comprehensive Economic Development Strategy (CEDS). The Board of Directors has served as both the previously approved Overall Economic Development Program (OEDP) Committee and the CEDS Committee since 1991. SWAMC's bylaws call for no less than an eleven member Board of Directors with a requirement that at least 25 percent of its members represent minority populations in the region. Currently, 36 percent of the board membership represents minority populations.

The CEDS Steering Committee and/or the Executive Committee met thirteen times throughout the planning period. Additionally, the Fisheries, Energy, HEPS, Infrastructure, and Tourism Committees have met throughout the planning period resulting in 2,445 hours of volunteer time on various CEDS goals, strategies, and tasks.

In January 2007, two new board members were elected by the SWAMC membership. Ernest Weiss was elected to the Aleutians/Pribilofs Associate seat formerly held by Susan Somers. Lynn Carlson was reelected to hold the Associate seat for the Bristol Bay region.

Figure 2.1 provides an updated profile of all Board of Directors and CEDS Committee members throughout the reporting period.

In addition to the oversight provided by the CEDS Committee, SWAMC has six active committees that provide focused attention to specific areas of interest to the organization, including energy; fisheries; health, education and public safety; infrastructure; tourism; and workforce development. The role of these committees is to vet issues and ideas and provide recommendations to the SWAMC Board/CEDS Committee and SWAMC staff.

Seventy-seven individuals, in addition to Board members, serve on these standing committees. These individuals volunteer to share their expertise and insights on regional issues. See pages seven and eight for a listing of all committees and committee members.

The ongoing work of the SWAMC Board/CEDS Committee, as well as the Energy, Fisheries, HEPS, Infrastructure, Tourism, and Workforce Development Committees will direct, monitor, and inform the implementa-

2.0 Southwest Alaska Municipal Conference

Figure 21: Profile of the Membership of the Southwest Alaska CEDS Committee

Name	Residence	Race	Gender	SWAMC Seat	Affiliation	Occupation
Tom Abell	Kodiak	White	M	Kodiak Municipal	Assembly Member Kodiak Island Borough	Teamster Shop Steward
Glen Gardner	Sand Point	Aleut	M	Aleutians/Pribilofs Municipal	Mayor City of Sand Point	Fisherman/Mayor
Alice Ruby	Dillingham	White	F	Bristol Bay Municipal	Mayor City of Dillingham	Economic Development & Permit Brokerage Bristol Bay Economic Development
Lynn Carlson	Port Heiden	Athabascan	F	Bristol Bay Municipal	Assembly Member Lake & Peninsula Borough	Administrator Port Heiden Tribal Council
Linda Freed	Kodiak	White	F	Kodiak Municipal	City of Kodiak	City Manager
Frank Kely	Unalaska	White	M	Aleutians/Pribilofs Municipal	City of Unalaska	Natural Resources Manager
Debora King	Kodiak	White	F	Kodiak Associate	Kodiak Chamber of Commerce	Executive Director
Myra Olsen	Egegik	Iñupiaq	F	Bristol Bay Associate	Egegik Tribal Council	Deputy Mayor Lake & Peninsula Borough Fisherman
Kara Sandvik	Anchorage	Iñupiaq	F	At-large Associate	Wells Fargo Bank Alaska NA	Vice President Relationship Manager
Joe Sullivan	Seattle	White	M	At-large Associate	Mundt McGregor LLC	Attorney
Ernest Weiss	King Cove	White	M	Aleutians/Pribilofs Associate	Mayor City of King Cove	Owner- NW Technical Services
Carvel Zimin	South Naknek	Aleut/ Alutiiq	M	Bristol Bay Municipal	Assembly Member & President Bristol Bay Borough Assembly	Fisherman

Energy Task Force

Nels Anderson, President
Co-Man Services
Energy Task Force Chairman

Frank Corbin, CEO/GM
Nushagak Electric Cooperative

Gary Ferguson, General Manager
G & K, Inc.

Constance Fredenberg
Natural Resources Coordinator
Aleutian/Pribilof Islands Association

Nick Goodman, CEO
TDX Power, Inc.

Greg Kinglsey
Environmental Planning
City of Pilot Point/Pilot Point Tribal Council

Meera Kohler, President/ CEO
Alaska Village Electric Cooperative Inc.

Tom Quick, Utility Manager
City of Ouzinkie

Dr. Todd Radenbaugh, Assistant Professor
UAF-Bristol Bay Campus

Darron Scott, President/CEO
Kodiak Electric Association, Inc.

Donna Vukich, General Manager
Naknek Electrical Association, Inc.

Fisheries Committee

Joe Sullivan, Attorney
Mundt MacGregor
Fisheries Committee Chairman

Julie Bonney, Executive Director
Groundfish Data Bank

Al Burch, Executive Director
Alaska Draggers Association

Sam Cotten, Natural Resource Analyst
Aleutians East Borough

Dustan Dickerson, Executive Director
Unalaska Native Fishermen's Association

The Honorable Glen Gardner, Mayor
City of Sand Point

Rick Gifford, Borough Manager
Kodiak Island Borough

Frank Kelty,
Natural Resource Analyst
City of Unalaska

Stephanie Madsen, Executive Director
At-Sea Processors Association

The Honorable Shirley Marquardt, Mayor
City of Unalaska

Steve Minor, Owner/Consultant
Waterfront Associates

John Moller, General Manager
Aleutian Pribilof Island
Community Development Association

Jeff Stephan
Executive Director
United Fishermen's Marketing Association

Donna Vukich, General Manager
Naknek Electrical Association, Inc.

Dave Woodruff, Owner
Alaska Fresh Seafoods

Carvel Zimin, Assembly Member
Bristol Bay Borough

Health, Education & Public Safety Committee

Steve Atwater, Superintendent
Lake & Peninsula School District

Carolyn Crowder, Health Director
Aleutian/Pribilof Islands Association

Connie Dooley, Director
Kodiak College

Malcolm Fleming, Superintendent
Pribilof Island Schools

The Honorable Carolyn Floyd, Mayor
City of Kodiak

Lou Johnson,
Director of Social Services
Bristol Bay Native Association

Karol Kolehmainen,
Program Coordinator
Aleutians West Coastal Resource Service
Area

Richard Krause, CSD Program Coordinator
Aleutian/Pribilof Island Association

The Honorable Stanley Mack, Mayor
Aleutians East Borough

The Honorable Shirley Marquardt, Mayor
City of Unalaska

Jim Nagan, Grant Administrator
Kodiak Area Native Association

The Honorable Alice Ruby, Mayor
City of Dillingham
Bristol Bay Economic Development & Permit
Brokerage

Darrell Sanborn, Superintendent
Unalaska City Schools

Bill Watkins, Director of Instruction
Kodiak Island Borough School District

Infrastructure Committee

Linda Freed, City Manager
City of Kodiak
Infrastructure Committee Chairman

Tom Abell, Assembly Member
Kodiak Island Borough Assembly

Jeff Currier, Borough Manager
Lake & Peninsula Borough

Elary Gromoff, Jr., Executive Vice President
Bering Sea Eccotech

Mark Hickey, Consultant
Hickey & Associates

Robert Juettner, Borough Administrator
Aleutians East Borough

Frank Kelty, Natural Resources Manager
City of Unalaska

Thomas Mack, President
The Aleut Corporation

Sandra Moller, President/CEO
Aleut Enterprise Corporation

Andy Teuber, President
Kodiak Area Native Association

Carvel Zimin, Assembly Member
Bristol Bay Borough Assembly

Tourism Committee

Pamela Foreman, Executive Director
Kodiak Island Convention & Visitors Bureau
Tourism Committee Chairman

Melissa Anderson, Director of Marketing
Peninsula Airway, Inc.

Chris Beck, Consultant
Agnew :: Beck Consulting, LLC

George Briggs, Executive Director
Dillingham Chamber of Commerce

Vern Craig, Marketing Manager
Alaska Marine Highway System

Rick Kniazowski, Executive Director
Unalaska/Port of Dutch Harbor CVB

Jolene Lekanof, Tourism Director
Tanadguisx Corporation

Sarah Leonard, Development Director
The Nature Conservancy - Alaska

Pam Newman,
Economic Development Coordinator
Agadaagux Tribal Council

Andrew Ogilvie, Passenger Sales
Alaska Airlines

Workforce Development Council

Jim Albert
Katmailand, Inc.

Andy Anderson, Deputy Director
Bristol Bay Housing Authority

Margie Bezona, Education Administrator
Kodiak Area Native Association

Ken Eaves
University of Alaska Fairbanks

Todd Fritze,
Employment and Training Director
Bristol Bay Economic Development Corp.

Laura Gilman,
Human Resources Administrator
Aleutian Pribilof Island Community
Development Association

Karen Gonne-Harrell,
Employment & Training Coordinator
Aleutian/Pribilof Islands Association, Inc.

Jeff Grumbo
Alyeska Seafoods

Pete Hendrickson
International Longshore and Warehouse
Union

Mark Hiratsuka, Program Director
Bristol Bay Native Association

Joann Lester
Lake & Peninsula Borough School District

Carol Luckhurst
State of Alaska - Department of Labor

Tracy Mayhew
Seafarers Union

Debi McLean, Campus Director
University of Alaska Fairbanks,
Bristol Bay Campus

John Pratt, Manager
Alaska Workforce Investment Board

Gabriel Saravia
Western Alaska Fisheries

Lorraine Stewart,
Vo-Tech Education Coordinator
Kodiak College

Donene Tweten
State of Alaska - Department of Labor

Jack Walsh,
Director of Student Services and Personnel
Kodiak Island Borough School District

Brenda Zawacki, Human Resources
Providence Kodiak Island Medical Center

Southwest Alaska Municipal Conference Staff

Michael Catsi, Executive Director
Nichole Combs, Office Administrator
Sydney Kaufman, Energy Project/VISTA
Andy Varner, Economic Development
Specialist

SWAMC Membership

SWAMC Membership grew by 8 members in FY06. Of these new members, one is a municipal member, one is an associate member, and six are nonprofit or tribal council members. Four former members did not renew their membership investment during this period.

Membership of the Southwest Alaska Municipal Conference 2006 - 2007

- Afognak Native Corporation
- Agdaagux Tribal Council
- Akutan, City of
- Alaska Airlines
- Alaska Commercial Fishing and Agriculture Bank (CFAB)
- Alaska Groundfish Data, Inc
- Alaska Permanent Capital Management Company
- Alaska Sea Grant College Program
- Alaska Seafood Marketing Institute (ASMI)
- Alaska Village Electric Cooperative, Inc.
- Aleknagik, City of
- Aleut Community of St. Paul Island
- Aleut Corporation, The
- Aleut Enterprise Corporation
- Aleutian Housing Authority
- Aleutian/Pribilof Island Association, Inc. (APIA)
- Aleutian Pribilof Island Community Development Association (APICDA)
- Aleutians East Borough
- Aleutians West CRSA
- Alyeska Seafoods, Inc.
- American Seafoods Company LLC
- Arctic Fjord, Inc.
- Atka, City of
- At-Sea Processors Association
- Beaver Creek Bed & Breakfast
- Becharof Corporation
- Best Western Kodiak Inn
- Boyd, Chandler & Falconer, LLP
- Bristol Bay Borough
- Bristol Bay CRSA
- Bristol Bay Economic Development Corporation (BBEDC)
- Bristol Bay Housing Authority
- Bristol Bay Native Association (BBNA)
- Bristol Bay Native Corporation (BBNC)
- Bristol Environmental & Engineering (BEESC)
- Clarks Point, City of
- Crowley Maritime Corporation
- Curyung Tribal Council
- Delta Western Inc.
- Denali Commission
- Dillingham Chamber of Commerce
- Dillingham, City of
- Eastern Aleutian Tribes
- Egegik, City of
- F/T Starbound
- False Pass Tribal Council
- False Pass, City of
- First National Bank Alaska
- Glacier Fish Company
- Grand Aleutian Hotel & Unisea Inn
- Gulf of Alaska Coastal Communities Coalition
- HDR Alaska, Inc.
- Icicle Seafoods, Inc.
- Island Seafoods
- Jamin, Ebell, Schmitt & Mason, P.C.
- Katmailand Inc.
- Key Bank of Alaska
- King Cove Corporation
- King Cove, City of
- Kodiak Area Native Association (KANA)
- Kodiak Chamber of Commerce
- Kodiak, City of
- Kodiak Island Borough
- Kodiak Island Convention & Visitors Bureau
- Koniag, Inc.
- Lake and Peninsula Borough
- Larsen Bay, City of
- Magone Marine Service, Inc.
- Marine Conservation Alliance
- Mundt MacGregor LLP
- Naknek Electric Association, Inc.
- Northern Dynasty Mines Inc.

Membership of the Southwest Alaska Municipal Conference 2006 - 2007

- Nushagak Electric & Telephone Cooperative
- Ounalashka Corporation
- Ouzinkie, City of
- Pacific Seafood Processors Association
- Pedro Bay Village Council
- Peninsula Airway, Inc.
- Peratrovich, Nottingham & Drage
- Petro Star, Inc.
- Pilot Point, City of
- Port Heiden, City of
- Port Lions, City of
- Qagan Tayagungin Tribe
- Qawalangin Tribe of Unalaska
- Saint Paul, City of
- Sand Point, City of
- Southwest AK Vocational & Education Center
- Spruce Island Development Corporation
- Tanadguisx Corporation
- The Aleut Corporation
- Traditional Council of Togiak
- Unalaska, City of
- Unalaska/Port of Dutch Harbor CVB
- UniSea, Inc.
- United States Surimi Commission
- Wells Fargo Alaska
- Westward Fishing Company
- Westward Seafoods

5 . 0 Population Trends & Characteristics

Population Trends

The Southwest Alaska population decreased by an estimated 2 percent between 2005 and 2006, based on estimates from the Alaska Department of Labor and Workforce Development (ADOLWD). This estimated annual population decrease is consistent with an overall population loss of 6 percent between 2000 and 2006 for the Southwest region. Figure 5.1 summarizes population changes in the region by boroughs and census areas.

Population estimates illustrate continuing shifting of the region's population. The Aleutian West Census area had the greatest estimated population decline between 2005 and 2006, at 8 percent.

The Aleutians East Borough, the Bristol Bay Borough, the Kodiak Island Borough, and the Lake & Peninsula Borough all posted modest population decreases between 2005 and 2006. Figures 5.2.A-F detail population estimates for each sub-region and the communities therein.

For the period 2000 to 2006, regional population estimates declined by 6 percent. Each of the six sub-regions posted population decreases from 2 to 16 percent. The Bristol Bay Borough shows the greatest decline of 16 percent over this six year period, followed by the Lake and Peninsula Borough at a decrease of 15 percent.

Overall, for the period 1990 to 2006, the regional population is estimated to have decreased by twelve percent. Military base closures in the Aleutians West Census Area account for a significant portion of this

decline during the 1990s. However, the sub-region's population has continued to decline somewhat since 2000.

The Bristol Bay and the Lake and Peninsula Borough have also seen population estimates decline over the sixteen year period from 1990 to 2006. Both sub-regions have high salmon-dependent economies, which have been significantly devalued over the period. For this sixteen year time span, the Aleutians East Borough, the Dillingham Census Area, and the Kodiak Island Borough were the only areas that showed population increases between 1 and 20 percent.

A significant number of seasonal seafood processing workers and ships' crews that reported no other place of residence were included in the 2000 Census of the Population counts for the Aleutians East Borough and the Aleutians West Census Area. According to the ADOLWD, these workers accounted for 12.5 percent of the total population in the Aleutians West Census Area and 5.2 percent in the Aleutians East Borough. The population for the communities of Unalaska and Akutan were also dramatically increased by the inclusion of these seasonal workers (19.8 and 15.9 percent, respectively).

Figure 5.1: 1990, 2000 - 2006 Population Trends in Southwest Alaska

	2006	2005	2004	2003	2002	2000	1990	Change			Avg. Annual % Change		
								2005 - 2006	2000 - 2006	1990 - 2006	2005 - 2006	2000 - 2006	1990 - 2006
Aleutians East Borough	2,643	2,659	2,656	2,742	2,723	2,697	2,464	-16	-54	179	-1	-2	7
Aleutians West Census Area	4,810	5,249	5,244	5,379	5,073	5,465	9,478	-439	-655	-4,668	-8	-12	-49
Bristol Bay Borough	1,060	1,073	1,101	1,116	1,163	1,258	1,410	-13	-198	-350	-1	-16	-25
Dillingham Census Area	4,796	4,792	4,855	4,962	4,918	4,922	4,012	4	-126	784	0	-3	20
Kodiak Island Borough	13,506	13,638	13,538	13,959	13,645	13,913	13,309	-132	-407	197	-1	-3	1
Lake and Peninsula Borough	1,557	1,620	1,612	1,646	1,639	1,823	1,668	-63	-266	-111	-4	-15	-7
Southwest Region	28,372	29,031	29,006	29,804	29,161	30,078	32,341	-659	-1,706	-3,969	-2	-6	-12
Alaska	670,053	663,661	657,755	648,510	640,699	626,931	550,043	6,392	43,122	120,010	-1	7	22

Blended data: U.S. Census of the Population 1990, 2000 and ADOLWD Estimates

Components of Population Change

Based on ADOLWD estimates and Bureau of Vital Statistics data for the period 2000 to 2006, Southwest Alaska continued to experience a strong pattern of outmigration during the period, with the exception of 2003. Overall, for the period, the natural population increase totaled 6,216. Outmigration totaled 10,323, bringing an overall population decrease of 1,706.

Figure 5.3 characterizes the components of population change from 1990 to 2006. In addition to a consistent pattern of outmigration, this data illustrates a declining

birth rate and moderating death rate.

Census data illustrates the mobility and transience of the region's population between 1995 and 2000. Figure 5.4 outlines the proportion of the regional population that lived in a different state, different area of Alaska, or different country in 1995 versus 2000. More than a quarter of the region's population lived in another state in 1995. Slightly more than seven percent of the region's residents lived in another area of Alaska in 1995. Less than three and a half percent lived in another country.

The Aleutians East, Aleutians West, Bristol Bay, and Kodiak sub-regions have some of the highest population transiency rates in Alaska.

Figure 5.5 shows the continuing population projections for the region through 2018.

Population Characteristics

Figure 5.6 compares the age composition of the regional population for the years 2000 and 2006. While the population of Southwest Alaska is younger, in general, than both Alaska and U.S. population median ages, this figure illustrates an aging trend in the regional population that is consistent with statewide and national trends.

In addition to the general aging of the population, regional age distribution clearly

continued: page 18

Figure 5.2.A: 1990, 2000 - 2006 Population Trends in the Aleutians East Borough

Aleutians East Borough	2006	2005	2004	2003	2002	2000	1990	C h a n g e			Avg. Annual % Change		
								2005 - 2006	2000 - 2006	1990 - 2006	2005- 2006	2000 - 2006	1990 - 2006
Akutan	741	773	789	808	748	713	589	-32	28	152	-4	4	26
Belkofski	0	0	0	0	0	0	0	0	0	0	0	0	0
Cold Bay	87	89	89	97	117	88	148	-2	-1	-61	-2	-1	-41
False Pass	54	63	63	70	79	64	69	-9	-10	-15	-14	-16	-22
King Cove	807	723	726	745	787	792	677	84	15	130	-12	2	19
Nelson Lagoon CDP	63	70	78	65	70	83	83	-7	-20	-20	-10	-24	-24
Sand Point	890	939	911	956	919	952	878	-49	-62	12	-5	-7	1
Remainder of AEB	1	2	0	1	3	5	20	-1	-4	-19	-50	-80	-95
Aleutians East Borough total	2,643	2,659	2,656	2,742	2,723	2,697	2,464	-16	-54	179	-1	-2	7

Figure 5.2.B: 1990, 2000 - 2006 Population Trends in the Aleutians West Census Area

Aleutians West Census	2006	2005	2004	2003	2002	2000	1990	C h a n g e			Avg. Annual %		
								2005 - 2006	2000 - 2006	1990 - 2006	2005- 2006	2000 - 2006	1990 - 2006
Adak	146	167	70	75	166	316	4,633	-21	-170	-4,487	-13	-54	-97
Atka	73	90	93	96	102	92	98	-17	-19	-25	-19	-21	-26
Attu Station	20	20	18	24	26	20	23	0	0	-3	0	0	-13
Nikolski	31	31	36	41	34	39	35	0	-8	-4	0	-21	-11
Saint George	120	128	137	150	147	152	138	-8	-32	-18	-6	-21	-13
Saint Paul	460	488	496	545	533	532	763	-28	-72	-303	-6	-14	-40
Unalaska	3,940	4,297	4,366	4,413	4,035	4,283	3,089	-357	-343	851	-8	-8	28
Remainder of AWCA	20	28	28	35	30	31	699	-8	-11	-679	-29	-35	-97
Aleutians West Census	4,810	5,249	5,244	5,379	5,073	5,465	9,478	-439	-655	-4,668	-8	-12	-49

Figure 5.2.C: 1990, 2000 - 2006 Population Trends in the Bristol Bay Borough

Bristol Bay Borough	2006	2005	2004	2003	2002	2000	1990	Change			Avg. Annual % Change		
								2005 - 2006	2000 - 2006	1990 - 2006	2005-2006	2000 - 2006	1990 - 2006
King Salmon	409	420	396	390	397	442	696	-11	-33	-287	-3	-7	-41
Naknek	577	577	613	619	642	678	575	0	-101	2	0	-15	0
South Naknek	74	76	89	103	120	137	136	-2	-63	-62	-3	-46	-46
Remainder of BBB	0	0	3	4	4	1	3	0	-1	-3	0	-100	-100
Bristol Bay Borough total	1,060	1,073	1,101	1,116	1,163	1,258	1,410	-13	-198	-350	-1	-16	-25

Figure 5.2.D: 1990, 2000 - 2006 Population Trends in the Dillingham Census Area

Dillingham Census Area	2006	2005	2004	2003	2002	2000	1990	Change			Avg. Annual % Change		
								2005 - 2006	2000 - 2006	1990 - 2006	2005-2006	2000 - 2006	1990 - 2006
Aleknagik	241	241	233	242	220	221	185	0	20	56	0	9	30
Clark's Point	69	65	63	67	65	75	60	4	-6	9	6	-8	15
Dillingham	2,397	2,370	2,408	2,412	2,468	2,466	2,017	27	-69	380	1	-3	19
Ekuk	0	0	0	0	5	2	0	0	-2	0	0	-100	0
Ekwok	111	118	127	130	116	130	77	-7	-19	34	-6	-15	44
Koliganek	165	167	188	202	188	182	385	-2	-17	-220	-1	-9	-57
Manokotak	423	437	407	410	407	399	181	-14	24	242	-3	6	134
New Stuyahok	473	461	472	497	483	471	391	12	2	82	3	0	21
Portage Creek	20	37	50	62	48	36	0	-17	-16	20	-46	-44	0
Togiak	783	779	804	829	809	809	613	4	-26	170	1	-3	28
Twin Hills	77	71	68	77	77	69	66	6	8	11	8	12	17
Remainder of DCA	38	46	35	34	32	62	37	-8	-24	1	-17	-39	3
Dillingham Census Area	4,796	4,792	4,855	4,962	4,918	4,922	4,012	4	-126	784	0	-3	20

Figure 5.2.E:1990, 2000 - 2006 Population Trends in the Kodiak Island Borough

Kodiak Island Borough	2006	2005	2004	2003	2002	2000	1990	C h a n g e			Avg. Annual % Change		
								2005 - 2006	2000 - 2006	1990 - 2006	2005- 2006	2000 - 2005	1990 - 2006
Akhiok	44	41	57	51	49	80	77	3	-36	-33	7	-45	-43
Aleneva	46	46	44	60	96	68	0	0	-22	46	0	-32	0
Chiniak	44	52	51	49	56	50	69	-8	-6	-25	-15	-12	-36
Karluk	27	27	26	25	24	27	71	0	0	-44	0	0	-62
Kodiak	5,937	6,088	6,194	6,161	6,100	6,334	6,365	-151	-397	-428	-2	-6	-7
Kodiak Station	1,941	1,975	1,759	2,214	1,939	1,840	2,025	-34	101	-84	-2	5	-4
Larsen Bay	90	97	96	96	107	115	147	-7	-25	-57	-7	-22	-39
Old Harbor	192	200	197	213	226	237	284	-8	-45	-92	-4	-19	-32
Ouzinkie	193	191	188	174	190	225	209	2	-32	-16	1	-14	-8
Port Lions	211	220	239	236	227	256	222	-9	-45	-11	-4	-18	-5
Womens Bay	703	703	687	689	684	690	620	0	13	83	0	2	13
Remainder of KIB	4,078	3,998	4,000	3,991	3,947	3,991	2,950	80	87	1,128	2	2	38
Kodiak Island Borough total	13,506	13,638	13,538	13,959	13,645	13,913	13,309	-132	-407	197	-1	-3	1

Sources:
Data from ADOLWD

Figure 5.2.F: 1990, 2000 - 2006 Population Trends in the Lake & Peninsula Borough

Lake & Peninsula Borough	2006	2005	2004	2003	2002	2000	1990	Change			Avg. Annual % Change		
								2005 - 2006	2000 - 2006	1990 - 2006	2005 - 2006	2000 - 2006	1990 - 2006
Chignik	85	95	92	92	77	79	188	-10	6	-103	-11	8	-55
Chignik Lagoon	70	86	82	93	88	103	53	-16	-33	17	-19	-32	32
Chignik Lake	120	117	113	114	115	145	133	3	-25	-13	3	-17	-10
Egegik	76	81	77	84	87	116	122	-5	-40	-46	-6	-34	-38
Igiugig	53	50	55	50	43	53	33	3	0	20	6	0	61
Iliamna	82	86	90	93	98	102	94	-4	-20	-12	-5	-20	-13
Ivanof Bay	0	2	5	3	3	22	35	-2	-22	-35	-100	-100	-100
Kokhanok	168	179	167	183	179	174	152	-11	-6	16	-6	-3	11
Levelock	61	54	58	72	83	122	105	7	-61	-44	13	-50	-42
Newhalen	167	180	184	173	166	160	160	-13	7	7	-7	4	4
Nondalton	196	203	206	219	206	221	178	-7	-25	18	-3	-11	10
Pedro Bay	55	62	47	45	46	50	42	-7	5	13	-11	10	31
Perryville	120	114	110	107	111	107	108	6	13	12	5	12	11
Pilot Point	66	73	76	71	75	100	53	-7	-34	13	-10	-34	25
Pope-Vannoy Landing	6	6	9	10	5	8	0	0	-2	6	0	-25	0
Port Alsworth	112	106	114	105	109	104	55	6	8	57	6	8	104
Port Heiden	79	89	90	87	108	119	119	-10	-40	-40	-11	-34	-34
Ugashik	19	15	12	12	12	11	0	4	8	19	27	73	0
Remainder of LPB	24	22	25	33	28	27	38	2	-3	-14	9	-11	-37
Lake & Peninsula Borough	1,557	1,620	1,612	1,646	1,639	1,823	1,668	-63	-266	-111	-4	-15	-7

Sources:
Data from ADOLWD

Figure 5.3: Components of Change: Southwest Alaska Population 1980 - 2006

	Population at the End of the Period	Population Change	Births	Rate Per 1000 Mid Period		Rate Per 1000 Mid Period		Natural Increase	Net Migrant
				Population	Deaths	Population			
1980 to 1990	32,341	8,582	6,649	144	1,177	28	5,472	3,110	
1990 to 2000	30,078	-2,263	5,709	106	1,167	25	4,542	-6,805	
2000 to 2001	29,165	-913	410	75	122	29	288	-1,283	
2001 to 2002	29,161	-4	392	74	112	29	280	-284	
2002 to 2003	29,804	643	419	73	126	28	293	350	
2003 to 2004	29,006	-798	370	72	122	26	248	-1,046	
2004 to 2005	29,031	25	393	76	96	22	297	-272	
2005 to 2006	28,372	-715	392	77	124	30	268	-983	
2000 to 2006	28,372	1,706	2,376	553	1,773	189	6,216	-10,323	
1990 to 2006	28,372	3,969	14,734	697	3,046	217	11,688	-7,213	

Source: Alaska Department of Labor & Workforce Development

	Different State	Different Area of Alaska	Different Country	Overall Transiency
Aleutians East Borough	30.8%	4.0%	4.0%	38.8%
Aleutians West Census Area	36.3%	6.5%	6.4%	49.1%
Bristol Bay Borough	24.7%	13.6%	0.3%	38.6%
Dillingham Census Area	14.9%	8.2%	0.6%	23.7%
Kodiak Island Borough	25.9%	7.0%	3.8%	36.7%
Lake and Peninsula Borough	13.9%	8.2%	0.4%	22.5%
Southwest Region Total	25.6%	7.2%	3.4%	36.3%
Alaska	22.2%	6.9%	1.8%	30.9%

Source: Alaska Population Overview 2001 - 2002; U.S. Census of the Population 2000

Figure 5.4: Southwest Alaska Population Transiency 2000 versus 1995

shows the “brain drain” in the 15 to 29 year old age ranges.

Median age for the regional population has increased from 32.5 years in 2000 to 35 years in 2006. The Dillingham Census Area showed an unchanged median age, and the Bristol Bay Borough had the greatest increase in median age, rising from 36 years in 2000 to 41.1 years in 2006.

Population outmigration and aging are troublesome trends for any region. For Southwest Alaska, these trends give rise to a concern about the ability of the region to retain resident participation in the fisheries-based economy.

Little is known about the demographics of the fishing permittee and crew member population. Additionally, declining fisheries values, particularly in salmon-dependent areas, have resulted in continuing outmigration. Entry costs into certain fisheries are prohibitive, again resulting in fewer resident harvesters.

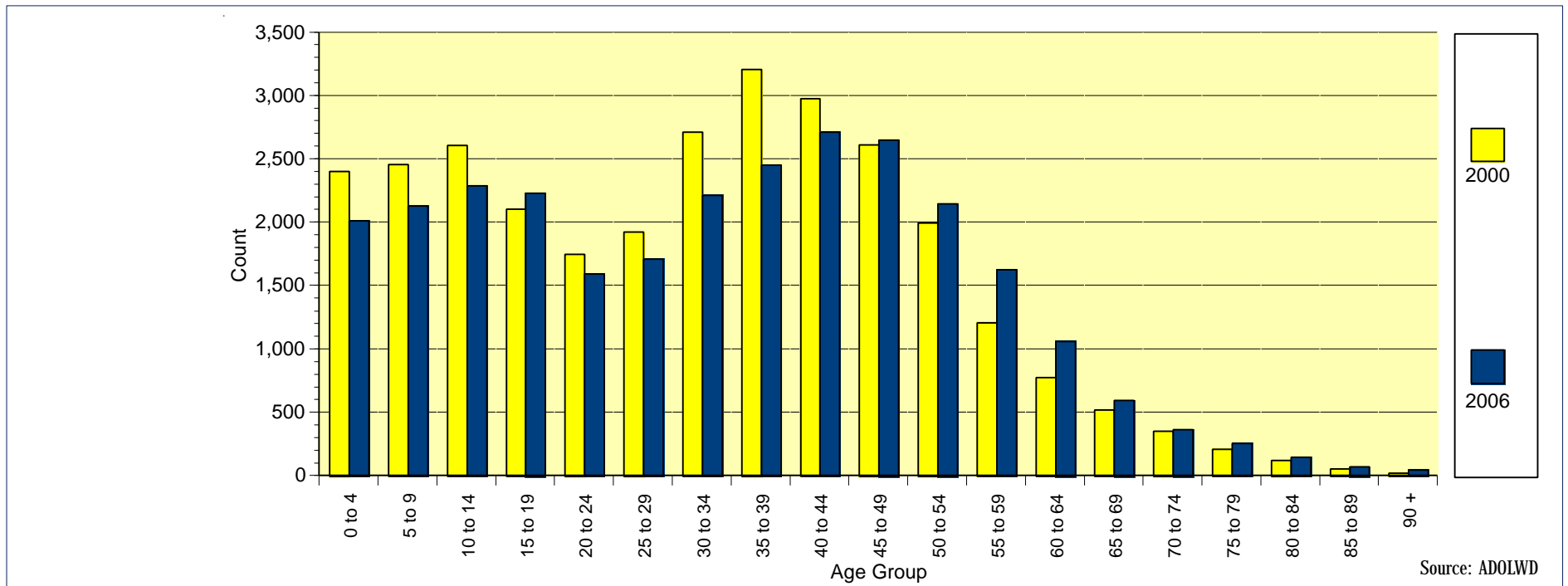
The SWAMC Board of Directors has determined to resolve data deficiencies regarding the seafood harvesting sector. In August 2006, SWAMC contracted with an economics firm to conduct an analysis of seafood harvester labor data. The report’s findings were released in January 2007, and concluded that Alaska needs to improve crew license data and collect crew participation data, but because there are no regulations or legislation that explicitly require collection of crew activity data, state and federal agencies do not have a clear direction or mandate to proceed. This is an issue SWAMC will concentrate on in 2007-2008.

Figure 5.5: Population Projections for Southwest Alaska

	2006	2008	2013	2018	% Change
Aleutians East Borough	2,643	1,918	1,784	1,738	-34.2
Aleutians West Census Area	4,810	5,908	6,097	6,242	29.7
Bristol Bay Borough	1,060	1,506	1,621	1,734	63.5
Dillingham Census Area	4,796	5,394	5,842	6,327	31.9
Kodiak Island Borough	13,506	14,159	14,277	14,416	6.7
Lake & Peninsula Borough	1,557	2,128	2,282	2,439	56.6
SWAMC Region total	28,372	31,013	31,903	32,896	15.9
% Increase for Region		9.3%	12.4%	16.0%	

Source: Alaska Department of Labor & Workforce Development

Figure 5.6: Southwest Alaska population Age Distribution Comparison 2000 and 2006



Source: ADOLWD

6.0 Labor Force, Employment & Income

As previously reported, standard labor reports for occupations covered by various employment taxes do not include several substantial employment sectors for Southwest Alaska. These sectors are the Commercial Seafood Harvesting sector and active duty U.S. Coast Guard personnel.

The Commercial Seafood Harvesting sector, including permittees and crew members, is classified by the U.S. and Alaska Departments of Labor as self-employed. Coast Guard personnel are treated as other active duty military personnel and are also not reported in standard labor data. These two sectors will be approximated through available data and blended with standard labor data included in this section.

Labor Force

The regional labor force increased by 7.1 percent between 2003 and 2006. Comparatively, the statewide labor force grew by 3.8 percent over the same period. Figure 6.1 details the labor force, employment, unemployment and unemployment rate for the region from 2000 to 2006. The years 1990 and 1995 are also included, but are not

strictly comparable due to a change in how the numbers were derived.

Between 2003 and 2006, regional employment increased 8.4 percent. The number of unemployed individuals (not including discouraged workers) decreased by 12.2 percent, while the regional annual average unemployment rate declined from 9.0 percent to 7.3 percent.

While current regional labor statistics indicate positive changes over the period, the region's unemployment rate exceeds both state (6.7 percent) and national (4.6 percent) unemployment rates by .6 percent and 2.7 percent, respectively.

Figures 6.1.A - F detail labor force, employment, unemployment and unemployment rate for each borough and census area in the region. Between 2003 and 2006, all six areas saw increases in labor force and employment. With the exception of the Aleutian East Borough and the Aleutian West Census Area, the remaining five areas also saw a decrease in reported unemployment. All six sub-regions also reported decreases in the average annual unemployment rate.

Figure 6.1: Labor Force, Employment and Unemployment in Southwest Alaska 1990, 1995, 2000-2006

Southwest Region	1990	1995	2000	2002	2003	2004	2005	2006
Labor Force	14,494	14,212	14,096	13,699	13,620	14,176	14,174	14,583
Employment	13,618	13,185	13,105	12,557	12,456	12,933	13,003	13,508
Unemployment	876	1,027	991	1,142	1,224	1,242	1,135	1,075
Unemployment Rate	6.0%	7.2%	7.0%	8.3%	9.0%	8.7%	8.0%	7.3%

Source: ADOLWD

Aleutians East Borough	1990	1995	2000	2002	2003	2004	2005	2006
Labor Force	1,315	1,572	936	988	987	1,086	1,052	1,133
Employment	1,310	1,518	858	905	891	989	952	1,033
Unemployment	5	54	78	83	96	96	100	100
Unemployment Rate	0.4%	3.4%	8.3%	8.4%	9.7%	8.8%	9.5%	8.8%

Figure 6.1.A
Current Labor Statistics for the Aleutians East Borough 1990, 1995, 200 - 2006

Source: ADOLWD

Aleutians West Census Area	1990	1995	2000	2002	2003	2004	2005	2006
Labor Force	3,574	2,386	2,730	2,746	2,961	3,020	3,106	3,180
Employment	3,557	2,322	2,593	2,572	2,775	2,821	2,929	2,993
Unemployment	17	64	137	174	186	199	177	187
Unemployment Rate	0.5%	2.7%	5.0%	6.3%	6.3%	6.6%	5.7%	5.9%

Figure 6.1.B
Current Labor Statistics for the Aleutians West Census Area 1990, 1995, 2000 - 2006

Source: ADOLWD

Bristol Bay Borough	1990	1995	2000	2002	2003	2004	2005	2006
Labor Force	477	560	921	805	947	1,031	983	1,022
Employment	457	524	864	745	886	963	926	966
Unemployment	20	36	57	60	61	68	57	56
Unemployment Rate	4.2%	6.4%	6.2%	7.5%	6.4%	6.6%	5.8%	5.5%

Figure 6.1.C
Current Labor Statistics for the Bristol Bay Borough 1990, 1995, 2000 - 2006

Source: ADOLWD

Dillingham Census Area	1990	1995	2000	2002	2003	2004	2005	2006
Labor Force	1,221	1,642	1,957	1,925	1,917	2,017	2,047	2,113
Employment	1,141	1,539	1,817	1,734	1,704	1,792	1,792	1,912
Unemployment	80	103	140	191	213	225	218	201
Unemployment Rate	6.6%	6.3%	7.2%	9.9%	11.1%	11.2%	10.6%	9.5%

Figure 6.1.D
Current Labor Statistics for the Dillingham Census Area 1990, 1995, 2000 - 2006

Source: ADOLWD

Figure 6.1.E
Current Labor Statistics for the Kodiak Island Borough
1990, 1995, 2000 - 2006

Source: ADOLWD

Kodiak Island Borough	1990	1995	2000	2002	2003	2004	2005	2006
Labor Force	6,343	7,463	6,520	6,317	5,926	6,112	6,034	6,062
Employment	6,014	6,736	5,993	5,753	5,338	5,551	5,529	5,597
Unemployment	329	728	527	564	589	561	505	465
Unemployment Rate	5.2%	9.8%	8.1%	8.9%	9.9%	9.2%	8.4%	7.7%

Figure 6.1.F
Current Labor Statistics for the Lake & Peninsula
Borough 1990, 1995, 2000 - 2006

Source: ADOLWD

Lake & Peninsula Borough	1990	1995	2000	2002	2003	2004	2005	2006
Labor Force	444	588	1,032	918	882	910	952	1,073
Employment	418	547	980	847	863	817	874	1,007
Unemployment	26	41	52	71	78	93	78	66
Unemployment Rate	5.9%	7.0%	5.0%	7.7%	8.8%	10.2%	8.2%	6.2%

Seafood Harvesting Labor Force

(Commercial Fishing Permittees and Crew Members)

Resident participation in one of the region’s largest economic sectors, seafood harvesting, continued to decline during 2005 and 2006. As noted elsewhere in this report and in previous editions of the CEDS, this is a troubling trend for the region, and the SWAMC Board of Directors have determined to more fully understand this decline, the demographics of the permittee and crew member populations, and develop tactics to maintain resident participation in seafood harvesting.

There is currently room for improvement in Alaska’s crew license data and in the collection of crew participation data. There are no state- or federally-mandated regulations or legislation that explicitly require collection of crew activity data. In effect, the lack of information about one of Alaska’s largest labor sectors is hampering efforts by fisheries-dependent SWAMC communities to grow their economies. SWAMC is working to engage agencies and stakeholders to initiate a process to improve the collection and reporting of seafood harvesting labor throughout the state.

Resident permittees totaled 1,920 at the end of 2006. This total reflects a regional decrease of 3.3 percent for the period 2005 to 2006. However, it is a continuation of

declining resident permittee participation in regional fisheries that totals 14.4 percent for the period 2000 to 2006.

All six sub-areas had continuing declines in resident permittees between 2005 and 2006. This trend was also consistent for the period from 2000 to 2006 with the greatest decreases found in the Aleutians West Census Area and the Lake & Peninsula Borough. Both sub-areas posted permittee losses of thirteen percent or more.

The Bristol Bay Borough had the lowest level of resident permittee decline in the region, but still totaled a loss of nearly eight percent.

Figure 6.2 details resident permittees by borough or census area from 2000 to 2006.

Figure 6.2: Southwest Alaska Resident Commercial Fishing Permit Holders by Borough or Census Area

	2000 Resident Permit Holders	2002 Resident Permit Holders	2003 Resident Permit Holders	2004 Resident Permit Holders	2005 Resident Permit Holders	2006 Resident Permit Holders	% Change '05 - '06	% Change '00 - '06
Aleutians East Borough	222	217	215	205	204	195	-0.1	-12.2
Aleutians West Census Area	103	108	99	100	99	86	-13	-16.5
Bristol Bay Borough	191	190	197	187	179	176	-1.7	-7.8
Dillingham Census Area	740	714	697	652	645	639	-1.1	-13.6
Kodiak Island Borough	761	705	687	679	685	661	-3.5	-13.2
Lake & Peninsula Borough	226	192	180	179	173	163	-5.8	-27.9
Southwest Region	2,243	2,126	2,075	2,002	1,985	1,920	-3.3	-14.4

<http://www.cfec.state.ak.us/cpbycen/mnu.htm>

Histoically, resident participation in seafood harvesting as licensed crew members has been on the decline. Only the Aleutians West Census Area experienced increasing numbers of crew member licensees with nearly a third more crew member licensees between 2000 and 2005.

U.S. Coast Guard Personnel

According to the U.S. Coast Guard District 17 Public Affairs Office in Juneau, there have been some changes in active duty personnel posted to its various detachments and units on Kodiak Island.

The vast majority of the 680 Coast Guard personnel in the region are stationed in the Kodiak Island Borough. A small contingent (2.5 percent) are stationed on St. Paul Island.

Figure 6.3 details U.S. Coast Guard personnel in Southwest Alaska from 2003 to 2006.

Employment & Earnings

Figure 6.4 presents blended employment and earnings data for Southwest Alaska in 2005, the most current year for which complete data is available. With the exception of seafood harvesting employment, all other employment figures represent annual average monthly employment for each industry. Seafood harvesting employment is estimated from the number of resident permittees and

number of permittees that actually fished. While this estimate of seafood harvesting labor is not comparable to average annual monthly employment for other industries, it is included here as an indication of employment activity in one of the region's most important industries.

Manufacturing jobs, primarily in seafood processing, account for more than 30 percent of all employment.

Due to confidentiality issues in some sub-regions, average monthly earnings in seafood processing can't be calculated on a regional basis. Of those sub-regions where seafood processing earnings are known, seafood processing workers in the Aleutians West Census Area and the Kodiak Island Borough receive the highest pay - in excess of \$3,000 per month on average.

The second largest employment sector in the region continues to be seafood harvesting. In comparison to 2004 estimates, seafood harvesting employment rose by slightly more than 14 percent in 2005. While many residents continue to maintain permits in various fisheries, not all permittees fish.

In the Dillingham Census Area and Kodiak Island Borough, only 40 percent of all permittees did fish in 2006, the lowest participation rate in the region.

More than 86 percent of permittees fished in the Bristol Bay Borough, the highest participation rate in the region.

The seafood harvesting employment estimate also includes resident licensed crew members. In order to calculate crew member employment, the total number of resident

Figure 6.3:
U.S. Coast Guard Employment in Southwest Alaska

USCG Unit	2003	2004	2005	2006
ADQ - Cutter Alex Haley	99	98	98	98
ADQ - Cutter Storis	78	78	78	0
ADQ - Cutter Spar	47	48	48	48
ADQ - Cutter Firebush	0	0	0	0
ADQ - Air Station	382	321	321	230
ADQ - ISC	253	266	266	146
ADQ - ComSta	69	55	55	52
ADQ - ESU	28	33	33	29
ADQ - LORAN	24	7	7	7
ADQ - MSD	28	3	3	6
ADQ - NPRFTC	14	15	15	15
ADQ - ANT	NA	7	7	7
Attu - LORAN	20	20	20	20
Unalaska - MSD	5	5	5	5
St. Paul - LORAN	17	17	17	17
Total USCG Employment	1,064	951	951	680

Source: U.S. Coast Guard, District 17 Public Affairs and Kodiak ISC

licensees was adjusted using the participation rate of permittees. This adjustment assumes that the same factors affecting permittees would also impact crew member participation at a commensurate rate.

Combined, seafood harvesting and processing employment total more than 48 percent of regional employment.

Local government was the third largest employment sector in the region in 2004 at nearly 15 percent.

Six out of ten jobs in the region are in the top three industries: seafood processing, seafood harvesting, and local government.

Of those industries where average monthly earnings are known, federal and state government offer the highest wages in five of the six sub-regions. The federal government pays the highest average monthly earnings in the Aleutians East Borough, the Bristol Bay Borough, and the Kodiak Island Borough. In the Dillingham Census Area and the Lake & Peninsula Borough, the state government pays the highest average monthly earnings.

Average monthly earnings in the natural resources and mining sector are the highest in the Aleutians West Census Area.

Absent complete earnings information on the seafood harvesting sector due to confidentiality issues, a more thorough and thoughtful analysis of earnings in the region is not possible.

Figures 6.5 and 6.6 depict regional employment by sector and outputs, respectively.

Non-resident Employment

As previously reported, Southwest Alaska has the highest level of non-resident employment in the state. Between 2000 and 2002, significant improvement was noted in non-resident employment rates in the region. In part, this improvement can be attributed to declining opportunities and wages, particularly in sub-regions that are highly dependent on salmon fisheries. Additionally, the Murkowski Administration established statewide and industry goals to increase resident hire.

Non-resident hire began to increase in 2003 and continued through 2004. Regionwide the non-resident hire rate was 45 percent in 2004 and approximately 43 percent in 2005. The statewide non-resident hire rate was approximately 19 percent for both years, or nearly two and a half times less than the regional rate.

A few sub-regions saw increases in non-resident hire in 2004 and 2005, but most remained stable between the two years. Consolidation in the processing sector, during and since this time period, may be one factor influencing an increase in non-resident hire. Increased salmon revitalization efforts and some improvement in salmon prices may also be contributing factors.

Figure 6.7 summarizes statewide, regional and sub-regional non-resident private sector hire rates between 2001 and 2005.

Figure 6.4 2005 Employment by Industry for Boroughs and Census Areas in Southwest Alaska

Employment & Earning	Aleutians East Borough		Aleutians West Census Area		Bristol Bay Borough		Dillingham Census Area		Kodiak Island Borough		Lake & Peninsula Borough		Southwest Alaska	
	#	Avg Mo Earning	#	Avg Mo Earning	#	Avg Mo Earning	#	Avg Mo Earning	#	Avg Mo Earning	#	Avg Mo Earning	#	% of Emp
Goods Producing														
Natural Resources & Mining	1	C	16	10,987	0	-	0	0	118	4,576	4	-	139	0.8
Construction	0	C	26	6,490	35	-	20	2,295	166	4,233	15	-	262	1.3
Seafood Harvesting	286	C	75	-	177	-	408	-	749	-	171	-	3,584	18.0
Manufacturing	1,305	C	2,223	2,853	620	-	475	C	1,375	3,306	53	C	6,051	30.5
Service Providing														
Trade, Transportation & Utilities	75	2,710	640	3,695	177	3,479	313	1,639	815	2,341	85	2,578	2,105	10.6
Information	2	0	20	C	16	-	37	-	67	2,834	0	C	142	0.8
Financial Activities	31	978	91	2,965	15	3,975	116	2,629	192	3,141	9	864	454	2.3
Professional & Business Services	10	C	81	C	8	4,024	5	2,865	134	2,931	17	-	255	1.3
Educational & Health Services	70	0	96	3,678	9	3,201	412	C	463	2,975	0	-	1,050	5.3
Leisure & Hospitality	33	1,460	38	1,776	85	2,222	96	2,382	469	1,188	90	3,310	811	4.1
Other Services	14	C	49	3,126	4	-	40	2,538	243	1,351	13	-	363	1.8
Government														
USCG	0	-	42		0	-	0	-	740	-	0		782	3.9
Federal	25	3,918	19	5,122	71	4,625	62	3,409	241	4,838	27	2,936	445	2.2
State	18	2,950	38	4,273	31	4,280	89	4,127	277	3,478	8	4,335	461	2.3
Local	246	2,224	508	2,933	155	2,978	802	2,154	821	2,647	390	1,642	2,922	14.7
Total	1,805	2,261	3,844	3,135	1,227	3225	2,488	2,597	5,381	2,871	710	2,226	19,826	

Source: Blended data - ADOL, CFEC, USCG

Figure 6.5
2005 Southwest Alaska Employment by NAICS Sector

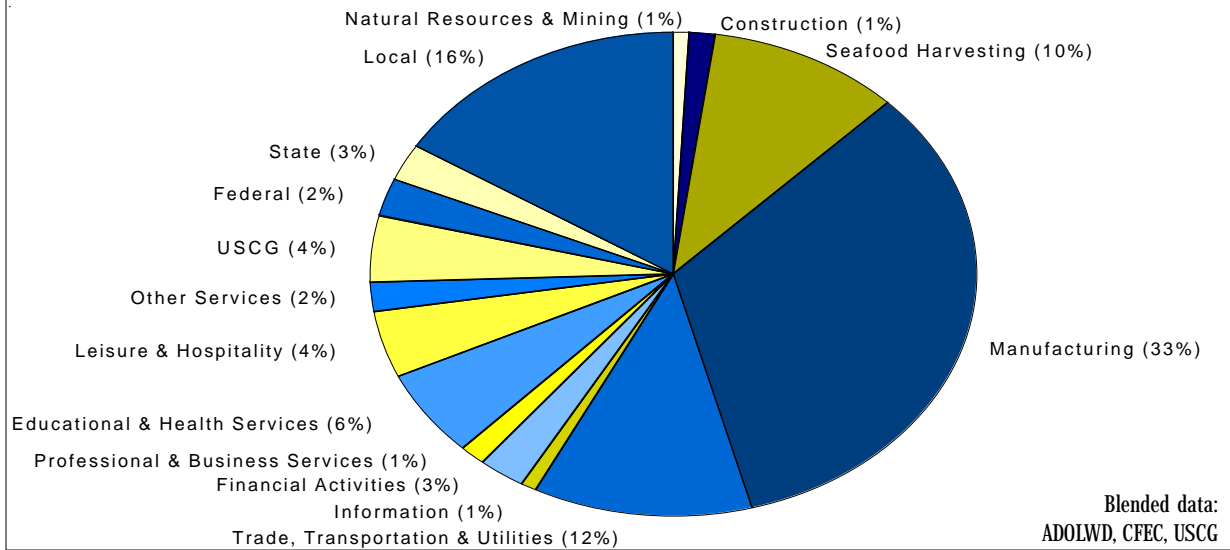
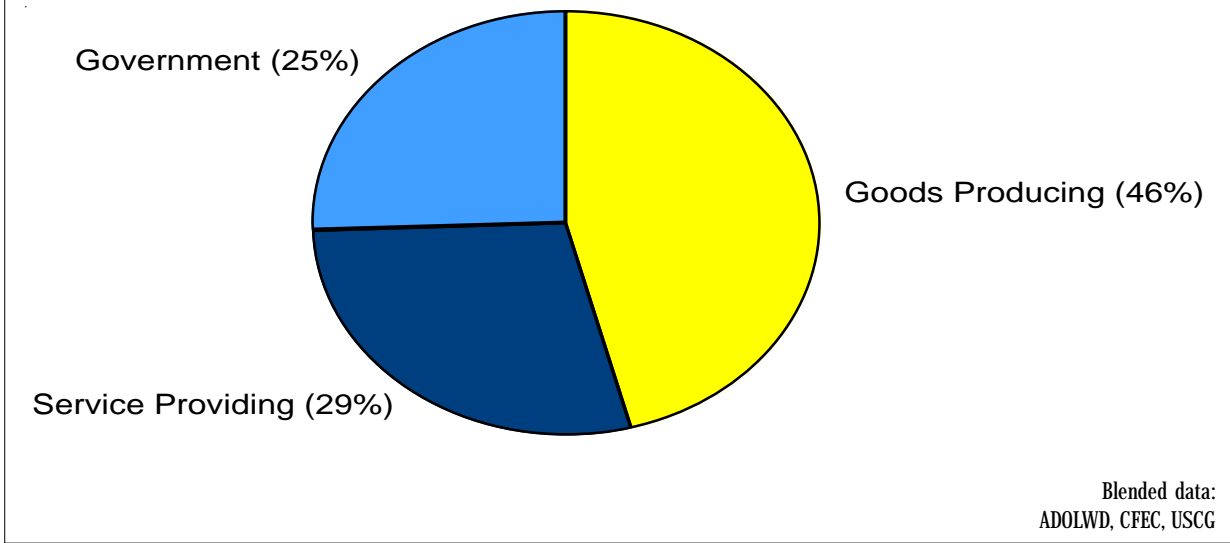


Figure 6.6
2005 Southwest Alaska Employment by Output Sector



Unemployment

The average annual unemployment rate for Southwest Alaska was 8.0 percent in 2005 and 7.3 percent in 2006. Of the six sub-regions in Southwest Alaska, only the Aleutians West Census Area saw an increase in its unemployment rate between 2005 and 2006; rising slightly from 5.7 percent to 5.9 percent.

All other sub-regions posted decreasing unemployment levels between 2005 and 2006. The Lake & Peninsula Borough notched over a 20 percent decrease in unemployment; posting a 6.2 percent unemployment rate for 2006, down from 8.2 percent in 2005.

A broader look at regional and sub-regional unemployment rates from 2000 to 2006 shows that unemployment has increased slightly over the period, despite the moderating effects of the past year. Only the Bristol Bay and Kodiak Island Boroughs posted decreasing unemployment rates over the period.

The Dillingham Census Area had the highest unemployment rate in the region in 2006, while the Bristol Bay Borough posted the lowest unemployment rate.

The Aleutians East Borough, Dillingham Census Area, and Kodiak Island Borough unemployment rates exceeded the regional rate of 7.3 percent.

The 2006 regional unemployment rate exceeded the State of Alaska (6.7 percent) average unemployment rate by less than one percent. In comparison to the national unemployment rate (4.6 percent), the regional

unemployment rate was more than 50 percent higher.

The U.S. Department of Labor has designated the Aleutians East Borough, the Dillingham Census Area, the Kodiak Island Borough and the Lake & Peninsula Borough as labor surplus areas for 2007. A labor surplus area is a jurisdiction where the average unemployment rate was at least 20 percent above the average unemployment rate for all states during the previous two calendar years

Figure 6.8 details the unemployment rate by boroughs and census areas, as well as regional, state and national average.

Underemployment

A comparison of monthly labor force and the unemployment rate illustrates the seasonal nature of the regional economy. Figure 6.9 compares the 2006 Southwest Alaska monthly labor force with monthly unemployment rate and also includes annual averages. Seasonality of key economic sectors contributes to significant periods of unemployment or underemployment. Additionally, none of the sectors run counter-cyclical to one another. Therefore, the labor force can't shift between sectors to even out the effects of seasonality.

The labor force participation rate for the region averaged 69.1 percent in 2000. Using annual average unemployment rates, it is possible to estimate the rate of discouraged workers. Figure 6.10 compares 1990 and 2000 Census data labor force participation, average annual unemployment, and discouraged worker estimates for the boroughs and

Figure 6.7: Nonresident Employment Rates in Southwest Alaska (as a percent of total employment)

	2000	2001	2002	2003	2004	2005
Aleutians East Borough	66.8	72.1	66.1	80.8	80.3	80.6
Aleutians West Census	56.8	61.2	57.2	61.3	63.3	62.8
Bristol Bay Borough	70.8	63.8	62.4	66.8	73.9	74.7
Dillingham Census Area	33.3	28.8	15.8	23.3	31.4	27.9
Kodiak Island Borough	22.4	20.7	17.4	25.3	25.0	25.5
Lake & Peninsula Borough	59.7	67.1	42.6	65.0	68.1	55.4
Southwest Alaska	51.6	52.3	40.8	43.0	45.5	43.2
Alaska	17.9	18.4	18.2	18.1	18.4	19.1

Source: ADOLWD, Nonresident Workers in Alaska 2000 - 2005

Figure 6.8: Unemployment Rate by Borough/Census Area 2000 - 2006

	2000	2002	2003	2004	2005	2006	% Change '00 - '06	% Change '05 - '06
Aleutians East Borough	8.3	8.4	9.7	8.8	9.5	8.8	6.0%	-7.4%
Aleutians West Census Area	5.0	6.3	6.3	6.6	5.7	5.9	18.0%	3.5%
Bristol Bay Borough	6.2	7.5	6.4	6.6	5.8	5.5	-11.3%	-5.2%
Dillingham Census Area	7.2	9.9	11.1	11.2	10.6	9.5	31.9%	-10.4%
Kodiak Island Borough	8.1	8.9	9.9	9.2	8.4	7.7	-4.9%	-8.3%
Lake & Peninsula Borough	5.0	7.7	8.8	10.2	8.2	6.2	24.0%	-24.4%
Southwest Alaska	7.0	8.3	9.0	8.7	8.0	7.3	4.3%	-8.7%
State of Alaska	6.2	7.1	7.7	7.4	6.8	6.7	8.1%	-1.5%
U.S.	4.0	5.8	6.0	5.5	5.1	4.6	15%	-9.8%

census areas in Southwest Alaska, as well as a regional average.

Income

According to the U.S. Bureau of Economic Analysis, the 2005 personal per capita income for Southwest Alaska was \$31,407. This reflects a 6.6 percent increase over 2004 regional per capita personal income.

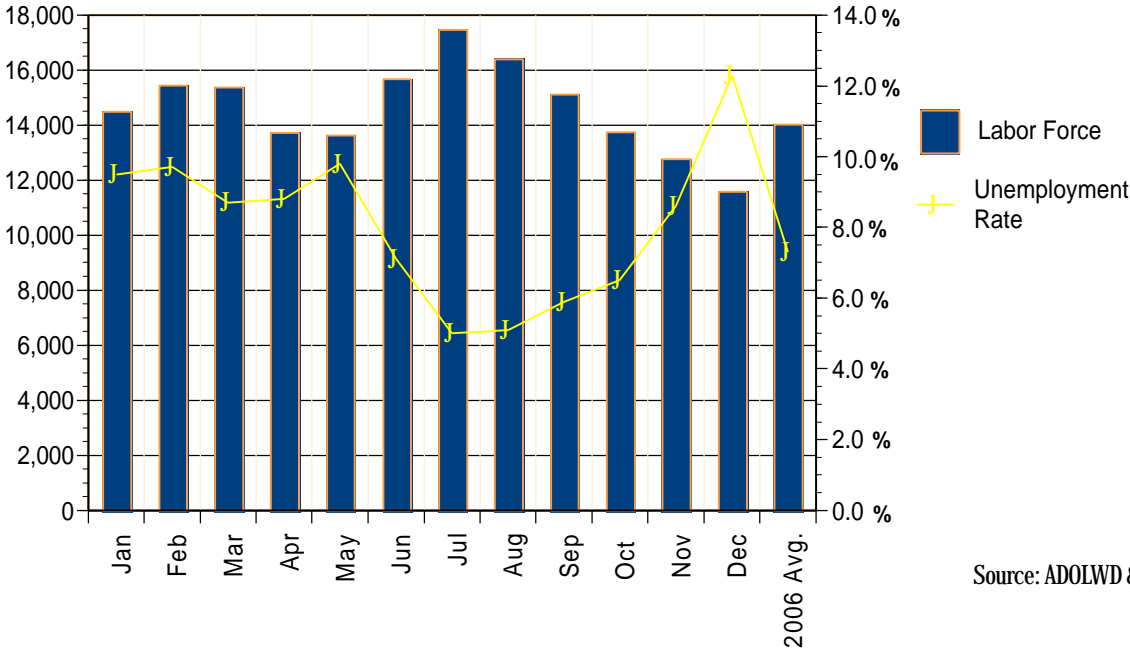
There is significant variation in per capita personal income across the six sub-regions. The Bristol Bay Borough continues to have the highest per capita personal income in the region at \$43,966, while the Lake & Peninsula Borough continues to have the lowest at \$26,027.

In comparison to the 2005 statewide average, the region has nearly a 12 percent lower per capital personal income. All sub-regions, except the Bristol Bay Borough, have lower 2005 per capita personal income levels in comparison to the state average. Per capita personal income in the Bristol Bay Borough exceeds the state average by 28 percent.

A similar pattern is found when comparing regional and sub-regional PCPI to the national average.

As reported in the full CEDS, the underlying reasons for higher PCPI in the Bristol Bay Borough is likely linked to the high proportion of government employment in the borough. With two seats of borough government, a warm air base, and the headquarters for Katmai National Park, all located in a geographically dense area with a small local

Figure 6.9 2006 Southwest Alaska Monthly Labor Force and Unemployment Rate.



Source: ADOLWD & USBLS

population, this high proportion of government employment undoubtedly skews PCPI. The regional average for government employment is less than 20 percent (excluding the USCG). In the Bristol Bay, Kodiak Island and Lake & Peninsula boroughs, government employment ranges from 24 to nearly 30 percent.

Figure 6.11 illustrates regional and sub-regional PCPI in comparison to state and national averages.

The regional average for PCPI is 91 percent of the national average. However, these measures do not account for variations in the cost of living, which is assumed to be significantly higher in Southwest Alaska. One source for a buying power comparison is

ACCRA - Council for Community & Economic Research's Cost of Living Index, which includes the City of Kodiak. Based on ACCRA research, the City of Kodiak has averaged a cost of living that is approximately 30 percent higher than the national average. Assuming that Kodiak, the region's most populous and developed community, has the lowest cost of living, it is reasonable to use this number as a basis for weighting regional PCPI for a buying power comparison. The last column in Figure 6.11 provides this comparison.

Based on the real buying power comparison, all areas of Southwest Alaska fall below the national PCPI.

Figure 6.12 details the composition of

	1990			2000		
	Labor Force Participation Rate	Average Annual Unemployment	Estimated Discouraged Workers	Labor Force Participation Rate	Average Annual Unemployment	Estimated Discouraged Workers
Aleutians East Borough	73.7	0.4	25.9	79.3	4.1	16.6
Aleutians West Census Area	85.9	0.5	13.6	80.3	7.0	12.7
Bristol Bay Borough	68.7	4.2	27.1	71.5	10.9	17.6
Dillingham Census Area	53.1	6.6	40.3	62.0	8.4	29.6
Kodiak Island Borough	77.3	5.2	17.5	66.0	10.2	23.8
Lake & Peninsula Borough	49.1	5.9	45.0	55.4	10.8	33.8
Southwest Region	67.9	3.8	28.3	69.1	8.7	22.2

Figure 6.10: Southwest Alaska Discouraged Worker Estimates, - 1990 and 2000

Source: U.S. Census and Alaska Department of Labor

Personal Per Capita Income	1995	2000	2001	2002	2003	2004	2005	2005 as % of State PCPI	2005 as % of US PCPI	2005 as % of US PCPI Weighted by COL
Aleutians East Borough	20,372	22,695	30,191	24,778	25,096	26,279	27,655	78.0	80.0	56.0
Aleutians West Census Area	27,038	21,057	22,063	25,513	26,525	26,711	28,120	79.0	82.0	57.4
Bristol Bay Borough	37,337	34,596	37,542	37,351	41,352	43,720	43,966	124.0	128.0	89.6
Dillingham Census Area	22,152	26,368	26,980	26,791	28,534	29,352	29,775	84.0	86.0	60.2
Kodiak Island Borough	22,342	26,693	27,800	27,730	29,441	30,874	32,896	92.0	95.0	66.5
Lake & Peninsula Borough	16,178	21,076	21,234	21,510	22,722	23,052	26,027	73.0	76.0	53.2
Southwest Alaska	23,640	25,445	26,891	27,248	28,552	29,464	31,407	88.3	91.2	63.8
Alaska	25,504	29,867	31,711	32,343	33,023	34,000	35,564	100.0	103.0	
U.S.	23,076	29,845	30,574	30,810	31,484	33,050	34,471	96.9	100.0	100.0

Figure 6.11: 1990, 1995, 2000 - 2005 Per Capita Personal Income in Southwest Alaska by Boroughs and Census Areas with Comparisons to State and National Levels

Source: U.S. Bureau of Economic Analysis Council for Community & Economic Research (ACCRA)

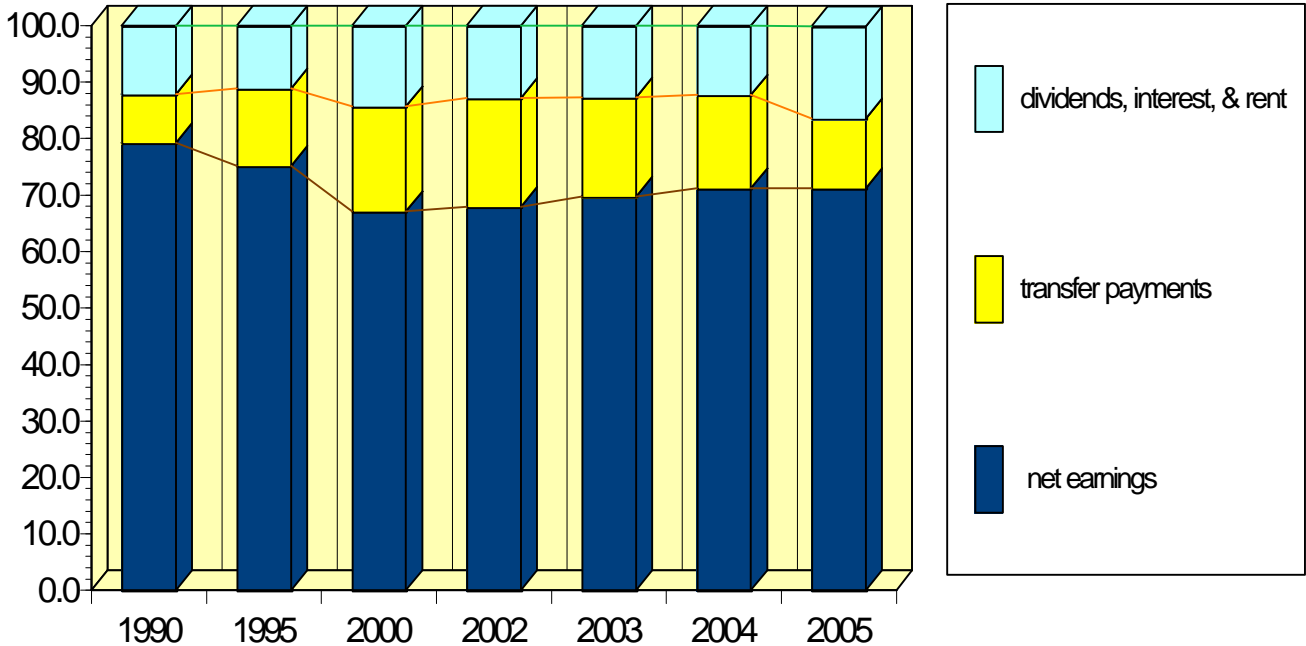
regional per capita personal income. Most notable is the increase in net earnings as a component of PCPI for the years 2003-2005. Net earnings as a component of PCPI also increased in all six sub-regions over the period.

As a regional average, transfer payments declined as a component of PCPI. This was also true for five sub-regions. Transfer payments in the Bristol Bay Borough, however, increased by more than 26 percent between 2004 and 2005.

Dividends, rents, and interest rose slightly as a component of PCPI between 2004 and 2005 on a regional basis. While most sub-regions saw modest increases in this category between 2004 and 2005, the Lake & Peninsula Borough had a marked decrease

for the same period (4.6 percent).

Figure 6.12: Composition of Southwest Alaska Per Capita Personal Income 1990, 1995, 2000-2005



Source: U.S. Bureau of Economic Analysis, www.bea.gov

Over the past few years significant changes have occurred in the Seafood, Mining, Oil and Gas, and Tourism sectors. The following analysis offers a broad scan of the changes taking place in these sectors.

Commercial Seafood Harvesting & Processing

Changes in regulatory practices and market-based dynamics continue to impact the Commercial Seafood Harvesting & Processing sector during the reporting period.

Rationalization of the region's crab fisheries had mixed impact across the region as the number of boats and jobs decreased while prices soared and safety improved. Based on growing consumer preferences for large, unblemished carapaces, high-grading of the catch was reportedly widespread. While these impacts are still being debated, it is clear that the process of rationalization took place much quicker than regulators or fisheries stakeholders had anticipated.

Increased marketing efforts seem to be paying off in higher prices for a number of species including some salmon, halibut, black cod, and crab. However, after a substantial influx of federal dollars, it is unclear if the Alaska Seafood Marketing Institute and the seafood producers will be able to sustain these enhanced marketing programs.

Consumer preferences have shifted strongly in favor of wild seafood products and fresh or fresh frozen product forms. These trends bode well for the region's core eco-

nomie sector.

Production of farmed Chilean salmon was substantially down during 2005. It is anticipated that Chilean output will return to normal levels during 2006 and 2007. Chile intends to increase farmed salmon production another 50 percent by 2010. This increase in farmed salmon will undoubtedly dampen some of the price increases seen over the past few years.

The Bristol Bay Economic Development Corporation (BBEDC) purchased a 50% equity stake in Ocean Beauty Seafood, Inc. in April, 2007. This investment allows vertical integration of the BBEDC resources such as crab, salmon, halibut and groundfish with the largest salmon processor in the State of Alaska and affords the maximum utilization of these resources.

The Magnuson-Stevens Act (MSA) was reauthorized by Congress in December of 2006. Among the several amendments made in the reauthorization, the Limited Access Privilege Program (LAPP) includes provisions stating that individuals, corporations, communities, and "regional fishery associations" may hold privileges; initial allocations must be "fair and equitable"; and the acquisition of excessive shares must be prevented.

Key issues for the seafood sector include: maintaining resident participation levels in all fisheries, improving processing capacity to provide higher value product forms; improving regional infrastructure to accommodate movement of product to market; maintaining an equitable regulatory and management regime; and addressing continuing environmental issues that may impact regional fisheries.

9.0 Southwest Alaska Regional Economy

Shore-based Processing

In 2006, ex-vessel values in the region increased nearly 18 percent from the prior year. However, yield per pound harvested remained slightly below levels seen in 2000.

Figure 9.1 summarizes pounds purchased and ex-vessel value paid by all shore-based

processors in Southwest Alaska for all species harvested from 2000 to 2006. Figure 9.2 offers the same data standardized to real values based on 2006 dollars.

In real dollar terms, the value of shore-based deliveries increased by more than 36 percent between 2000 and 2006 with a 17

percent increase between 2005 and 2006.

While real earnings have increased, so has resource utilization. Fisheries are managed for sustained economic yield. Over the period 2000 to 2006, increasing harvest levels have been required to maintain or grow real earnings. From 2000 to 2006, pounds bought at shore-based processors increased more than 65 percent, while real earnings increased about 37 percent. As a proxy for productivity and efficiency, the yield per pound calculation is offered in both Figures 9.1 and 9.2. While this number has been increasing in absolute and real terms, it continues to remain well below the \$0.31 per pound seen in 2000.

Figure 9.3 details the pounds purchased and ex-vessel value for all species bought by Southwest Alaska shore-based processors in 2006. In total, 36 individual fisheries are ranked according to ex-vessel value. The listing for “confidential fisheries” includes 21 small fisheries for species such as numerous varieties of rockfish, sole, flounder, sculpin, eels, smelt, sea cucumbers and a variety of other groundfish and other marine invertebrates. Confidential fisheries are those fisheries where fewer than four companies are involved as buyers or harvesters.

Figures 9.4 and 9.5 compare 2005 pounds bought and ex-vessel value using the same data as presented in Figure 9.3. For ease of comparison, species have been grouped into seven categories.

Both figures illustrate the high rate of return per pound realized in the crab and halibut fisheries. Crab fisheries averaged \$2.01 per pound in 2006 while the halibut

Figure 9.1:
Southwest Alaska Ex-vessel Value of All Species Purchased by Shore-based Processors in Southwest Alaska 2000 - 2006

	#s Bought	Ex-vessel Value	Yield/#	Percent Change from Prior Year
2000	1,240,946,934	\$349,553,005	0.28	
2002	1,711,151,034	\$375,139,682	0.22	0.10
2003	1,712,739,707	\$412,416,504	0.24	0.10
2004	1,603,278,747	\$407,062,879	0.25	-0.01
2005	1,754,167,361	\$472,104,298	0.27	0.16
2006	2,059,028,564	\$558,979,701	0.27	0.18

Source: Michael Plotnick, ADF&G, Custom Data Request, Personal Communication

Figure 9.2:
Southwest Alaska Real Ex-vessel Value of All Species Purchased by Shore-based Processors in Southwest Alaska 2000 - 2006 (base year = 2006 using inflation calculator)

	#s Bought	Real Ex-vessel Value 2006\$	Real Yield/# 2006\$	Percent Change from Prior Year
2000	1,240,946,934	\$409,232,780	0.31	
2002	1,711,151,034	\$420,389,902	0.23	
2003	1,712,739,707	\$451,865,035	0.25	0.08
2004	1,603,278,747	\$434,430,284	0.25	-0.05
2005	1,754,167,361	\$487,333,471	0.27	0.12
2006	2,059,028,564	\$558,979,701	0.27	0.17

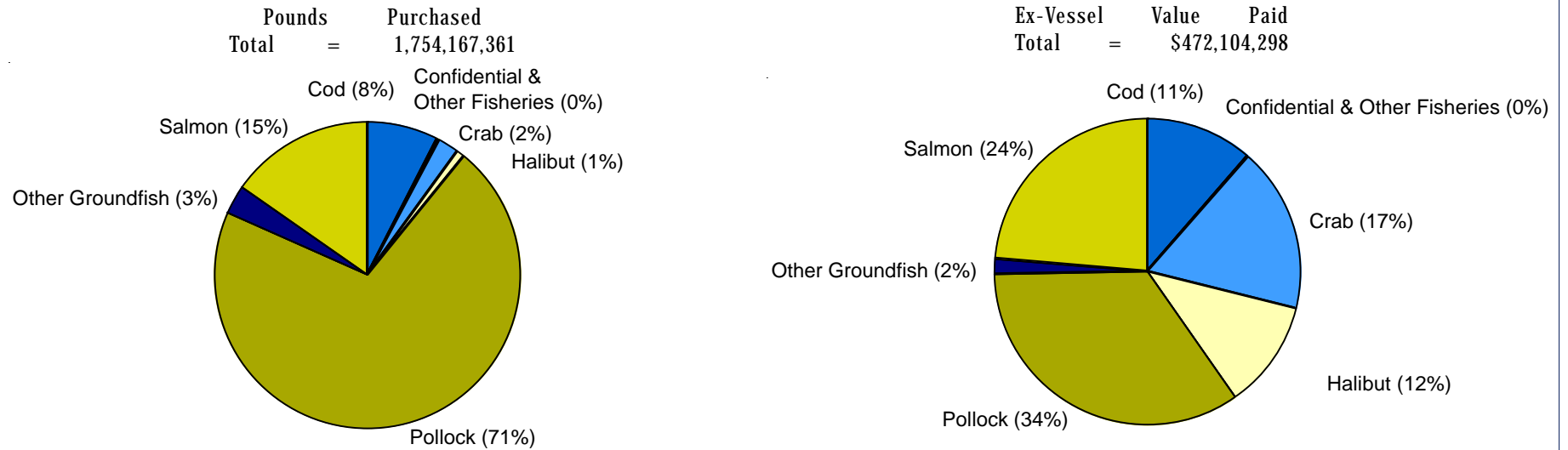
Sources: Michael Plotnick, ADF&G, Custom Data Request, Personal Communication; NOAA SAFE Report 2005; BEA

Figure 9.3:
Species Purchased and Ex-vessel Value Paid by Southwest Alaska Shore-based Processors 2006

	Companies	# Bought	Ex-vessel Value		Species	Companies	# Bought	Ex-vessel Value
pollock, walleye	11	1,438,420,34	\$184,201,361		confidential fisheries	21	1,567,816	\$1,083,454
salmon, sockeye	21	144,411,041	\$95,912,835		rockfish, northern	8	3,863,262	\$580,526
halibut, Pacific	18	16,935,221	\$62,122,792		rockfish, dusky	9	2,151,505	\$323,740
crab, red king	8	12,914,899	\$50,034,694		sole, flathead	9	6,282,785	\$563,177
cod, Pacific (gray)	15	153,971,117	\$60,340,279		skate, longnose	6	1,063,701	\$247,278
crab, Tanner, snow (opilio)	8	25,438,153	\$29,291,440		octopus, North Pacific	11	464,200	\$281,521
sablefish (blackcod)	15	6,146,628	\$22,335,797		rockfish, thornyhead	12	224,579	\$210,806
salmon, pink	12	130,121,084	\$20,669,080		sole, rex	8	1,754,969	\$256,445
crab, golden (brown) king	5	4,084,599	\$7,839,153		skate, general	5	1,247,109	\$117,829
crab, Tanner, bairdi	8	3,142,765	\$4,633,690		rockfish, black	7	219,086	\$88,049
herring, Pacific	7	20,880,624	\$1,854,253		sole, butter	6	2,136,732	\$300,910
salmon, chum	18	27,337,877	\$5,391,717		squid, majestic	8	2,188,982	\$101,609
salmon, coho	17	6,169,372	\$3,343,094		sole, Dover	6	561,627	\$147,854
sole, rock	11	11,844,264	\$2,712,068		rockfish, rougheye	10	145,624	\$36,037
crab, Dungeness	3	425,387	\$622,273		rockfish, shortraker	6	172,194	\$36,821
perch, Pacific ocean	8	10,925,181	\$1,612,965		flounder, stary	7	469,584	\$36,137
salmon, chinook	19	1,697,382	\$1,231,801		rockfish, yelloweye	10	25,381	\$7,173
flounder, arrowtooth	10	19,267,242	\$1,261,759		rockfish, redbanded	4	1,845	\$151
					Southwest Alaska Total		2,056,028,564	\$558,979,701

Source: Michael Plotnick, ADF&G, Custom Data Request, Personal Communication

Figure 9.4
Shore-based Processor Purchases by Species Processed
2006



Source: Michael Plotnick, ADF&G, Custom Data Request, Personal Communication; Aggregation added

Figure 9.5:
Shore-based Processor Purchases
by Species Processed
2006

	Ex-vessel Value Paid	# Bought	Yield/#
Cod	\$60,340,279	153,971,117	\$0.39
Confidential & Other Fisheries	\$1,311,160	3,403,818	\$0.39
Crab	\$92,421,248	46,005,803	\$2.01
Halibut	\$62,122,792	16,935,221	\$3.67
Pollock	\$184,201,361	1,438,420,34	\$0.13
Other Groundfish	\$8,539,725	62,356,310	\$0.14
Salmon	\$126,548,528	309,736,755	\$0.41
Southwest Alaska	\$558,979,701	2,059,028,56	\$0.27

Source: Michael Plotnick, ADF&G, Custom Data Request, Personal Communication Aggregation and Yield Calculation added

fishery averaged \$3.67 per pound.

At approximately \$0.40 per pound, the salmon and cod fisheries return the next highest yield. Pollock, groundfish and other fish and marine invertebrates return \$0.14 per pound or less.

Overall, for all species, the regional yield per pound of seafood harvested is \$0.27/per pound.

EEZ Groundfish Fisheries

According to NOAA Fisheries, the domestic groundfish fishery off Alaska totaled 2.2 million metric tons harvested, 2.0 million metric tons retained, and an ex-vessel value of \$740 million in 2005. After primary processing, the value of the 2005 catch was approximately \$1.9 billion.

Figure 9.6 summarizes pounds landed, ex-vessel values, pounds produced after primary processing, and gross product value for Alaska groundfish from 2000 to 2005. These figures include state and federal waters fisheries.

Southwest in-shore processors and AFA in-shore and floating processors handled approximately 76 percent of all in-shore processing in 2005. Figure 9.7 provides the gross product value of groundfish processed by shoreside processors from 2000 to 2005.

CDQs

The Community Development Quota (CDQ) Program continued to post gains in 2004 and 2005. As a group, CDQ earnings grew by more than 90 percent between 2002 and 2005. Revenues totaled \$133.6 million in 2005, up from \$70.4 million in 2002.

Figure 9.6: Alaska Groundfish Fisheries Ex-vessel Values and Gross Product Values 2000-2005

	Ex-Vessel Value			Gross Product Value		
	Lbs. Landed (1,000 mt)	Ex-vessel Value (000,000)	Real Ex-vessel Value 2004 (000,000)	Lbs. Produced (1,000 mt)	Gross Product Value (000,000)	Real Gross Product Value 2004 (000,000)
2000	1815	597.6	674.7	570.5	1331	1509.55
2001	1997	584.6	644.5	674.1	1517.2	1673.1
2002	2101	619.2	671.4	704	1483.3	1610.3
2003	2163	608.4	646	737	1556.9	1652.5
2004	2153	624.9	694.5	758.9	1665.2	1717.4
2005	2162	740.2	740.2	790.4	1962.1	1962.1

Figure 9.7: Gross Product Value of Alaska Groundfish by Shoreside

	2000	2002	2003	2004	2005
Bering Sea Pollock	396.7	450.5	454.3	468	557.8
Alaska Peninsula/Aleutians	46.3	61.8	67.9	65.6	90.8
Kodiak	73.9	58.9	53.5	66.3	88.9
Southwest Alaska Total	516.9	571.2	575.7	599.9	625.1
Other	81.7	65.3	76.4	80.3	79.7
Total	598.6	636.5	652.1	680.2	817.2

Source: Economic Status of Groundfish Fisheries off Alaska, 2005, NOAA Fisheries

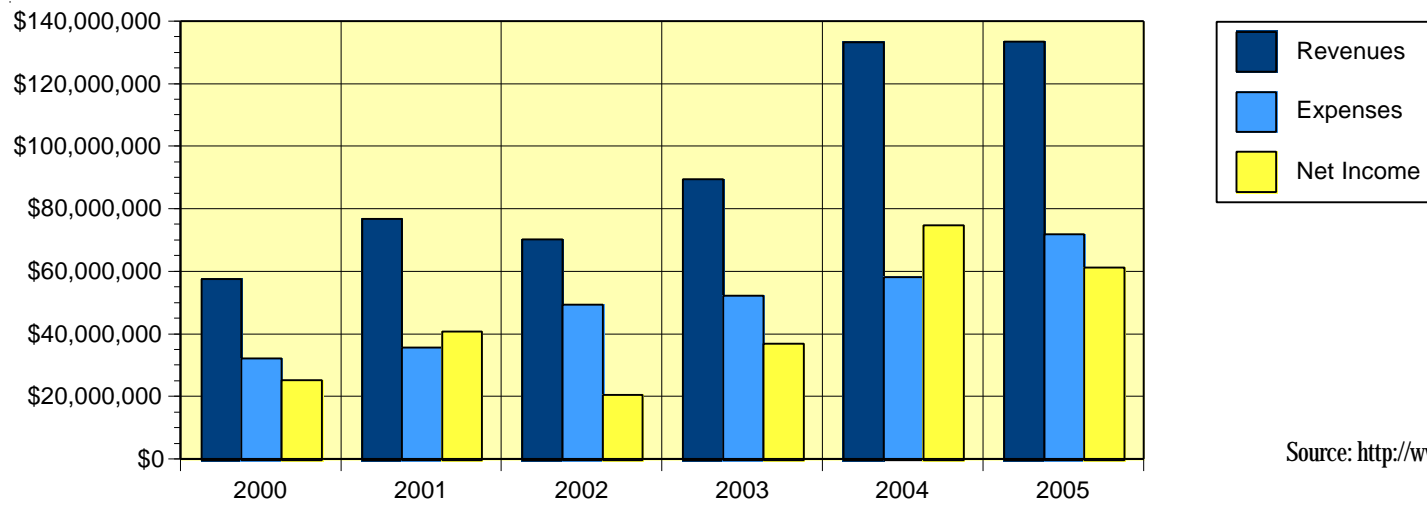
CDQ profitability also improved between 2002 and 2004 with the net profit margin increasing from 29 percent in 2002 to 56 percent in 2004. However, there was a 10 percent drop-off in net profit margin in 2005, at 46 percent.

The dramatic increase in CDQ revenues was due, in part, to investment payouts to

several groups, high pollock and crab prices, and some increase in royalty revenues. Investment payouts affected only a few groups, while prices increases and royalty revenues impacted all six groups.

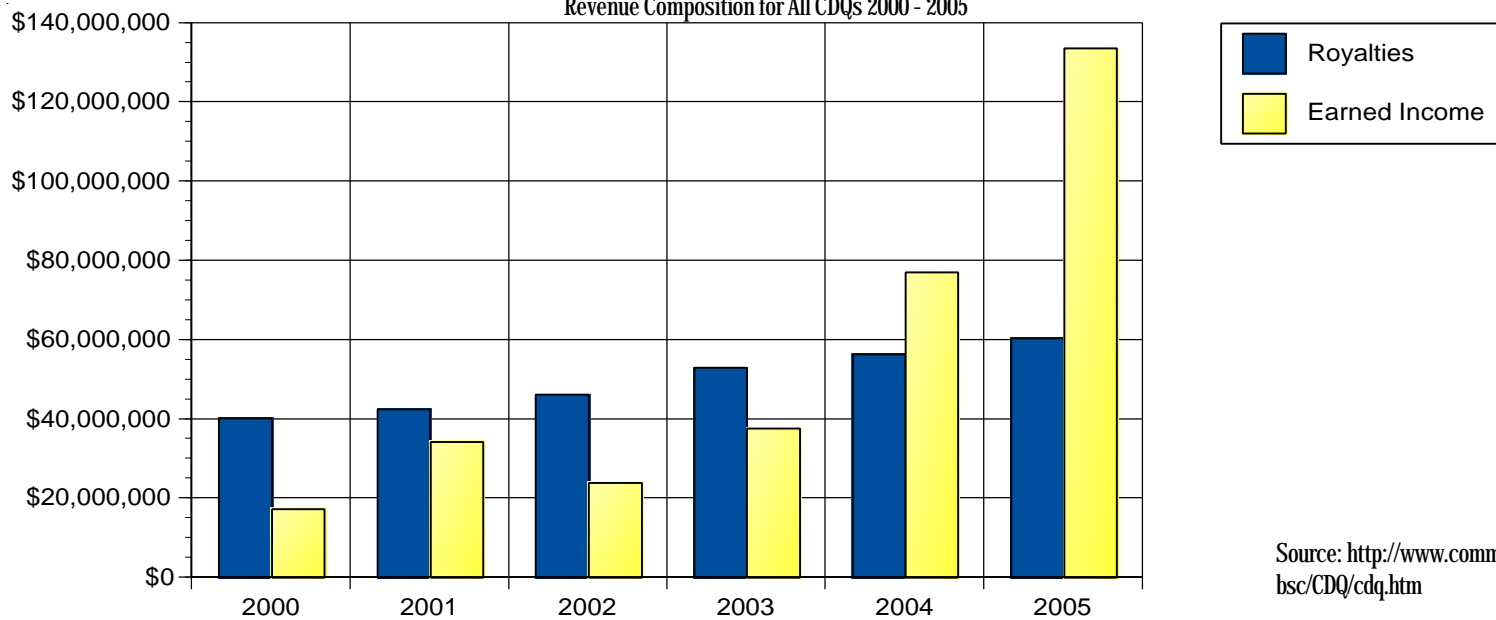
Figure 9.8 details CDQ revenues, expenses and net profits. Figure 9.9 illustrates

Figure 9.8
CDQ Financial Performance 2000 - 2005



Source: <http://www.commerce.state.ak.us/bsc/CDQ/cdq.htm>

Figure 9.9
Revenue Composition for All CDQs 2000 - 2005



Source: <http://www.commerce.state.ak.us/bsc/CDQ/cdq.htm>

the composition of CDQ revenues, highlighting earned income and royalty revenues.

In 2004, CDQ earned income exceeded royalty revenues for the first time in program history, and earned income doubled royalty revenues in 2005. As CDQs continue to make investments in various fisheries assets, capacity for earned income will continue to increase in future years.

During 2005, the CDQ program underwent a review by a Blue Ribbon Committee appointed by Governor Murkowski. The committee made four recommendations to strengthen the program:

1. Lengthen the time to ten (10) years between each reevaluation of the quotas and tie the lengthened terms in which each are measured to a new set of criteria that is a measurable;
2. Change oversight activities to focus on stricter securities oversight by the State Division of Banking and Securities. especially in the areas of fraud, mismanagement, and reporting to the communities in which the CDQ's represent;
3. Eliminate duplication in the Community Development Plan and amendment process;
4. Establishing a 20 percent allowance for investments in nonfisheries related projects, including matching grants or leveraging dollars with other agencies, foundations or non-profit projects, but only within the regions and communities that the CDQ programs serve.

These recommendations were implemented through proposed changes in the

Magnuson-Stevens Fisheries Management and Conservation Act, the Coast Guard reauthorization bill and Alaska State regulations.

Resident Permitting and Harvesting Activity

The Commercial Fisheries Entry Commission reports fisheries permitting and fishing activity by boroughs and census areas. This data is not cross-referenced to the Permanent Fund Dividend data base to verify residency. However, the CFEC data provides an indicator of resident permitting and harvesting activity.

Figure 9.10 summarizes resident permitting and harvesting activity for the years

1990, 1995 and 2000 - 2006 including pounds landed and estimated gross earnings, less any confidential fisheries. This data illustrates a number of indicators that resident participation in regional fisheries continues to decrease.

The number of resident permit holders in the region decreased more than 14 percent between 2000 and 2006. In addition to decreasing permitting activity, the number of permit holders that fish has also declined throughout the period. The percent of permits fished decreased by 12.4 percent between 2000 and 2006.

Figures 9.10A-F detail resident permitting and fishing activity in each borough or census area in the region.

continued: page 41

Figure 9.10: Southwest Alaska Resident Permitting and Harvesting Activity 1990, 1995, 2000 - 2006

	# Permit Holders	# Fishers Who Fished	% Permit Holders Who Fished	# Permits Issued	# Permits Fished	% Permits Fished	Total Pounds Landed	Estimated Gross Earnings*
1990	2,923	2,792	95.5	5,761	3,962	68.8	407,080,036	\$250,276,660
1995	2,377	2,210	93.0	4,384	3,000	68.4	511,240,686	\$214,003,433
2000	2,244	1,861	82.9	4,274	2,600	60.8	346,843,067	\$150,722,708
2002	2,127	1,502	70.6	3,840	2,174	56.6	325,277,893	\$106,072,589
2003	2,075	1,548	74.6	3,693	2,258	61.1	368,722,215	\$133,590,140
2004	2,002	1,462	73.0	3,552	2,074	58.4	434,414,660	\$144,492,691
2005	1,985	1,357	68.4	3,575	1,866	52.2	440,432,710	\$113,359,754
2006	1,920	1,354	70.5	3,276	1,832	55.9	427,822,464	\$109,805,169

Source: CFEC

Figure 9.10A: Aleutians East Borough Resident Permitting and Harvesting Activity 1990, 1995, 2000 - 2006

	# Permit Holders	# Fishers Who Fished	% Permit Holders Who Fished	# Permits Issued	# Permits Fished	% Permits Fished	Total Pounds Fished	Estimated Gross Earnings*
1990	271	243	89.7	658	423	64.3	63,458,380	\$33,887,215
1995	236	229	97	665	423	63.6	95,501,394	\$30,026,067
2000	223	196	88	531	358	67.4	74,178,696	\$26,098,871
2002	218	176	81	496	323	65.1	65,798,097	\$16,094,885
2003	215	178	83	474	326	68.8	69,569,018	\$19,466,515
2004	205	173	84	444	307	69.1	81,172,906	\$22,303,407
2005	204	158	78	476	286	60.1	91,293,506	\$19,946,337
2006	195	163	84	406	267	65.8	73,133,136	\$17,548,904

Source: CFEC

*excludes confidential fisheries

Figure 9.10B: Aleutians West Census Area Resident Permitting and Harvesting Activity 1990, 1995, 2000 - 2006

	# Permit Holders	# Fishers Who Fished	% Permit Holders Who Fished	# Permits Issued	# Permits Fished	% Permits Fished	Total Pounds Fished	Estimated Gross Earnings
1990	130	101	77.7	263	137	52.1	38,785,717	\$16,806,442
1995	135	88	65.2	267	135	50.6	7,606,701	\$12,132,879
2000	103	81	78.6	181	111	61.3	5,853,254	\$6,754,005
2002	108	83	76.9	189	120	62.9	5,476,646	\$4,842,603
2003	99	73	73.7	190	109	57.4	20,816,792	\$6,721,566
2004	100	74	74.0	206	119	57.8	20,045,888	\$7,612,316
2005	100	45	45.0	206	75	36.4	24,686,505	\$6,250,076
2006	86	58	67.4	150	83	55.3	23,614,119	\$4,740,974

Source: CFEC

*excludes confidential fisheries

	# Permit Holders	# Fishers Who Fished	% Permit Holders Who Fished	# Permits Issued	# Permits Fished	% Permits Fished	Total Pounds Fished	Estimated Gross Earnings*
1990	226	210	92.9	331	252	76.1	11,490,660	\$11,469,491
1995	208	198	95.2	266	224	84.2	11,099,829	\$8,358,331
2000	191	176	92.1	257	212	82.5	6,653,278	\$3,655,734
2002	190	160	84.2	231	169	73.2	3,845,750	\$1,600,986
2003	197	171	86.8	235	185	78.7	6,597,251	\$3,057,506
2004	187	166	88.8	223	180	80.7	7,017,736	\$3,219,814
2005	179	167	93.3	217	177	81.6	10,296,039	\$5,523,804
2006	176	173	98.3	207	179	86.5	8,515,248	\$4,125,569

*excludes confidential fisheries

Figure 9.10C: Bristol Bay Borough Resident Permitting and Harvesting Activity 1990, 1995, 2000 - 2006

Source: CFEC

	# Permit Holders	# Fishers Who Fished	% Permit Holders Who Fished	# Permits Issued	# Permits Fished	% Permits Fished	Total Pounds Fished	Estimated Gross Earnings
1990	962	760	79.0	1,694	1,081	63.8	31,385,279	\$29,736,116
1995	801	663	82.8	1,218	860	70.6	39,230,207	\$27,596,096
2000	740	536	72.4	1,183	636	53.8	25,544,103	\$14,783,978
2002	714	396	55.5	1,029	475	46.2	9,100,438	\$3,529,440
2003	697	434	62.3	992	496	50.0	19,886,965	\$8,415,021
2004	652	392	60.1	915	428	46.8	20,928,395	\$9,005,753
2005	645	396	61.4	872	408	46.8	21,168,362	\$10,331,631
2006	639	405	63.4	856	432	50.5	23,001,243	\$11,327,327

*excludes confidential fisheries

Figure 9.10D: Dillingham Census Area Resident Permitting and Harvesting Activity 1990, 1995, 2000 - 2006

Source: CFEC

Figure 9.10E: Kodiak Island Borough Resident Permitting and Harvesting Activity 1990, 1995, 2000 - 2006

	# Permit Holders	# Fishers Who Fished	% Permit Holders Who Fished	# Permits Issued	# Permits Fished	% Permits Fished	Total Pounds Fished	Estimated Gross Earnings*
1990	1,061	904	85.2	2,383	1,765	74.1	242,420,020	\$135,912,171
1995	755	609	80.7	1,625	1,095	67.4	335,570,283	\$119,579,432
2000	761	593	77.9	1,765	1,062	60.2	220,196,882	\$89,725,558
2002	705	491	69.6	1,632	944	57.8	229,626,120	\$74,347,939
2003	687	504	73.4	1,561	991	63.5	239,700,298	\$89,434,132
2004	679	489	72.0	1,519	887	58.4	293,260,526	\$95,590,107
2005	684	436	63.7	1,540	749	48.6	279,096,633	\$63,781,351
2006	661	425	64.3	1,429	717	50.2	284,555,246	\$64,830,875

Source: CFEC

*excludes confidential fisheries

Figure 9.10F: Lake & Peninsula Borough Resident Permitting and Harvesting Activity 1990, 1995, 2000 - 2006

	# Permit Holders	# Fishers Who Fished	% Permit Holders Who Fished	# Permits Issued	# Permits Fished	% Permits Fished	Total Pounds Fished	Estimated Gross Earnings*
1990	273	253	92.7	432	304	70.4	19,539,980	\$22,465,225
1995	242	226	93.4	343	263	76.7	22,232,272	\$16,310,628
2000	226	179	79.2	357	221	61.9	14,416,854	\$9,704,562
2002	192	117	60.9	263	143	54.4	11,430,842	\$5,656,736
2003	180	126	70	241	151	62.7	12,151,891	\$6,495,400
2004	179	132	73.7	245	153	62.4	11,989,209	\$6,761,294
2005	173	143	82.7	264	171	64.8	13,891,665	\$7,526,555
2006	163	130	79.8	228	154	67.5	15,003,472	\$7,231,524

Source: CFEC

*excludes confidential fisheries

Between 2005 and 2006, the number of permit holders decreased in every sub-region. The number of permit holders who actually fished increased in all but two sub-regions, the Kodiak Island and Lake & Peninsula Boroughs.

The number of permits issued for the period decreased for residents in every sub-region. Corollary to that, the actual permits fished decreased in three of six sub-regions.

Additionally, pounds landed increased in three of six sub-regions. Earnings comparisons are not possible due to incomplete data arising from confidentiality issues. All data are preliminary figures from the CFEC.

Minerals

Between 2005 and 2006, active mining claims in the region increased by more than 9 percent. Active claims increased from just over 5,675 in 2005 to more than 6,100 in 2006.

The greatest focus in the minerals sector continues to be the Iliamna District in the Lake & Peninsula Borough. Nearly 200 new claims were staked in this area during 2006. Increased exploration in and around the Bonanza Hills Prospect led to 116 additional claims staked in 2005.

In the Dillingham Census Area, 314 new claims were staked in 2006. This represents nearly a doubling of active claims in this sub-region.

Figure 9.11 details active mining claims in the region by boroughs and census areas for 2001 to 2006. Claims have increased more than 300 percent in the region as a

whole, with nearly 80 percent of all 2006 active claims in the Lake & Peninsula Borough.

Global economic factors continue to lead to increased mining speculation and exploration in Alaska. In addition to the availability of capital, increasing demand by emerging economies such as China and India, increasing and record prices for some mineral commodities, low stocks, and production problems in some areas all create conditions strongly favorable to increased mineral exploration and development.

Exploration Activity

Northern Dynasty Mines, Inc. (NDM), a subsidiary of Canadian mining conglomerate Hunter-Dickinson, continues exploration

activity at the Pebble prospect northwest of Lake Iliamna. The results from previous field seasons have refocused exploration and study to the Pebble East zone, which is revealing large quantities of higher-grade ore at greater depth. Gold, copper and molybdenum are the targeted resources for the Pebble project. As of February 2007, the entire Pebble development contained an estimated 82 million ounces of gold and 67 billion pounds of copper, worth over \$200 billion at today's mineral prices.

Development of the Pebble East zone would most likely be as an underground mine. NDM spent between \$35 and \$40 million in 2006 exploring and studying development options of this zone. These options include developing Pebble East alone or in combination with the original Pebble pros-

Figure 9.11: Active Mining Claims in Southwest Alaska 2000 - 2006

	2001	2002	2003	2004	2005	2006	% Change from Prior Year
Aleutians East Borough	6	6	6	6	6	6	0.0
Aleutians West Census Area	0	0	0	0	0	0	0.0
Bristol Bay Borough	0	0	0	0	0	0	0.0
Dillingham Census Area	169	169	198	289	347	661	91.5
Kodiak Island Borough	138	169	180	203	595	608	2.1
Lake & Peninsula Borough	1,297	1,333	2,545	3,673	4,727	4,920	4.1
Southwest Alaska	1,610	1,677	2,929	4,171	5,675	6,195	9.1

Source: Alaska Department of Natural Resources, B.J. McKimsey, Personal Communication

pect, which it now refers to as Pebble West. Since 2004, NDM will have invested a total of \$135 million on the Pebble project by the end of the year.

Based on the prospects at Pebble East, NDM plans to defer the project's feasibility study and permit applications until 2008 at the earliest. The permitting process usually takes between 2-3 years.

NDM also announced that Rio Tinto plc increased its investment to 17.8 percent indirect ownership in the company. Hunter-Dickinson chairman Robert Dickinson, in an address to the Resource Development Council, stated that he anticipated that a consortium of several majors and some junior companies may be needed to develop Pebble.

Liberty Star Gold Corporation (LSGC) also continues to develop the Big Chunk prospect, which is a continuation of the same caldera system where Pebble is located. With more than 1,700 state mining claims covering an area of about 421 miles, the Big Chunk contains copper, gold, molybdenum, silver and zinc at various targeted prospects. Additionally, in 2005, LSGC announced acquisition of the Bonanza Hills prospect, which is 40 miles northwest of the northern boundary of the Big Chunk.

During the 2005 exploration season, Full Metal Minerals (FMM) identified 11 significant geophysical targets in the Pebble South zone. The top two priority targets were dubbed the BOO and TYP prospects. The company planned for additional geophysical surveys in 2006, followed by a 10,000 ft. drill campaign that will target the highest priority prospects.

FMM also conducted an aggressive 2006 exploration program that included mapping, prospecting and geophysics with possible diamond drilling on lands owned by The Aleut Corporation (TAC) and Bristol Bay Native Corporation (BBNC).

Targets on TAC lands include the Pyramid copper-molybdenum porphyry deposit in the Port Moller area, the Shumagin and Apollo gold deposits on Unga Island, and the Centennial gold project on Popov Island.

Targets on BBNC lands are focused in the Chignik Area. These targets include the Bee Creek porphyry, the Kawisgag porphyry, and the Mallard Duck and Warner occurrences. Indications for gold, copper and molybdenum are strong for these targets.

Community and Environmental Concerns

With the increase in claim staking and exploration activity, a number of Southwest Alaska communities, individuals and organizations have voiced opposition to mineral development. The potential impacts of mining on subsistence resources, water quality, salmon and other commercial fisheries resources, and wilderness and aesthetic values for tourism and recreation activities are most often cited as concerns.

A number of communities, including Clark's Point, Dillingham, Ekwok, Koliganek, Kokhanok and New Stuyahok have passed resolutions in opposition to development of the Pebble project. Other regional and local organizations have also expressed opposition to the Pebble project. However, Bristol Bay Native Corporation continues to take a "wait

and see" approach to large scale mineral development in the Bristol Bay area.

A number of environmental, fisheries, and tourism organizations have also taken stances opposed to the Pebble project. Several meetings on mineral development impacts have been held in the Bristol Bay sub-region over the past three years.

SWAMC continues to participate in these meetings and include mineral development issues on the agenda for its annual economic summit.

Through its resolution 04-06, SWAMC has expressed support for the project with the caveats of sustainable development and maximum environmental protections. SWAMC will continue to share information on mineral development with regional stakeholders and encourage thoughtful dialogue on these issues.

Oil & Gas

In October 2005, the State of Alaska held the Alaska Peninsula Areawide Lease Sale. The sale resulted in leases for 37 tracts totalling 213,120 acres. Bids for these leases totaled \$1.3 million. This was the first oil and gas lease sale for the Alaska Peninsula in more than two decades.

Two bidders accounted for all of the lease sales, which were concentrated in the North Aleutian Basin near the Port Moller and Nelson Lagoon areas. Shell Offshore, Inc. was the successful bidder on 33 tracts. Hewitt Mineral Corporation of Ardmore, Oklahoma prevailed on four leases.

Mid-point estimates for recoverable

resources from the Basin are 0.75 billion barrels of oil and 8.2 trillion cubic feet of natural gas. In April 2007, the Department of Interior (DOI) announced the release of their final 5-Year Outer Continental Shelf (OCS) Leasing Program. The program includes a sale for Bristol Bay in 2011.

The same month, the State of Alaska offered 1,047 tracts in an additional Alaska Peninsula Areawide Lease Sale. Only one bidder, Hewitt Mineral Corp., was successful.

Tourism

The tourism sector realized solid increases in visitation in 2005 and 2006 based on bed tax revenues and public lands visitation reported for the region.

Thirteen boroughs or municipalities in the region levy a bed tax. Figure 9.12 provides bed tax revenues from 2001 to 2006. On a regional basis, bed tax revenues were up more than eight percent for each of the past two years.

The City of Aleknagik, Kodiak Island Borough, and City of Sand Point posted the largest percentage gains in bed tax revenues, at 448, 128, and 205 percent, respectively. The Borough's increase in collections stemmed in part from back payments of bed tax receipts, while Sand Point benefited from multiple visitations from oil and gas representatives.

Sixteen public land units in the

region track visitor usage. While these numbers include both local and nonresident usage, over time, public lands visitation provides an indicator for general activity in the tourism sector. Most public land usage in the region involves air taxi or boat charters and often includes pre- or post-visit stays in regional gateways.

Public lands usage and visitation increased significantly in 2004 largely due to the opening of the Alaska Maritime Refuge Islands and Oceans Visitor Center, which is

outside the Southwest region. Adjusting for this effect, public land visitation was up over 21 percent between 2003 and 2004. Visitations remained steady in 2005 and 2006.

While there continues to be significant variations for each unit, the regional trend is for increased usage of public lands. Katmai National Park & Preserve, for instance, realized a 25 percent visitation increase over the previous year, its largest amount since 2000. Figure 9.13 details public lands visitation in the region between 2000 and 2006.

Figure 9.12: Bed Tax Revenues 2001 - 2006 for those communities in Southwest Alaska that levy a bed tax

	Bed Tax							% change 05 to 06
	Rate	2001	2002	2003	2004	2005	2006	
Aleknagik	5.0	2,572	6,574	500	618	618	3,390	448.5
Atka	10.0	4,472	3,957	3,957	1,702	4,866	4,723	-2.9
Bristol Bay Borough	10.0	65,206	38,601	57,244	51,132	48,413	55,836	15.3
Cold Bay	10.0	941	12,581	16,536	19,900	19,901	20,150	1.3
Dillingham	10.0	49,125	47,772	39,162	40,444	42,305	46,852	10.7
False Pass	6.0				564	1,588		0.0
Kodiak	5.0	113,433	101,795	101,795	110,466	109,243	105,992	-3.0
Kodiak Island Borough	5.0	42,510	50,672	30,412	56,177	20,886	47,645	128.1
Lake & Peninsula Borough	6.0	131,838	124,006	117,639	134,509	136,844	165,883	21.2
Old Harbor	5.0						729	0.0
Port Lions	5.0	0	3,798	3,409	4,558	5,481		0.0
Sand Point	7.0	2,616	4,757	3,194	5,236	5,566	17,003	205.5
Unalaska		103,723	114,504	125,792	110,649	178,970	162,072	-9.4
Southwest Alaska		516,436	509,017	499,640	535,955	574,681	630,275	
% change from previous year		3.10	-1.40	-1.80	7.30	7.20	9.60	

Source: Alaska Taxable 2000 - 2006 plus additional data from communities

Figure 9.13: Visitation to Public Lands in Southwest Alaska

	2000	2002	2003	2004	2005	2006
Afognak Island State Park	122	1,161	793	1,205	758	839
Alaska Maritime National Wildlife Refuge	18,790	2,100	NA	180,000	150,000	150,000
Alaska Peninsula National Wildlife Refuge	2,066	NA	5,000	15,599	10,000	9,000
Aniakchak National Monument & Preserve	328	318	178	302	302	60
Becharof National Wildlife Refuge	2,188	1,700	5,000	12,228	6,000	4,000
Buskin River State Recreation Site	89,591	109,956	90,800	92,203	110,585	109,440
Fort Abercrombie State Historical Park	55,679	64,496	65,714	71,940	64,100	55,754
Izembek National Wildlife Refuge	1,850	2,935	4,000	3,900	3,800	4,000
Katmai National Park & Preserve	71,722	59,363	51,610	57,135	54,622	68,630
Kodiak National Wildlife Refuge	9,806	7,972	12,905	24,915	20,222	20,388
Lake Aleknagik State Recreation Site	53,278	61,060	65,434	69,243	77,853	80,998
Lake Clark National Park & Preserve	6,493	4,325	4,505	4,906	5,408	5,320
Pasagshak State Recreation Site	18,679	8,026	11,102	9,548	21,093	19,605
Shuyak Island State Park	1,613	2,046	1,356	1,710	1,320	1,345
Togiak National Wildlife Refuge	25,400	15,417	16,265	29,500	9,508	8,500
Wood-Tikchik State Park	41,374	46,900	49,088	51,600	57,270	59,577
Southwest Alaska Total	398,979	387,775	383,750	625,934	592,841	597,456

Source: Blended data from ADNR, USFWS, and NPS <http://www2.nature.nps.gov/stats/>

Figure 9.14: Southwest Alaska Municipal Tax Revenues

	2000	2002	2003	2004	2005	2006	% Change 00-06	% Change 05-06
Combined Tax Revenues	\$47,738,135	\$40,453,681	\$43,689,024	\$46,267,579	\$48,593,365	\$54,757,033	14.7	12.7
Real Value (2006 \$)	\$55,778,191	\$45,593,725	\$47,884,917	\$49,275,897	\$50,245,539	\$56,399,744	4.5	12.7

Source: Alaska Department of Commerce, Community & Economic Development; Alaska Taxable 2000 - 2006

Municipal Tax Revenues

Twenty-eight local governments collect at least one form of tax, including property taxes, sales taxes, special use taxes (lodging, fuel, cigarettes, liquor), or various forms of natural resource taxes. Figure 9.14 provides the combined totals of all local taxes collected by local governments in the region from 2000 to 2006.

In terms of absolute value, 2006 municipal tax revenues exceeded the 2005 level by 12.7 percent. In constant 2006 dollars, municipal tax revenues were at their highest levels since 2000.

Municipal tax revenues serve as a good general indicator for economic activity in those communities where they are levied. The region is hampered by the low volume of private property ownership that serves as the basis for generating and retaining wealth, as well as the tax base for education and community development.

SWAMC has prepared and submitted Mid-Point and Year-End Progress Reports to the Seattle Regional Office of the Economic Development Administration. These reports document actions taken to implement the CEDS over the past year.

In July 2007, the Board/CEDS Committee approved the latest CEDS update and adopted it by resolution 08-01. As a result of this fourth year of implementation under the current CEDS and a review of the related goals, the SWAMC CEDS Committee and Board of Directors have determined that the plan remains relevant to the conditions and circumstances of the region.

As the planning process continues with year five implementation of the CEDS, SWAMC seeks to broaden awareness of both the planning process and its implementation.

CEDS Distribution

SWAMC distributed the CEDS in hard copy form to each community and tribal government in the region. Additional copies were sent to the Alaska Congressional Delegation, key state and federal agencies, the Southwest Alaska Legislative Delegation, and funding partner agencies.

Other SWAMC members were notified that the CEDS was available on-line at the www.swamc.org web site. Additionally, the CEDS is available on the ARDOR web page on the State of Alaska's web site. Conversion to a new web site will enable SWAMC to track CEDS downloads, determine which sections are more frequently used, and provide reports to the Board and funding partners.

Annual Updates have been distributed via email and Web site downloads where possible. Hardcopy is sent to members and other stakeholders that do not have email or Web access.

SWAMC continues to receive positive feedback from members, regional stakeholders, funding partners and other agencies in regard to the quality, content, structure and usefulness of the CEDS.

Consistency Review

The CEDS is viewed as a living document by both the Board and staff. The integration of the action plan with the CEDS makes it a relevant reference throughout the process of its implementation.

The Board's January meetings are generally a time when all board members meet face to face and more in-depth discussion and analysis takes place. Based on a review of the mid-point progress report, the CEDS annual update, and other staff reports on a monthly basis, the Board has determined that the annual goals, objectives, and work plan outlined in the CEDS remain relevant.

The Board determined that the action plan, as presented in the CEDS and facilitated by SWAMC financial resources, is consistent with the goals and objectives set forth in the CEDS.

The Board chose to eliminate some tasks and consolidate other tasks to make certain elements of the plan more consistent and logical. These changes allow for better allocation of staff time and monetary resources over the final year of the CEDS.

The periodic progress reports presented

11.0 CEDS Progress Report & Performance Evaluation

to the Economic Development Administration document SWAMC's progress toward meeting the performance measures specified in the annual work plan. Action has been taken on each goal, objective and strategy.

Overall, the tasks assigned to year one implementation were probably too ambitious. However, as implementation proceeds, it is anticipated that SWAMC will add more tasks as progress is made and new issues are realized.

Goal Attainment

The following provides an internal assessment on progress made in implementing goals, objectives and strategies contained in the CEDS Action Plan, in its entirety:

Goal I: Economic Development

Facilitate and support efforts that retain and grow the region's wealth, including diversifying the economic base, resulting in optimal benefits for the residents of Southwest Alaska. (progress 60%/completion 45%)

Objective IA: Fisheries Development

Healthy, sustained yield fisheries that provide a dependable income to the communities, businesses, and residents of Southwest Alaska

Strategy IA.1: Monitor fisheries regulatory, management, and marketing issues that may impact Southwest Alaska fisheries and influence policies, management, and marketing initiatives to create a more stable fisheries economy in the region. (progress 65%/completion 40%)

Strategy IA.2: Engage the environmental community in an ongoing dialogue to

anticipate, avoid, and alleviate legal challenges that adversely impact the fisheries economy of Southwest Alaska (progress 65%/completion 40%)
Strategy IA.3: Facilitate and support industry, state, and local efforts to expand seafood marketing efforts and develop new seafood markets. (progress 35%/completion 25%)

Objective IB: Tourism Development
Increase jobs, taxes, capital investments, new business start-ups, and local wealth retention in the tourism sector

Strategy IB.1: Support the development and maintenance of a regional tourism marketing program. (progress 100%/completion 60%)

Strategy IB.2: Identify and develop niche tourism markets that increase opportunities for residents of Southwest Alaska.(progress 60%/completion 40%)

Strategy IB.3: Influence federal, state, and local policies and management plans regarding public lands, fish and wildlife resources, infrastructure, and marketing. (progress 50%/completion 35%)

Objective IC:
Regional Economic Planning

A comprehensive regional economic plan integrated with sub-regional and local planning efforts that focus on increasing wealth retention in the region and improving the quality of life.

Strategy IC.1: Coordinate an ongoing regional economic planning effort and supplemental research that highlights the economic needs and challenges of

Southwest Alaska (progress 100%/completion 20%)

Objective ID: Small Business

Net increases in new business start-ups result in increased jobs, taxes, capital investments, and wealth retention for the region.

Strategy ID.1: Determine methods to encourage and facilitate new businesses start-ups and provide technical assistance to existing businesses. (progress 50%/completion 35%)

Objective IE: Other Business and Resource Development

The economic base of Southwest Alaska is increasingly diversified through the development of non-fisheries resources and the expansion of other economic sectors thereby reducing the region's fisheries-dependency

Strategy IE.1: Encourage the development of natural resources and targeted industries that are compatible and complementary with existing development in Southwest Alaska and local community interests. (progress 75%/completion 40%)

Objective IF: Workforce Development
Residents of Southwest Alaska are well educated and trained to assume existing and emerging jobs within the region.

Strategy IF.1: Increase the capacity of individuals to participate effectively in the workplace, thereby improving their productivity and employability by aligning industry needs with job and skill training programs. (progress 50%/completion 40%)

Goal II: Community Development

Facilitate and support efforts to improve the quality of life for communities in Southwest Alaska, thereby creating an environment for sustainable economic development.

Objective II.A:

Infrastructure Development

The communities of Southwest Alaska have a sustainable public infrastructure sufficient to accommodate economic development and provide for an enhanced quality of life.

Strategy II.A.1: Facilitate the development of an integrated transportation infrastructure that expedites the movement of people and goods to, through, and out of Southwest Alaska thereby enhancing economic competitiveness and quality of life. (progress 75%/completion 40%)

Strategy II.A.2: Support efforts for Southwest Alaska communities, businesses and residents to have sufficient access to communication and information infrastructure to be competitive in world markets and realize educational, medical, and other benefits. (progress 75%/completion 40%)

Strategy II.A.3: Reduce energy costs, and promote energy efficiency and renewable energy sources throughout Southwest Alaska. (progress 60%/completion 40%)

Objective II.B: Health, Education and Public Safety Development:

The communities of Southwest Alaska offer a quality of life that ensures a competitive P – 12 education, post-secondary and vocational education opportunities, preven-

tative and emergent health care, and safety and justice for its residents.

Strategy II.B.1: Compare the quality of life in Southwest Alaska to other regions, averages for the State of Alaska, and national averages. (progress 100%/completion 80%)

Objective II.C:

Community Planning

Healthy, safe and functional communities in the Southwest Region that have established long term visions and accomplishable goals and plans for sustainable community development.

Strategy II.C.1: Provide guidance in creating community-based plans that are the foundation and guiding tool for community change. (progress 60%/completion 30%)

Goal III: Organizational Development

Expand and strengthen the ability of the Southwest Alaska Municipal Conference to advance the economic and social interests of southwest Alaska. (progress 75%/completion 65%)

Objective III.A: Communications

SWAMC maintains and engages an extensive network of partners in ongoing communication about the activities of the organization and the state of the region.

Strategy III.A.1: Increase and broaden communication between SWAMC, communities, borough, members, partner organizations, and the general public to build understanding about the region, its economy, and the needs of its residents. (progress 70%/completion 40%)

Objective B: Policy and Issue Advocacy

SWAMC influences the development of state and federal policies to create favorable outcomes for its communities, members, and partners.

Strategy III.B.1: Create consensus on regional and local issues that will advance the collective interests of the region. (progress 75%/completion 55%)

Objective C: Organizational Efficiency and Effectiveness

The Southwest Alaska Municipal Conference enjoys the visionary leadership of a fully engaged Board of Directors, contributions and participation of motivated volunteers, the productivity of a capable staff, and the involvement of interested and worthy partners. It is well-managed, financially secure, and progressive in developing programs and policies that further the collective interests of the region.

Strategy III.C.1: Volunteers: Engage municipal and associate members in leadership, committee, and other volunteer assignments to help guide and shape programs and policies. (progress 75%/completion 45%)

Strategy III.C.2: Membership Development: Increase municipal and private sector membership investments and participation in SWAMC. (progress 65%/completion 65%)

Strategy III.C.3: Finances and administration: Expand the financial resources and administrative capacities of the organization. (progress 95%/completion 45%)

Other Performance Measures

Quality of the Regional CEDS

Based on feedback from recipients and users of the CEDS, the economic analysis has proven to be very useful. Staff refers to the analysis regularly. Many inquiries about the region can be readily answered by or referred to the CEDS.

Additional measures have been added to the annual update to provide insights into underemployment, characteristics of the commercial seafood sector, natural resource development, and the regional population.

SWAMC's vision of sustainable development and improved quality of life continues to be appropriate to the economic development needs of the region. This vision illustrates not only the ongoing need for economic stabilization and diversification, but also the values of the organization and the communities it serves.

In 2005, SWAMC completed the first issue of the Southwest Alaska Quality of Life Index. The Index compares the region to statewide averages, the Municipality of Anchorage and Southeast Alaska. As the first effort of its kind in the state, the Index has garnered much attention for SWAMC as well as the issues highlighted in the report itself.

SWAMC has made reasonable progress on implementing the CEDS action plan, where funding and other resources have been available. The periodic progress reports to the EDA and the assessment in the previ-

ous section provide a benchmark for completion. Slippage has occurred on some tasks where funding is needed or collaboration from partner organizations or agencies is needed.

One addition to the previous year's work plan was the Seafood Harvesting Labor Data Project, funded by encumbered monies from the Steller Sea Lion Mitigation Project. It is anticipated this project may extend into year five of the plan as SWAMC solicits additional partners to seek a resolution and advocates for clearer data collection legislation.

In addition, with the assistance of an AmeriCorps VISTA volunteer, SWAMC initiated the Southwest Alaska Energy Project and empaneled a task force to work on energy issues. The current prices are significantly impacting the region, which already has high energy costs.

High energy costs are also impacting various economic activities in the region. Anecdotally, SWAMC is aware that some residents of the region are curtailing subsistence activities due to the high cost of fuel. Commercial seafood harvesters are also assessing the marginal values of additional fishing runs given increased marine fuel costs.

Communities have been forced to curtail public services. Such was the case of New Stuyahok, where the school burned because the city could not afford to heat the garage for the fire truck, and, therefore, where not able to effectively fight the fire.

SWAMC will continue the energy project

in year five. The energy task force is working on an energy plan that will more fully outline steps that must be taken regarding end-user efficiency, alternative energy, and alleviating the region's dependency on diesel. This effort will inform ongoing work on energy issues.

SWAMC will take on another AmeriCorps VISTA volunteer in Fall 2007 to coordinate the Project for Environmental Preservation in Southwest Alaska. This project seeks to solve some regional solid waste issues, ranging from landfill reduction and recycling programs to marine debris clean-up.

Participation

Board member attendance at regular meetings averaged 71 percent for the year. In addition to regular meetings, board members attended one strategic planning session in Anchorage, with an attendance rate of 81 percent. For the economic summit and annual meeting, the board member attendance was 85.5 percent.

SWAMC has six committees as previously defined in this report. All committees have met throughout the year.

SWAMC has actively engaged in communication and dissemination of information throughout the district via:

- Ongoing maintenance of the web site
- News releases
- Media coverage and interviews
- Workshops
- Email notices
- Resolutions
- Reports and other mailings.

SWAMC seeks to continue this effort with enhancements to the www.swamc.org Web

site and by continuing to provide members with ways to customize the types and frequency of communication received.

The Board continues to seek ways to improve member communications and awareness of the district, in general. Two tasks that will be further implemented during the next year are: developing quarterly or semi-annual economic development teleconferences; and monthly summary emails to those members, elected leaders, and interested stakeholders that opt-in to receive such mailings.

Hours staff/volunteer activity

Volunteers committed an estimated 2,445 hours to SWAMC meetings and activities between July 2006 and June 2007. This is on par with previous years.

SWAMCs staff of four worked 8,400 hours during its FY07.

Appendix B: CEDS Action Plan

Goal I: Economic Development: Facilitate and support efforts that retain and grow the region's wealth, including diversifying the economic base, resulting in optimal benefits for the residents of Southwest Alaska.

Objective A: Fisheries Development: Healthy, sustained yield fisheries that provide a dependable income to the communities, businesses, and residents of Southwest Alaska (continued)									
Strategy 2: Engage the environmental community in an ongoing dialogue to anticipate, avoid, and alleviate legal challenges that adversely impact the fisheries economy of Southwest Alaska									
SWAMC Role and Partners:	Tactics and Tasks:	FY 08				FY09			
		1 st Q	2 nd Q	3rd Q	4 th Q	1 st Q	2 nd Q	3rd Q	4 th Q
SWAMC Fisheries Committee: <ul style="list-style-type: none"> Liaison with environmental groups Review/modify MOA/POC models Make recommendations to the Board Presentation to membership SWAMC Board: <ul style="list-style-type: none"> Monitor coalition building process Review/approve any MOA/POC SWAMC Staff: <ul style="list-style-type: none"> Facilitate work of the Fisheries Committee Research/draft MOA/POC Partners: Ocean Conservancy, Oceania, Green Peace, Communities, Boroughs, Tribal Entities, Harvesters, Processors, Allied fisheries organizations, Marine Conservation Association, World Wildlife Fund, The Nature Conservancy	a. Establish relationships with targeted environmental groups that have been active in influencing fisheries policies to develop new paradigm of interaction.								
	b. Facilitate the work of the Pribilof Islands Ecosystem Stakeholders Working Group	→							
	c. Encourage regional collaboration on marine debris removal using VISTA environmental preservation project.								
Measures: # landed, ex-vessel value, resident permittees and crew members participation rates									

Goal I: Economic Development: Facilitate and support efforts that retain and grow the region's wealth, including diversifying the economic base, resulting in optimal benefits for the residents of Southwest Alaska.

Objective B: Tourism Development: Increase jobs, taxes, capital investments, new business start-ups, and local wealth retention in the tourism sector

Strategy 1: Support the development and maintenance of a regional tourism marketing program.

SWAMC Role and Partners:	Tactics and Tasks:	FY 08				FY09			
		1 st Q	2 nd Q	3 rd Q	4 th Q	1 st Q	2 nd Q	3 rd Q	4 th Q
SWAMC Tourism Committee: <ul style="list-style-type: none"> Review and recommend web site policies Review and recommend guide distribution plan Review, edit, and recommend content changes Evaluate effectiveness of marketing tactics 	a. Maintain and promote the SouthwestAlaska.com Web site								
	b. Southwest Alaska Vacation Guide								
	c. Maintain a thorough inventory of tourism businesses and attractions								
	d. Maintain and distribute interactive CD vacation guide								
SWAMC Board: <ul style="list-style-type: none"> Review Committee recommendations Make referrals and recommendations SWAMC Staff: <ul style="list-style-type: none"> Facilitate work of Tourism Committee Draft policies, strategies, plans Make content recommendations Coordinate with contractors Partners: Boroughs, Communities, Tribal Entities Tourism Businesses, Public Land Agencies, APLIC, contractors, CVBs, Members, Village and Regional Corporations, Chambers of Commerce, Alaska Office of Tourism, AWRTA, ATIA, other tourism development entities	Measures: public lands visitation, bed tax revenues, guide distributions, enplanements/deplanements, ferry embarkations/disembarkations, cruise ship embarkations/disembarkations								

Goal I: Economic Development: Facilitate and support efforts that retain and grow the region's wealth, including diversifying the economic base, resulting in optimal benefits for the residents of Southwest Alaska.

Objective B: Tourism Development: Increase jobs, taxes, capital investments, new business start-ups, and local wealth retention in the tourism sector

Strategy 2: Identify and develop niche tourism markets that increase opportunities for residents of Southwest Alaska.

SWAMC Role and Partners:	Tactics and Tasks:	FY 08				FY09				
		1 st Q	2 nd Q	3 rd Q	4 th Q	1 st Q	2 nd Q	3 rd Q	4 th Q	
SWAMC Tourism Committee: <ul style="list-style-type: none"> Develop and recommend workshop content Review and recommend guide distribution plan 	a. Develop a regionwide cultural tourism strategy									→
	b. Develop a regional plan to expand small ship cruising and yachting in Southwest Alaska.									→
	c. Promote the Alaska Marine Highway as a National Scenic Byway									→
SWAMC Board: <ul style="list-style-type: none"> Review Committee recommendations Make referrals and recommendations 	Measures: public lands visitation, bed tax revenues, guide distributions, enplanements/deplanements, ferry embarkations/disembarkations, cruise ship embarkations/disembarkations									
SWAMC Staff: <ul style="list-style-type: none"> Facilitate work of Tourism Committee Workshop logistics and promotion Make content recommendations Coordinate with contractors 										
Partners: Boroughs, Communities, Tribal Entities, Tourism Businesses, Public Land Agencies, APLIC, contractors, ADOT/PF, Northwest Cruise Association, CLIA, Cruise Lines, SE Stevedores, Village and Regional Corporations										

Goal I: Economic Development: Facilitate and support efforts that retain and grow the region's wealth, including diversifying the economic base, resulting in optimal benefits for the residents of Southwest Alaska.

Objective B: Tourism Development: Increase jobs, taxes, capital investments, new business start-ups, and local wealth retention in the tourism sector

Strategy 3: Influence federal, state, and local policies and management plans regarding public lands, fish and wildlife resources, infrastructure, and marketing.

SWAMC Role and Partners:	Tactics and Tasks:	FY 08				FY09				
		1 st Q	2 nd Q	3 rd Q	4 th Q	1 st Q	2 nd Q	3 rd Q	4 th Q	
<p>SWAMC Tourism Committee:</p> <ul style="list-style-type: none"> • Develop and review advocacy statements • Develop partnership and cooperative marketing agreements <p>SWAMC Board:</p> <ul style="list-style-type: none"> • Review Committee recommendations • Make referrals and recommendations <p>SWAMC Staff:</p> <ul style="list-style-type: none"> • Facilitate work of Tourism Committee • Draft advocacy statements • Draft partnership and cooperative agreements • Maintain agency and other partner contacts <p>Partners: Boroughs, Communities, Tribal Entities, Tourism Businesses, Public Land Agencies, Fish and Wildlife Agencies, ATIA, DCED</p>	a. Advocate better representation for the southwest region in tourism marketing efforts funded by the State of Alaska									→
	b. Advocate for additional infrastructure or infrastructure enhancements that accommodate access, egress, disbursement, and comfort of visitors.									→
	c. Network with all public land and fish/wildlife agencies in the region									→
	Measures: public lands visitation, bed tax revenues, guide distributions, enplanements/deplanements, ferry embarkations/disembarkations, cruise ship embarkations/disembarkations									

Goal I: Economic Development: Facilitate and support efforts that retain and grow the region's wealth, including diversifying the economic base, resulting in optimal benefits for the residents of Southwest Alaska.

Objective C: Regional Economic Planning: A comprehensive regional economic plan integrated with sub-regional and local planning efforts that focus on increasing wealth retention in the region and improving the quality of life.

Strategy 1: Coordinate an ongoing regional economic planning effort and supplemental research that highlights the economic needs and challenges of Southwest Alaska.

SWAMC Role and Partners:	Tactics and Tasks:	FY 08				FY09			
		1 st Q	2 nd Q	3 rd Q	4 th Q	1 st Q	2 nd Q	3 rd Q	4 th Q
SWAMC CEDS Committee: <ul style="list-style-type: none"> Review economic analysis Provide local and sub-regional insights Evaluate economic performance, CEDS document Participate in CEDS planning retreat(s) 	a. Produce and maintain a Comprehensive Economic Development Strategy/Regional Plan(CEDS/RP) that meets or exceeds the requirements of EDA and DCCED								
	b. Continue dissemination of Economic Geography Study and Seafood Harvesting Labor Data report								
	c. Hold an Economic Summit/Annual Meeting each year in January			X				X	
SWAMC Board: <ul style="list-style-type: none"> Review/approve economic analysis and CEDS document Referrals/recommendations to staff Primary review and comments on the Economic Geography study Review and approve final draft of economic geography study 									
SWAMC Staff: <ul style="list-style-type: none"> Draft economic analysis and draft CEDS document Conduct needs assessments and other community surveys as applicable Maintain CIP Data Base Coordinate with research contractor Facilitate work of CEDS Committee and Board of Directors. 									
Partners: Communities, Boroughs, Tribal Entities, Members, EDA, DCCED,	Measures: CEDS and updates; conference evaluation								

Goal I: Economic Development: Facilitate and support efforts that retain and grow the region's wealth, including diversifying the economic base, resulting in optimal benefits for the residents of Southwest Alaska.

Objective D: Small Business Development: Net increases in new business start-ups result in increased jobs, taxes, capital investments, and wealth retention for the region.

Strategy 1: Determine methods to encourage and facilitate new businesses start-ups and provide technical assistance to existing businesses.

SWAMC Role and Partners:	Tactics and Tasks:	FY 08				FY09			
		1 st Q	2 nd Q	3 rd Q	4 th Q	1 st Q	2 nd Q	3 rd Q	4 th Q
SWAMC Board: <ul style="list-style-type: none"> Review/approve barriers/technical assistance report and recommendations Referrals and recommendations to staff Review and reference the Economic Geography study SWAMC Staff: <ul style="list-style-type: none"> Research barriers and technical assistance needs of small businesses Draft plan/make recommendations to overcome barriers Research distance delivery methods Partners: Communities, Boroughs, Tribal Entities, Members, UAA/SBDC; Chambers of Commerce;	a. Support local, regional, and state efforts to provide small business support and technical assistance in the region								
	b. Network with agencies, partners providing or intending to provide small business training								
	c. Support efforts of harvesters to apply transferable skills to other businesses and sectors.								
	d. Partner with the Alaska Manufacturing Extension Partnership to increase manufacturing efficiency and expand manufacturing base, including cottage industries.								
Measures: # of new businesses; total # of business licenses									

Goal I: Economic Development: Facilitate and support efforts that retain and grow the region's wealth, including diversifying the economic base, resulting in optimal benefits for the residents of Southwest Alaska.

Objective E: Other Business and Resource Development: The economic base of Southwest Alaska is increasingly diversified through the development of non-fisheries resources and the expansion of other economic sectors thereby reducing the region's fisheries-dependency

Strategy 1: Encourage the development of natural resources and targeted industries that are compatible and complementary with existing development in Southwest Alaska and local community interests.

SWAMC Role and Partners:	Tactics and Tasks:	FY 08				FY09				
		1 st Q	2 nd Q	3 rd Q	4 th Q	1 st Q	2 nd Q	3 rd Q	4 th Q	
SWAMC Board: <ul style="list-style-type: none"> Review/approve prospectus Referrals and recommendations to staff Review/approve support efforts Establish/approve data base policies SWAMC Staff: <ul style="list-style-type: none"> Inventory local oil and mineral development efforts Recommend regional strategies for oil and mineral development Establish process and determine funding for targeted industries study Develop regional prospectus Develop data base and solicit listings Partners: Communities, Boroughs, Tribal Entities, Members, Village and Regional Corporations	a. Support local efforts to develop oil and mineral resources and identify opportunities for regional strategies and cooperation									
	b. Identify targeted industries that might benefit from co-location with commercial fisheries or realize locational advantages in Southwest Alaska									
	c. Participate with the Alaska Brownfields Coalition to encourage reuse and redevelopment abandoned land/buildings.									
Measures: exploration activity in oil and gas, mineral sectors; brownfields assessments in region										

Goal I: Economic Development: Facilitate and support efforts that retain and grow the region's wealth, including diversifying the economic base, resulting in optimal benefits for the residents of Southwest Alaska.

Objective F: Workforce Development: Residents of Southwest Alaska are well educated and trained to assume existing and emerging jobs within the region.

Strategy 1: Increase the capacity of individuals to participate effectively in the workplace, thereby improving their productivity and employability by aligning industry needs with job and skill training programs.

SWAMC Role and Partners:	Tactics and Tasks:	FY 08				FY09			
		1 st Q	2 nd Q	3 rd Q	4 th Q	1 st Q	2 nd Q	3 rd Q	4 th Q
<p>SWAMC Board:</p> <ul style="list-style-type: none"> Review compilation of resources and make recommendations Establish policies for worker data base <p>SWAMC Staff:</p> <ul style="list-style-type: none"> Identify and compile resources Survey key sectors re: training needs Coordinate with partner agencies on workshop/training scheduling Develop worker data base and solicit entries Promote data base to contractors, etc. <p>Partners: Communities, Boroughs, Tribal Entities, Members, AWIB, ADOL&WD, Job Centers, Alaska Association of Human Resource Managers, Alaska Manufacturers' Association, Village and Regional Corporations</p>	a. Facilitate the Southwest Alaska Workforce Development Council								→
	b. Facilitate development of a regional capacity building strategy								→
	c. Coordinate regional efforts with the Alaska Workforce Investment Board ADOL Div. of Business Partnerships.								→
	d. Encourage collaboration and integration between educational institutions and businesses.								→
	e. Encourage utilization of distance-delivery training methods								→
<p>Measures: labor force participation rate; discouraged worker estimates, unemployment rate</p>									

Goal II: Community Development: Facilitate and support efforts to improve the quality of life for communities in Southwest Alaska, thereby creating an environment for sustainable economic development.

Objective A: Infrastructure Development: The communities of Southwest Alaska have a sustainable public infrastructure sufficient to accommodate economic development and provide for an enhanced quality of life.

Strategy 1: Facilitate the development of an integrated transportation infrastructure that expedites the movement of people and goods to, through, and out of Southwest Alaska thereby enhancing economic competitiveness and quality of life.

SWAMC Role and Partners:	Tactics and Tasks:	FY 08				FY09				
		1 st Q	2 nd Q	3 rd Q	4 th Q	1 st Q	2 nd Q	3 rd Q	4 th Q	
<p>SWAMC Infrastructure Committee:</p> <ul style="list-style-type: none"> • Liaison with agencies, partners • Evaluate policies, alternatives • Draft SWAMC positions <p>SWAMC Board:</p> <ul style="list-style-type: none"> • Review Committee recommendations • Make referrals and recommendations <p>SWAMC Staff:</p> <ul style="list-style-type: none"> • Facilitate work of Infrastructure Committee • Distribute information to members and communities • Collect and prepare comments • Distribute comments as directed <p>Partners: Alaska Marine Highway System, Communities, Boroughs, Community Development Quotas, Denali Commission Tribal Entities, State Department of Transportation, Federal Highway Administration, Bureau of Indian Affairs, Alaska Congressional Delegation</p>	a. Increase funding from State, Federal, and Tribal Funding Partners for transportation and infrastructure.									
	b. Maintain a comprehensive, prioritized, online inventory of community infrastructure needs.									
	c. Advocate for the full and timely implementation of the Southwest Alaska Transportation Plan.									
	d. Revise CIP criteria to focus communities and CEDS strategies on projects with the greatest potential for sustainable economic impact.									
<p>Measures: SWAMC community projects accurately reflected in STIP; comprehensive capital projects lists from all SWAMC communities; regional prioritization of capital projects aligned with DOT; completed seafood supply chain technical update to the Southwest Alaska Transportation Plan</p>										

Goal II: Community Development: Facilitate and support efforts to improve the quality of life for communities in Southwest Alaska, thereby creating an environment for sustainable economic development.

Objective A: Infrastructure Development: The communities of Southwest Alaska have a sustainable public infrastructure sufficient to accommodate economic development and provide for an enhanced quality of life.									
Strategy 2: Support efforts for Southwest Alaska communities, businesses and residents to have sufficient access to communication and information infrastructure to be competitive in world markets and realize educational, medical, and other benefits									
SWAMC Role and Partners:	Tactics and Tasks:	FY 08				FY09			
		1 st Q	2 nd Q	3 rd Q	4 th Q	1 st Q	2 nd Q	3 rd Q	4 th Q
SWAMC Infrastructure Committee: <ul style="list-style-type: none"> Liaison with agencies, partners Evaluate policies, alternatives Draft SWAMC positions SWAMC Board: <ul style="list-style-type: none"> Review Committee recommendations Make referrals and recommendations SWAMC Staff: <ul style="list-style-type: none"> Facilitate work of Infrastructure Committee Distribute information to members and communities Collect and prepare comments Distribute comments as directed Partners: Communities, Boroughs, Denali Commission, Private Telecommunications Entities, RCA, Alaska Department of Military & Veterans Affairs	a. Advocate for the development of a fiber optic backbone with the potential to provide broadband access to communities in Southwest Alaska in conjunction with homeland security initiatives.								
	Measures: community access rates/broadband deployment								

Goal II: Community Development: Facilitate and support efforts to improve the quality of life for communities in Southwest Alaska, thereby creating an environment for sustainable economic development.

Objective A: Infrastructure Development: The communities of Southwest Alaska have a sustainable public infrastructure sufficient to accommodate economic development and provide for an enhanced quality of life.

Strategy 3: Reduce the energy costs, and promote energy efficiency and renewable energy sources throughout Southwest Alaska.

	Tactics and Tasks:	FY 08				FY09			
		1 st Q	2 nd Q	3 rd Q	4 th Q	1 st Q	2 nd Q	3 rd Q	4 th Q
SWAMC Role and Partners:	a. Continue AmeriCorps VISTA project to assist with Energy Strategy Tactics & Tasks.								→
	b. Maintain and distribute a survey of energy costs in the region								→
SWAMC Energy Committee: <ul style="list-style-type: none"> • Liaison with agencies, partners • Evaluate policies, alternatives • Draft SWAMC positions 	c. Represent the energy issues of Southwest Alaska to Alaska Energy Authority, Denali Commission, Legislature, Congressional Delegation and others								→
	d. Develop an end-use energy efficiency strategy for the region and seek funding sources for implementation.								→
SWAMC Board: <ul style="list-style-type: none"> • Review Committee recommendations • Make referrals and recommendations 	e. Support and facilitate research and development of alternative energy in the region.								→
	SWAMC Staff: <ul style="list-style-type: none"> • Facilitate work of Energy Committee • Distribute information to members and communities • Collect and prepare comments • Distribute comments as directed 								
Partners: Alaska Energy Authority, Regional Utilities, Denali Commission, USDA Rural Development, Bristol Bay Energy Task Force, Tribal Entities, Communities, Boroughs, DOE, Village and Regional Corporations	Measures: Comprehensive database of energy costs in Southwest Alaska; inclusive list of alternative energy projects in Southwest region; \$/kwh;								

Goal II: Community Development: Facilitate and support efforts to improve the quality of life for communities in Southwest Alaska, thereby creating an environment for sustainable economic development.

Objective B: Health, Education and Public Safety Development: The communities of Southwest Alaska offer a quality of life that ensures a competitive P – 12 education, post-secondary and vocational education opportunities, preventative and emergent health care, clean and healthy communities, and safety and justice for its residents.

Strategy 1: Compare the quality of life in Southwest Alaska to other regions, averages for the State of Alaska, and national averages.

SWAMC Role and Partners:	Tactics and Tasks:	FY 08				FY09			
		1 st Q	2 nd Q	3 rd Q	4 th Q	1 st Q	2 nd Q	3 rd Q	4 th Q
<p>SWAMC Health, Education and Public Safety Committee:</p> <ul style="list-style-type: none"> • Liaison with agencies, partners • Evaluate policies, alternatives • Draft SWAMC positions <p>SWAMC Board:</p> <ul style="list-style-type: none"> • Review Committee recommendations • Make referrals and recommendations <p>SWAMC Staff:</p> <ul style="list-style-type: none"> • Facilitate work of HEPS • Distribute information to members and communities • Collect and prepare comments • Distribute comments as directed <p>Partners: Cities, Boroughs, Tribal Entities, DHSS, Libraries, Bureau of Vital Statistics, DOL,</p>	a. Continue to disseminate information from the Quality of Life Index for Southwest Alaska that captures the uniqueness and needs of Southwest communities and that will aid in informing policy makers.								
	b. Develop plan to improve quality of life performance for critical and priority areas identified by QOL Index and supported by communities and members.								
	c. Using AmeriCorps VISTA project, develop regional strategy to facilitate environmental clean-up, landfill reduction, and recycling centers.								
	d. Inform communities and residents about impacts of possible global pandemics, global warming, and other disasters; assist communities with preparedness.								
	Measures: Index created/published; findings reported to communities/members; improvement plan developed, means to implement plan obtained, implementation of plan; solid waste strategy developed with means to implement.								

Goal III: Organizational Development: Expand and strengthen the ability of the Southwest Alaska Municipal Conference to advance the economic and social interests of southwest Alaska.

Objective A: Communications: SWAMC maintains and engages an extensive network of partners in ongoing communication about the activities of the organization and the state of the region.

Strategy 1: Increase and broaden communication between SWAMC, communities, borough, members, partner organizations, and the general public to build understanding about the region, its economy, and the needs of its residents.

SWAMC Role and Partners:	Tactics and Tasks:	FY 08				FY09			
		1 st Q	2 nd Q	3 rd Q	4 th Q	1 st Q	2 nd Q	3 rd Q	4 th Q
<p>SWAMC Board:</p> <ul style="list-style-type: none"> Review/approve staff recommendations Provide occasional content for newsletter, web site, and news releases. <p>SWAMC Staff:</p> <ul style="list-style-type: none"> Write and produce newsletter Coordinate with print house Write and distribute email notices Review and recommend changes to Web Site Complete changes possible in-house Coordinate with Web contractor as possible. Plan workshops and meetings <p>Partners: Cities, Boroughs, Tribal Entities, Media Outlets, members, contractors</p>	a. Disseminate information about SWAMC program, activities, and positions								
	b. Develop and implement member and partner feedback opportunities via web-based surveys and other mediums		X				X		
	c. Issue news releases, seek editorial board meetings, and hold news conferences as needed.								
	d. Hold technical assistance workshops		X				X		
	e. Hold an Economic Summit and Annual Meeting each year in January				X				X
<p>Measures: 12 newsletter issues published and distributed; # of email notices produced; Web site updated; web surveys fielded and response samples; news releases issues; column inches and broadcast minutes of coverage about SWAMC and region</p>									

Goal III: Organizational Development: Expand and strengthen the ability of the Southwest Alaska Municipal Conference to advance the economic and social interests of southwest Alaska.

Objective B: Policy and Issue Advocacy: SWAMC influences the development of state and federal policies to create favorable outcomes for its communities, members, and partners.

Strategy 1: Create consensus on regional and local issues that will advance the collective interests of the region.

SWAMC Role and Partners:	Tactics and Tasks:	FY 08				FY09			
		1 st Q	2 nd Q	3 rd Q	4 th Q	1 st Q	2 nd Q	3 rd Q	4 th Q
<p>SWAMC Legislative Committee</p> <ul style="list-style-type: none"> Suggest and review legislative policy and priority recommendations from members Categorize/regionalize legislative policies and priorities Make recommendations to the Board <p>SWAMC Board:</p> <ul style="list-style-type: none"> Review/approve Legislative Committee Recommendations Communicate legislative priorities to decision-makers Adjudicate resolution adoption process <p>SWAMC Staff:</p> <ul style="list-style-type: none"> Solicit resolutions and issue identification from members Compile and cross-reference resolutions and legislative priorities Distribute resolutions and legislative priorities to targeted audiences <p>Partners: Cities, Boroughs, Tribal Entities, Governor Palin, Alaska Legislature, Alaska Congressional Delegation, all state and federal departments</p>	a. Address reduction in state funds to municipalities/local communities			X					
	b. Provide municipalities and members with a resolution process to advance local and regional issues for SWAMC support								→
	c. Maintain an ongoing record of SWAMC positions								→
	d. Produce and distribute an annual compilation of legislative priorities; mayors to advocate for priorities								→
	e. Advocate for state and federal funding to implement state and federal mandates								→
<p>Measures: # of resolutions adopted; legislative positions drafted/distributed</p>									

Goal III: Organizational Development: Expand and strengthen the ability of the Southwest Alaska Municipal Conference to advance the economic and social interests of southwest Alaska.

Objective C: Organizational Efficiency and Effectiveness: The Southwest Alaska Municipal Conference enjoys the visionary leadership of a fully engaged Board of Directors, contributions and participation of motivated volunteers, the productivity of a capable staff, and the involvement of interested and worthy partners. It is well-managed, financially secure, and progressive in developing programs and policies that further the collective interests of the region.

Strategy 1: Volunteers: Engage municipal and associate members in leadership, committee, and other volunteer assignments to help guide and shape programs and policies.

SWAMC Role and Partners:	Tactics and Tasks:	FY 08				FY09					
		1 st Q	2 nd Q	3 rd Q	4 th Q	1 st Q	2 nd Q	3 rd Q	4 th Q		
SWAMC Board: <ul style="list-style-type: none"> Recommend/approve Committee structures and members Name/appoint task forces/work groups Review/approve Committee recommendations Refer issues to Committees Evaluate executive director SWAMC Staff: <ul style="list-style-type: none"> Schedule/facilitate board, committee, and other meetings Arrange meeting logistics and details Prepare and distribute agenda packets Prepare and distribute meeting follow-up materials Partners: Cities, Boroughs, Tribal Entities, Members	a. Regular meetings of the SWAMC Board of Directors to provide leadership, review performance, and give staff direction									→	
	i. Monthly teleconferences	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX		
	ii. Evaluate E.D. performance		X				X				
	iii. Planning/evaluation retreat	X								X	
	b. Maintain a cadre of SWAMC Committees actively providing input and suggestions on SWAMC programs and policies										→
	i. Monthly or as needed teleconferences										→
	c. Task Forces/Work Groups established as needed to address specific issues										→
	Measures: # of Board meetings held; board member participation rates; # of Committee meetings held; # of volunteer hours; # of task force/work group meetings held.										

Goal III: Organizational Development: Expand and strengthen the ability of the Southwest Alaska Municipal Conference to advance the economic and social interests of southwest Alaska.

Objective C: Organizational Efficiency and Effectiveness: The Southwest Alaska Municipal Conference enjoys the visionary leadership of a fully engaged Board of Directors, contributions and participation of motivated volunteers, the productivity of a capable staff, and the involvement of interested and worthy partners. It is well-managed, financially secure, and progressive in developing programs and policies that further the collective interests of the region.

Strategy 2: Membership Development: Increase municipal and private sector membership investments and participation in SWAMC.

SWAMC Role and Partners:	Tactics and Tasks:	FY 08				FY09					
		1 st Q	2 nd Q	3 rd Q	4 th Q	1 st Q	2 nd Q	3 rd Q	4 th Q		
SWAMC Board: <ul style="list-style-type: none"> Review/approve membership benefits and fees Review member satisfaction levels Review/approve recruitment tools Review membership status reports SWAMC Staff: <ul style="list-style-type: none"> Analyze member benefits/costs Report to Board Develop member recruitment tools Report membership status Develop member survey Compile and report member satisfaction survey findings Partners: Cities, Boroughs, Tribal Entities, Targeted Businesses, Other economic development entities	a. Maintain membership program									→	
	b. Develop, maintain, and distribute membership recruitment tools									→	
	c. Increase municipal member participation to 75% by 2008									→	
	d. Recruit new private sector members	X				X					
	e. Conduct a membership satisfaction survey to gauge program.										
	i. Develop survey		→ X				→ X				
	ii. Field survey biennially		X				X				
	iii. Report findings			X				X			
	Measures: # of membership recruitment solicitations; # of new memberships; benchmark membership satisfaction measures/improvement in membership satisfaction; % of total revenues derived from memberships.										

Appendix C: Community Improvement Projects