

2021-2026 KODIAK RURAL REGIONAL

Comprehensive Economic Development Strategy

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Kodiak Alutiiq Cultural Values

We are the descendants of Sugpiaq, *the Real People*. Understanding our environment and the events that have shaped our lives and created the culture of our ancestors is vital for our children’s cultural survival. The history of our People and our place in the world is a part of who we are today. Kodiak Sugpiaq must learn and pass on to younger generations our understanding of our natural world: the sky, land, water and the animals. As we meet the challenge of living in the 21st century, we must continue to live in honor of those things we value:

cuqllipet - Our Elders

Sugt'stun niuwacipet - Our heritage language

ilapet - Family and the kinship of our ancestors and living relatives

nunapet - Ties to our Homeland

unguwacirpet - A subsistence lifestyle, respectful of and sustained by the natural world

picipet uswituu'uq - Traditional arts, skills and ingenuity

agayumaukut - Faith and a spiritual life, from ancestral beliefs to the diverse faiths of today

ilakuisngukut - Sharing: we welcome everyone

englarstasngukut - Sense of humor

liicirpet - Learning by doing, observing and listening

Nunapet carlia'arluki - Stewardship of the animals, land, sky and waters

sugtanartukut - Trust

suupet - Our people: we are responsible for each other and ourselves

ling'aklluki - Respect for self, others and our environment is inherent in all of these values.

Native Educators of the Alutiiq Region

Alutiiq Elder's Council the Alutiiq Academy of Elder

UAF Alaska Native Knowledge Network

The following page is pulled directly from Koniag, Inc. website.

INTRODUCTION: KODIAK AREA NATIVE ASSOCIATION (KANA)

This *Comprehensive Economic Development Strategy* was developed by the Kodiak Area Native Association (KANA) in collaboration with individuals and organizations at local and regional levels. The assembled data reveals the complex economic issues facing the Alutiiq people of the Koniag Region. This southern region of Alaska is comprised of two distinct areas: a small coastal strip of the Alaska Peninsula that includes parts of the Katmai National Park and Preserve, Becharof National Wildlife Refuge, and Aniakchak National Monument and Preserve—and, separated from the mainland by the roughly 30-mile wide Shelikof Strait, a band of Islands known as Kodiak Archipelago, the largest of which is Kodiak Island.

The archipelago’s main commerce center is the City of Kodiak, which is connected to the remainder of what is called the “Kodiak Road System” includes the United States Coast Guard base, Bell’s Flats, Chiniak, and Pasagshak neighborhoods. The region includes six outlying Alaska Native villages: Akhiok, Karluk, Larsen Bay, Old Harbor, Ouzinkie, and Port Lions. Coupled with the island’s commercial fishing industry and robust Alutiiq heritage are the state’s highest living costs, economically disadvantaged communities, and a host of distinct needs that demand an in-depth comprehension of what precisely is required to conduct a prosperous life on an island with merely 40 miles of road—to which many of its residents have no access, and are confined to air or water for all travel.

Responsive to the diverse needs of the island's population, KANA was established as a 501(c)(3) nonprofit corporation in 1966 and operates through resolutions from nine regional Tribal Governments under Public Law (PL) 93-638, the Indian Self Determination and Education Assistance Act (ISDEAA). KANA provides primary medical, dental, behavioral health, and wrap-around services. This delivery reaches over 3,000 Native residents and takes place at 15 facilities throughout the region.

Historically, nonprofit corporations such as KANA were formed throughout Alaska prior to the Alaska Native Claims Settlement Act (ANCSA). ANCSA was signed into law by President Richard Nixon in December of 1971 and constitutes the largest land claims settlement in United States history at the time. ANCSA is essentially an agreement between the United States Government and Alaska Native Tribes, intended to resolve long-standing disputes regarding Indigenous settlements and stimulate economic development throughout the state of Alaska. The legislation distributed land to Native village and regional entities to establish for-profit corporations, each of which formed a separate non-profit entity to assist Alaska Natives with health and social services.

Today, KANA suffices that need and works diligently to ensure the collective well-being of both the Alaska Native and general populations of the Koniag Region. Through helping foster healthy thriving communities, KANA is committed to elevating quality of life for those we serve.

US ECONOMIC DEVELOPMENT ADMINISTRATION NATIVE PLANNING GRANT

KANA is a recipient of the U.S. Economic Development Administration (EDA) Native Planning Grant, under which the organization dedicates resources to programs and activities that enhance the fiscal prosperity of our Native communities.

With the goal of improving the economic prowess of the Koniag Region, the Economic Development department works diligently under KANA's Community Services function, collaborating with City and Borough officials, involved private entities, and Tribal governments.

It was agreed upon by the participants of our regional Comprehensive Economic Development Strategy (CEDS) planning meeting that this document will be named the "Kodiak Archipelago Rural Regional Community Plan." This Economic Development Planning project will focus on serving the six village communities located in the Kodiak Archipelago (Akhiok, Karluk, Larsen Bay, Old Harbor, Ouzinkie, and Port Lions) and the Kodiak road system as the hub for the village communities. The Kodiak road system includes the City of Kodiak, the United States Coast Guard base, Chiniak, and areas in between. The Kodiak road system contains services and businesses that support the rural areas of the region. Increasing economic prosperity in the hub community is necessary to increase the economic prosperity of the village communities.

EDA Authorized Scope of Work

The following page is pulled directly from the EDA's Notice of Award for this project and describes the scope of work required.

The EDA investment will be used to support long-term economic development planning efforts, including the development, implementation, and annually updated CEDS which is designed to bring together the public and private sectors in the creation of an economic development roadmap to diversify and strengthen the designated area economy. The scope of work will include the following elements:

Comprehensive Economic Development Strategy:

Establish and maintain a CEDS process, which must include an economic development plan and procedures for monitoring its implementation. In addition to the requirements currently noted in 13 CFR § 303.7, Recipients shall include an economic resiliency component in the CEDS. This component may specifically focus on a strategy to promote disaster resiliency but is encouraged to be a broader analysis about the economic resiliency of the area economy and contain a list of implementation priorities and actions items to stabilize and support the designated area overall economic resiliency.

Partnership Coordination:

Coordinate economic development planning with other economic development partners such as: University Centers, chambers of commerce, business associations, Tribes, local and state government economic development departments and EDA-funded entities.

Building Staff Capacity and Management Strength:

Provide staff support and training to develop skills and management expertise that will expand the entity's ability to seek, obtain and successfully implement other economic opportunities within the district. Priority should be placed on EDA Grant applications.

Technical Assistance:

Provide technical assistance as appropriate to member agencies regarding topics such as industrial parks, land use regulations, grant training workshops, district committees, economic development programs, business development, tribal entity or local governments.

Other Activities:

Complete other economic development-related planning activities as approved in writing by EDA.

EXECUTIVE SUMMARY

KANA has updated the 2021 to 2026 Comprehensive Economic Development Strategy (CEDS) for the 3rd Annual update in 2024. Information gathered for this CEDS has occurred directly through stakeholder engagement and indirectly through research and observation. This performance period began on July 1, 2023, with a truncated grant period ending on March 31, 2024. Stakeholder engagement for this annual update focused on confirming content validity with community and organization leaders.

Creating and maintaining a Comprehensive Economic Development Strategy is a continual process that requires observation, reflection, and participation in conferences, work groups, and boards. The compilation of large amounts of information gathered from talking to people; reading reports, newspapers, journals, and books; and many more sources is only the start. Arranging all of the ideas, concepts, and information into a logical order and developing meaningful goals and objectives that provide a roadmap to improving the economic conditions of the region is the main focus of the CEDS document.

The DRAFT version of the CEDS is submitted to the EDA for review on May 1, 2024. While the DRAFT CEDS is not due to workgroup stakeholders until May 31, 2024, the plan is to post the DRAFT CEDS to the KANA website and circulate it amongst workgroup stakeholders before this time. The public comment period of 30 days is established and the official new CEDS is planned to be released on June 30, 2024.

This CEDS contains a new section on the economic impact of nonprofit organizations in Kodiak and throughout Alaska. Nonprofit organizations are, according to a report by Foraker, the third largest employer (as an aggregated sector), behind the Oil and Gas and the Seafood sectors.

Key Findings

Three significant challenges related to workforce availability continue to be challenges in the Kodiak region. Housing shortages for mid-income professionals, lack of available and affordable childcare, and a declining population were all factors that stakeholders, and in particular employers, placed responsibility on for the workforce shortages in the Kodiak Region.

In response to these significant challenges, KANA submitted a grant application through the EDA Recompete program to specifically address the population loss of the Prime-age group of 25 to 54 in the six village communities in the Kodiak region. The EDA awarded KANA funding to develop a Recompete Strategic Development Plan with the ultimate goal of creating new jobs; training workers to fill new and existing jobs, and identifying how this target age group can return home to their village communities.

FY21 to FY23 Scope of Work

1. Community and Regional Development Planning:

Work in collaboration with local city and borough officials, public and private sector representatives, tribal governments, and corporations—all comprising the Economic Strategy Committee and Village work groups—to provide the annual update to the Kodiak Rural Regional CEDS 2021-2026. Many of the village communities in the Kodiak Archipelago are considered Distressed Communities.

2. Economic Development Partnerships:

Increase scope of Economic Development Partnerships: extend networking efforts to targeted organizations such as the Alaska Fisheries Development Foundation; Alaska Sea Grant, the Kodiak Economic Development Corporation, the Southwest Alaska Municipal Conference, Kodiak College, Kodiak Archipelago Leadership Institute, University of Alaska Center for Economic Development (including the Alaska Cooperative Development Program & the Manufacturing Extension Partnership), and the Alaska Food Policy Council.

3. Workforce Development and Training:

- a. Gap analysis of available skills/education/experience of local workforce versus industry needs
- b. Create a strategy to bridge the workforce gap to fill Kodiak-based employment with local workforce

4. Economic Diversification:

Projects/initiatives that diversify the Kodiak economy in order to bolster resilience and long-term recovery

5. Economic Sector Enhancements/Support:

- a. Environmentally sustainable energy projects and initiatives and broadband internet access in Kodiak Archipelago village communities;
- b. Maricultural (marine aquaculture) industry development, including processing, manufacturing, and product marketing;
- c. Agriculture industry production, processing, and manufacturing;
- d. Community-anchored fishery participation.

KODIAK ARCHIPELAGO RURAL REGIONAL STRATEGY COMMITTEE

KANA Board of Directors		
NAME	ORGANIZATION	TITLE
Loretta Nelson	Native Village of Afognak	Chair
Phyllis Amodo	Kaguyak Village	Vice Chair
Cheryl Christofferson	Gwangkuta Suuget, At Large	Secretary
Jeannine “JJ” Marsh	Sun’aq Tribe of Kodiak	Treasurer
Larry Chichenoff	Native Village of Ouzinkie	Director
Chrislyn Hoen	Tangirnaq Native Village	Director
Stella Krumrey	Alutiiq Tribe of Old Harbor	Director
Nancy Nelson	Native Village of Port Lions	Director
Alex Panamaroff, Jr.	Native Village of Larsen Bay	Director
Teacon Simeonoff	Native Village of Akhiok	Director

Kodiak Work Group		
NAME	ORGANIZATION	TITLE
Natasha Hayden	Afognak Native Corporation	Vice President of Lands and Natural Resources
Melissa Good	Alaska Sea Grant	Mariculture Specialist
Chris Sannito	Alaska Sea Grant	Seafood Technology Specialist
April Counciller	Alutiiq Museum	Executive Director
Josie Bahnke	City of Kodiak	Deputy Manager
Brock Simmons	Discover Kodiak	Executive Director
Gwen Sargent	Executive Director	Tangirnaq Native Village
John Whiddon	Kodiak Economic Development	President
Robbie Townsend Vennel	Kodiak Archipelago Leadership Institute	Project Director
Nichole Miles	Kodiak Area Native Association	Vice President of Public Affairs

Rosa Skonberg	Kodiak Area Native Association	Workforce and Economic Development Director
Greg Zadina	Kodiak Area Native Association	Vice President of Strategy
Ellen Simeonoff	Kodiak Chamber of Commerce	Executive Director
Jacelyn Keys	Kodiak College	Director
Kevin Bumgarner	Kodiak Daily Mirror	Publisher
John Zbitnoff	Kodiak Launch Complex	General Manager
Shauna Hegna	Koniag	President
Tom Panamaroff	Koniag	Regional & Legislative Affairs Executive
Nick Mangini	Mariculture Industry	Farmer
Duncan Fields	Shoreside Consulting	Owner
Capt. Jeremy Hall	US Coast Guard	Commanding Officer

Akhiok Work Group		
NAME	ORGANIZATION	TITLE
Roger McCoy	City of Akhiok	Manager/Mayor
Speridon Simeonoff Jr.	Kodiak Area Native Association	VSPO/Council Member
Jeanetta Rastopsoff	Native Village of Akhiok	Secretary/Treasurer

Larsen Bay Work Group		
NAME	ORGANIZATION	TITLE
Bill Nelson	City of Larsen Bay	Mayor
Marilyn Arneson	Native Village of Larsen Bay	Tribal Administrator
Richard Benson	Native Village of Larsen Bay	Tribal Council President
Teresa Carlson	Native Village of Larsen Bay	IGAP Department

Old Harbor Work Group		
NAME	ORGANIZATION	TITLE
Rick Berns	City of Old Harbor	Mayor
Alicia Inga	Alutiiq Tribe of Old Harbor	Tribal Administrator
Allison Botz	Old Harbor Native Corporation	Office Manager
Cynthia Berns	Old Harbor Native Corporation	Vice President – Community and External Affairs

Ouzinkie Work Group		
NAME	ORGANIZATION	TITLE
Elijah Jackson	City of Ouzinkie	Mayor
Herman Anderson	City of Ouzinkie	City Council Member
Linda Getz	City of Ouzinkie	City Council Member
Vickie Novak	City of Ouzinkie	City Council Member
Kerry Ivory	Native Village of Ouzinkie	Tribal Administrator
Darren Muller Sr.	Ouzinkie Native Corporation	Land and Special Projects Manager

Port Lions Work Group		
NAME	ORGANIZATION	TITLE
Dorinda Kewan	City of Port Lions	Mayor
Nancy Nelson	Native Village of Port Lions	Tribal Council President
Crystal Eggmeyer	Native Village of Port Lions	Tribal Administrator
Judith Clayton	City of Port Lions	City Council Member
Alisha Drabek	Nunaworks	Owner/Consultant
Kyle Crow	City of Ouzinkie	Resident

BACKGROUND AND INFORMATION FOR PLANNING

The People of Kodiak

The Alutiiq population is part of a continuum of Alaskan maritime people. The Alutiiq, or Sugpiaq people, have inhabited their ancestral homelands for approximately 10,000 years and include four main subsets: Prince William Sound, the lower Kenai Peninsula, the Alaska Peninsula, and the Kodiak Archipelago. Like hundreds of similar Alutiiq settlements along the Gulf of Alaska, the people of the Kodiak Archipelago were skilled mariners who depended on the sea for the necessities of life. The Alutiiq had a bartering economic system, trading goods and services as needed with their neighbors from the Aleutian chain to southeast Alaska. The Alutiiq believed that all things, living or not, possess a spirit, which they honored. By AD 1200, Alutiiq society flourished in every corner of the Archipelago. The population is estimated by some to have reached 14,000, with as many as 50 winter communities, according to archeological records. Evidence also shows that the Sugpiaq transported a wealth of Kodiak resources like hard black slate, red salmon, bear hides, and spruce root to the mainland—having exchanged these goods for antler, ivory, horn, animal pelts, and exotic stone.

The first outsiders to settle on the island were Russian explorers under Grigory Shelikhov, who founded a Russian settlement on Kodiak Island at Three Saints Bay near the present-day village of Old Harbor.

Shelikhov's mission was to establish a permanent settlement on Kodiak Island, so as to restrict the inroads of British fur traders and expand the sea otter hunting industry for his company. The Russian-American Company was established by Royal Russian Decree in 1799, and it was headed by Alexander Baranov. Baranov led the company for 19 years, building a lucrative fur trading enterprise trapping and selling sea otter pelts. But by the middle of the 19th century, the sea otter populations were driven almost to extinction.

He and his men, equipped with modern artillery, defeated the Alutiiq people in a series of battles and subdued the islanders. Russian colonization had a devastating effect on the local Native population. By the time Alaska became a US Territory in 1867, the Koniag Region Alutiiq people had almost disappeared as a viable culture. Their history and heritage were retained by a handful of families in each community.

The culture is currently undergoing a historic revitalization that includes culture camps, language, and internationally recognized Alutiiq Museum.

Physical Geography

The island group known as the Kodiak Archipelago is situated on the western side of the Gulf of Alaska. The Kodiak Archipelago and a portion of the Alaska Peninsula are within the Kodiak Island Borough, or Koniag Region. The City of Kodiak, the main port of entry to the Borough and its environs, is 252 air miles south and west of Anchorage (a 45-minute flight), accessible only by plane or boat.

The Borough encompasses a 29,000 square mile area, which includes approximately 6,500 square miles of land, including lakes and rivers, approximately 23,000 square miles of coastal waters, and 5,500 miles of shoreline. The Archipelago contains 162 named islands and nearly 1,500 unnamed islands, accounting for approximately 74% of the total Borough land area.

Kodiak Archipelago consists primarily of mountainous terrain, the tallest peak being Koniag at 4,500 feet on Kodiak Island. With the exception of the lowlands and broad valleys of the southwestern portion of Kodiak Island, the Archipelago coastline is rocky and rugged.

Kodiak Island is the largest island in the Archipelago and is the second largest island in the United States. The north and east sides of Kodiak Island are heavily forested. Wetlands, grasslands, and brush dominate the Island's south end. Commercial stands of timber, primarily Sitka Spruce, exist on the north end of Kodiak Island, as well as Afognak Island. Kodiak Island has numerous deep, ice-free bays that provide sheltered anchorage for boats. The southwestern two-thirds of the island, like much of the Kodiak Archipelago, is part of Kodiak National Wildlife Refuge.

Kodiak Island is home to eight communities: The City of Kodiak, and the remote communities of Akhiok, Karluk, Larsen Bay, Old Harbor, Ouzinkie, Port Lions, and Chiniak. Within these eight communities, Kodiak Island is home to ten federally recognized Tribes. There are no roads connecting the hub city of Kodiak with the outlying villages, with the exception of Chiniak. Village residents rely on transportation by boat or commercial airlines for travel in and out of their communities. The Alaska Marine Highway is a vital link between mainland Alaska, the Kodiak road system, and the three communities (Old Harbor, Ouzinkie and Port Lions) that receive service.

The climate of Kodiak Island is characterized by moderately heavy precipitation and cool temperatures with frequent high clouds, fog, and high winds. These weather patterns oftentimes result in restricted travel. High winds and icing are frequent during the winter, with storm winds produced by systems in the Gulf of Alaska that often sustain speeds from 50 to 75 knots.

However, Kodiak's climate is favorable for over three hundred species of plants, many of which were used by inhabitants for food, medicine, and shelter. The deep fjords of Kodiak Island provide an abundant habitat for fish and marine mammals. Five species of salmon, herring, and halibut are all found in Kodiak Island waters, providing commercial, subsistence, and sports fishing resources.

Borough Lands

The Kodiak Island Borough was provided with roughly 56,500 acres of land within the Kodiak Archipelago from the State upon incorporation. Most of this land was originally obtained and selected under municipal entitlement act from the State of Alaska; the configuration of other parcels is the result of land trades with the State. Over 50 percent of Borough land is located on Shuyak Island and Raspberry Island; Ugak Bay and Hidden Basin also include numerous pockets that total a sizeable portion of Borough land acreage. Lease and disposal of Borough lands are subject to approval by the Borough Assembly. The Kodiak Island Borough zoning ordinance contains 18 zoning districts: Watershed (W); Wildlife Habitat (WH), Natural Use Lands (NU); Conservation (C); Rural Development (RD); Rural Residential (RR); Rural Residential One (RR1); Rural Residential Two (RR2); Single Family Residential (R1); Two Family Residential (R2); Multi-Family Residential (R3); Business (B); Rural Neighborhood Commercial (RNC); Urban Neighborhood Commercial (UNC); Retail Business (RB); Light Industrial (LI); Industrial (I); and Public Use Lands (PL). A new zoning scheme is in the works. Recreational land use includes 11 municipal parks totaling 60 acres in size.

State Lands

The most significant State lands in the Borough are the region's vast tidelands. The State owns a significant amount of upland area in the Borough. Most state uplands are in the northeast part of the Borough near the City of Kodiak, and south around Ugak Bay to Dangerous Cape.

The Alaska Department of Natural Resources (DNR) manages most state land in the Borough, though few areas have had management authority transferred to other State agencies. The Alaska Department of Transportation and Public Facilities manage roads and airport facilities, the Alaska Department of Fish

and Game (ADF&G) manages the Tugidak Island Critical Habitat Area, and the Division of State Parks within DNR manages state park lands. State parks accessible by road include: Fort Abercrombie, Buskin River, and Pasagshak State Recreation Sites. A large portion of Shuyak Island is an undeveloped State park accessible only by water or air. The newest State park in the Borough is located on the northern coast of Afognak Island. In total, 5 state parks throughout Kodiak Island comprise 56,448 acres.

Federal Lands

Much of the Borough contains land managed by federal authorities. The major federal land owner on Kodiak Island is the U.S. Fish and Wildlife Service (USFWS). USFWS manages the Kodiak National Wildlife Refuge (KNWR), which comprises 1.8 million acres of the archipelago, a portion of the Becharof and Alaska Peninsula National Wildlife Refuge (APNWR), and the Alaska Maritime National Wildlife Refuge (AMNWR). KNWR is managed primarily as habitat for the Kodiak Brown Bear, the largest bear in the world. The USFWS is the largest single land manager in the Borough. The refuges are managed as multiple use areas and allow a wide variety of purposes that do not interfere with the primary objective of each refuge. The Borough boundary on the west, across Shelikof Strait, includes a portion of Katmai National Park managed by the Department of the Interior, National Park Service, The U.S. Coast Guard (USCG), and the Department of Transportation. The USCG Support Center Kodiak, which is located near the Kodiak urban area, contains over 21,000 acres.

A portion of the scattered small rural parcels in the Borough are federal trust lands. Except for Native Allotments and Federal Town site lots, no other federal trust lands, such as Indian reservations, exist in the Borough. These parcels are held in trust by the federal government in the name of the owner. The activities on the parcel and any transfer of title must be approved by the Bureau of Indian Affairs (BIA). Since they are federal trust lands, the parcels are exempt from most local and state regulations, as well as taxation, until ownership is transferred. Federal environmental laws such as NEPA and the Clean Air and Water Acts do apply.

Private Lands

The greatest growth among land ownership categories in the Borough has been among the sole proprietors of privately held land. Most of the lands selected by the Native regional corporation, Koniag, and the village corporations have been transferred for management or patented to the corporations. Over 750,000 acres of land have been transferred to these private corporations. This amounts to about 17 percent of the total land mass of the Borough. Much of this acreage, such as that on Afognak Island, was selected for timber resources or other development potential. However, some of this acreage was selected from within Wildlife Refuges and contains areas with high habitat values for fish and wildlife. Over the past several years, money from the Exxon Valdez Oil Spill settlement has allowed the federal government to repurchase much of this land. The surface estate to former Wildlife Refuge lands is subject to regulation to ensure its protection in a manner that will not materially impair the values for which the refuge was established and the subsurface estate (mineral rights) to such land was retained by the federal government. Except for lands previously part of a Wildlife Refuge, the subsurface estate of all Native lands is owned by Koniag, Inc.

Alaska Native Claims Settlement Act (ANCSA) Lands

Collectively, as the largest private land owners' in the archipelago, the ANCSA corporations have the greatest potential for both resource development and other development opportunities. ANCSA lands in the region have been developed in a variety of ways including: logging; tourism facilities and activities; residential real estate development; federal and state land acquisition through the Exxon Valdez Oil Spill Council habitat restoration activities; mining; and gravel and rock sales.

Koniag, Inc., one of the thirteen Alaska Native Regional Corporations created under ANCSA, was incorporated in Alaska on June 23, 1972 by the Alutiiq People of the Kodiak Archipelago. At incorporation, Koniag, Inc. enrolled about 3,400 Alaska Native shareholders. ANCSA regional and village corporations selected land in and around existing Native villages in the State in proportion to their enrolled populations. The regional and village corporations are now owned by Alaska Native people through privately owned shares of corporation stock.

Population

The population of the Kodiak Island Borough, according to the 2022 estimates from the Alaska Department of Commerce, Community and Economic Development, is 12,832 including the outlying villages. The total population of the Kodiak Archipelago villages is 602. The Kodiak Island Borough appears to be experiencing a slow-but-long-term shift in racial and ethnic distribution. The only groups which saw an increase were the ‘Asian alone,’ showing a 4% increase and ‘Alaska Native and American Indian alone’ with an increase from 13% to 14% from 2010 to 2020. Conversely, the proportions for ‘White alone’ decreased from 55% in 2010 to 50% in 2020. The ‘Black or African American alone’ and ‘Native Hawaiian and Other Pacific Island alone’ both saw very small to no changes, on the order of 1%. Accumulatively, the village populations were 77% Alaska Native/American Indian, 18% Caucasian, 5% two or more races, and less than 1% of both Asian/Pacific Islander, Asian alone or African American. These numbers reflect the most current demographic information, based on the 2020 census.

	2010 Census	2020 Census	2022 Estimates
City of Kodiak	6,130	5,581	5,396
Akhiok	71	63	65
Chiniak	47	61	53
Karluk	37	27	28
Larsen Bay	87	34	28
Old Harbor	218	216	200
Ouzinkie	161	109	116
Port Lions	194	170	165
Kodiak Station	1,301	1,673	1,543
*Women’s Bay	-	743	766
*Mill Bay	-	4,216	4,244
Other Places	5,346	208	228
Total Borough	13,592	13,101	12,832

PANDEMIC ASSESSMENT – ECONOMIC IMPACT

Beginning in March 2020, the arrival of the Coronavirus had a profound impact on humanity, lifestyles, and economies worldwide. However, the Kodiak Archipelago and its rural village communities remained resilient throughout the pandemic. Thanks to Kodiak’s remote location, air traffic to the island and rural areas was restricted to non-essential travelers, significantly reducing transmission rates. Additionally, Kodiak implemented robust COVID-19 testing processes, providing swift results that proved invaluable for the community’s rapid response efforts. Vaccination programs were swiftly rolled out across Alaska, with the Kodiak Area Native Association playing a key role in vaccinating a significant portion of the Kodiak population.

*Women’s Bay & Mill Bay were not specified as designated areas until 2020 by the US Census Bureau.
 2010 and 2020 Census Data was pulled from the United States Census Bureau (data.census.gov)
 2022 population estimates provided by the Alaska Department of Commerce.

The pandemic significantly impacted several sectors of the local economy, including tourism, seafood, retail, food service, and government. The Kodiak Archipelago heavily relies on tourism to bolster its economy, particularly during the spring and summer months. However, due to travel restrictions and stay-at-home orders, there was a sharp decline in visitors and tourism activities. For instance, the cancellation of cruise ship visits resulted in the loss of 17,900 tourists who would have otherwise contributed to Kodiak's economy through spending. The leisure and hospitality industry saw a 35% decrease, while food service employment dropped by 33% due to in-person dining restrictions and the absence of tourism. Retail also took a hit, experiencing a 6% decline in 2020 compared to the previous year. Coast Guard regulations implemented in response to the pandemic further contributed to the downturn in leisure, retail, hospitality, and food service sectors. These regulations prohibited active-duty personnel from circulating in the community until April 2021 when restrictions were relaxed, allowing the Coast Guard to reintegrate into the community. On the other hand, commercial fisheries remained largely unaffected, with minimal changes experienced, albeit feeling the repercussions through altered product prices. Conversely, seafood processors underwent a substantial operational shift, experiencing a 16% decline in employment in 2020 compared to 2019.

On March 27, 2020, the federal government enacted the Coronavirus Aid, Relief, and Economic Security Act (CARES Act PL 116-136) to offer financial relief to Americans, business owners, organizations, and governments. The CARES Act allocated \$1.8 trillion to support low-income families, businesses, and workers, enhance healthcare systems, prevent future outbreaks, and provide relief for educational institutions. The Kodiak Archipelago received approximately \$59.6 million in relief funds to help alleviate the economic hardships caused by the pandemic.

Table 66. Summary of Pre-COVID Status, COVID-19 Impacts, and Recovery Outlook by Key Economic Sector

Economic Sector	Pre-COVID Status	COVID-19 Impacts	Recovery Outlook
Tourism	Solid. Some year-to-year fluctuations in cruise volume dependent on sailing schedules, but driven by fishing, hunting and adventure tourism, as well as family visits.	Severe impacts. Total loss of spring season bear hunts; significant curtailment of summer fishing season and lodge operations.	Positive, contingent on vaccine success in controlling COVID-19. Impacts to cruise industry likely to carry into 2021. Overall, industry positioned to rebound.
Seafood	Consolidation trends in both fishing and processing. General downward trajectory across numerous species and fisheries, driven in part by resource abundance and in part by regulatory structures.	Moderate for fishery prosecution. Significant for seafood processing sector overhead and supply chains. Very disruptive to markets, with resulting impacts on processor profitability and prices paid to fishermen.	Complicated by numerous exogenous factors in combination with COVID-19. Impacts on harvesting likely to be minimal over time. Impacts on processing likely to play out over numerous years; potential to contribute to further consolidation.
Retail	Relatively stable overall, with opportunistic business openings. Significant pressure from Amazon Prime follows trend of closures sparked by Walmart's introduction in the 2000s.	Significant impacts, varying with sector/clientele. Relatively modest loss in overall employment.	Varied ability of individual businesses to maintain operations long enough to experience return of customers post-vaccine rollout. Availability of federal relief and stimulus likely to play important role.
Food service	Very steady employment numbers and relatively low churn in individual businesses.	Severe impacts. Employment losses of 35% over last year.	Moderate, provided businesses can endure into the post-vaccine period. Carry-out options help maintain some revenues during reduced in-person dining.
Government	Federal and state job losses offset by local government gains. Continued uncertainty in state budgets likely to drive impacts in state services and revenues to local government.	Government operations and employment provided an important stabilizing force in the economy as other sectors shed jobs.	Challenging, due to funding constraints at state level resulting from a combination of COVID-related factors (reduced oil revenues, increased costs) and overall state budgetary trends.

Table 67. Federal Disbursements to Kodiak Island Borough Residents and Organizations in Response to COVID-19

Program	Type of Recipient	Estimated Number of Recipients or Loans Made	Estimated Value (\$millions)
Economic Impact Payment (EIP)	Individuals and Families	9,123	\$11.0
Paycheck Protection Program (PPP)	Businesses, non-profits, including fisheries businesses	310	\$10.2
Economic Injury Disaster Loans (EIDL)	Businesses, non-profits	149	\$10.0
EIDL Grants	Businesses, non-profits	251	\$0.7
Coronavirus Relief Fund (CRF)	Tribes	10	\$5.5
Aid to Tribal Governments	Tribes	10	\$2.8
Welfare Assistance	Tribes	10	\$0.3
NOAA Fisheries Impacts	Commercial and sport fishermen, aquaculture businesses, subsistence harvesters	n/a	n/a
Housing Relief Program	Homeowners and renters	55	\$0.6
Municipal CARES Act Receipts	Municipalities	7	\$18.4
Total		n/a	\$59.5

Sources: U.S. Treasury, Small Business Administration, State of Alaska, Kodiak Economic Development Corporation, Alaska Housing Finance Corporation, Bureau of Indian Affairs, Federal Emergency Management Administration, Alaska Department of Fish and Game, and McDowell Group estimates.

CLIMATE CHANGE & ADAPTATION PLANNING

Similar to many regions across the globe, the Kodiak Archipelago is seeing significant changes to its environment as a result of climate change. As stated from the Fourth National Climate Assessment webpage, Alaska is among the fastest warming regions on Earth. While there are a few options as to how communities can respond to the impacts of climate change, what is known as climate adaptation planning is one method that allows for stakeholders to voice and document the changes they are seeing in their community and outline ways in which they propose to mitigate the impacts of these changes – known as adaptation strategies.

In 2021, KANA was awarded funds through the Bureau of Indian Affairs to collaborate with Kodiak Tribes on developing a climate adaptation plan. This plan aimed to identify the most pressing changes and formulate adaptation strategies for the region. The initial version of the climate adaptation plan was finalized in November 2023, revealing the necessity for a holistic approach to address Kodiak's challenges. Climate change is expected to significantly affect subsistence harvesting on Kodiak Island, thereby impacting the local economy. Recognizing this, KANA sought and received funds from the Alaska Center for Climate Assessment and Policy (ACCAP) to integrate climate adaptation strategies into the Comprehensive Economic Development Strategy (CEDs). This initiative aims to identify economic approaches that not only enhance the environment but also mitigate the impacts of climate change.

The Kodiak Tribes' primary concern regarding climate change at this time is the availability of subsistence resources and food security. To address these concerns comprehensively, we are striving to identify economic approaches that can mitigate climate change while ensuring Kodiak Island's resilience in the face of environmental shifts.

Below are current sectors outlined in the CEDS that could adapt climate resilient strategies:

1. Mariculture
 - a. Shellfish Farming / Clam Gardens
 - b. Kelp Farming
2. Agriculture
 - a. Hydroponics
 - b. Small Farms
3. Energy
 - a. Hydroelectric generation
 - b. Solar electricity generation
 - c. Wind turbine electricity generation
4. Tourism
 - a. Wildlife Tourism
 - b. Cultural Tourism

MILITARY IMPACT

Intro & History

The Kodiak region is home to the United States Coast Guard as well as other military branches. However, the Coast Guard stands out as the predominant force, contributing approximately 95% of the active duty military members in Kodiak. United States Coast Guard (USCG) Base Kodiak, the largest of its kind in the nation, encompasses nine distinct units. Established as the first permanent Coast Guard aviation resource in Alaska, Base Kodiak plays a vital role in safeguarding nearly 4,000,000 sq. miles of Alaskan territory and over 47,000 miles of coastline. Its distinction lies in being the sole USCG command capable of accommodating both cutters and aircraft. The significant presence of such a large military base profoundly impacts the surrounding small island community.

Population & Base Size

Base Kodiak plays a vital role in maintaining infrastructure in Kodiak, overseeing just under 28,000 acres of land, 41 miles of roads, two major piers, and, significantly, the airport, runways, and air traffic control. With close to 1,200 active duty military members, Coast Guard servicemen and women constitute approximately 20% of the total population of the city of Kodiak. Nearly half of these active duty members also bring their families with them. Consequently, Base Kodiak contributes closer to 30% of the total population of the city.

Historically, the base size has remained relatively stable, showing minimal fluctuations in growth or decline. However, within the next five years, Base Kodiak is set to gain four new cutters, increasing active duty members by approximately 350 billets and adding an additional 80 family housing units to the existing 391 units.

Jobs, Income, And Military Spending

The investment of Coast Guard funding into the region, coupled with the high levels of employment of active duty military and around 200 civilians employed by Base Kodiak, provides a sense of economic stability. However, it also highlights a fragility not often seen in other regions. This vulnerability became evident in 2018 during the partial government shutdown, which resulted in Coast Guard members going without pay. This had a ripple effect throughout the community, disrupting the flow of income into the local economy, which many businesses rely on – an estimated annual loss of \$60,000,000. The shutdown served as a stark reminder of the vital role the military presence plays on Kodiak Island. Over the past

decade, the USCG alone has injected approximately \$443 million into the Kodiak Island Borough. This figure does not include additional spending from other branches of the military, such as the Army, Navy, Air Force, and other Department of Defense sectors.

Rural Alaskan communities are known to have a higher cost of living, yet Kodiak ranks even higher due to the large Coast Guard presence on the island. This is due to the Basic Allowance for Housing (BAH); this rate is based off of the cost of living and changes depending on where members are stationed. Because the cost of living in Kodiak is higher than average, the BAH is also higher than average – with 20% of the population of Kodiak being active duty, landlords and homeowners price their spaces accordingly.

Members of the military, their families, and some retirees are eligible to access commissary and Post Exchange (PX) for groceries and many other consumer products. These purchases are not subject to local sales taxes and do not support small, locally owned business. Increasingly, Kodiak is an attractive place for military retirees to remain following their service. This segment of the population contributes to the local economy and the culture of the community. Some retirees leaving service with a service-related disability are eligible for a property tax exemption. This reduces property tax collections of the Kodiak Island Borough.

Military Families

Approximately 500 active duty members are in Kodiak with their families. Military spouses play an important role in the local economy, filling many positions for local businesses and bringing in knowledge, expertise, and experience from many places outside of Kodiak. Despite the large pool of qualified workers, spouses are still often beat out of many positions because it is known that they will have to transfer out after three years. Regardless, Coast Guard spouses are still a noticeable demographic working in education, healthcare, and small business ownership. There is also a lot of community involvement from military spouses who use their connections to benefit the communities of Kodiak Island. The Military Spouses Association in particular has organized a toy drive during Christmas to use Coast Guard aircraft to bring presents to children in the remote villages. Others use their connections to encourage local produce to be sold on the commissary on base – helping both military members and the locals who grow and sell it.

THE ECONOMIC IMPACT OF NON-PROFITS IN ALASKA¹

Alaska's municipal government structure stands out compared to other states in the U.S. due to its dual system comprising cities and boroughs. Moreover, boroughs are further categorized as organized or unorganized, often reflecting the state of the local economy. This unique arrangement necessitates close collaboration between nonprofits and the government to deliver essential services such as utilities, fire & EMS, community libraries, and various social services – functions typically handled by local government entities in the Lower 48. For instance, more than 40 communities in Alaska rely on nonprofit volunteer fire departments, there are 47 nonprofit libraries operating across the state, and approximately 75% of Alaskans receive their power from nonprofit cooperative utilities.

Additionally, nonprofits often leverage federal funds to benefit the state. In fact, Federal grant funding in Alaska constituted 68% of total federal dollars to the state in 2020. While \$12.6 billion in federal

¹Information from this page, unless otherwise specified, is pulled from the Foraker Economic Impact report at <https://www.forakergroup.org>

assistance was awarded to Alaska-based recipients during that period, \$8 billion went directly to the government, with only \$412 million allocated to nonprofits, representing 3% of the total. Overall, nonprofits in Alaska generated \$7.84 billion in 2020. This indicates that the remaining \$7.43 billion was generated through fees for services (e.g., healthcare, credit unions, utilities), social services, and philanthropic/private donations.

Nonprofits are also a major economic driver in Alaska. As quoted from the Foraker Economic Impact Report, “Nonprofits constitute Alaska’s third largest industry, by total impact” when referencing jobs provided to Alaskans (see Figure 1). Nonprofits also create 53% of all healthcare jobs in Alaska, 56% of utility jobs, 43% of finance jobs, and 39% of telecommunications jobs.

Kodiak is home to 113 of the 5,620 nonprofits that exist in Alaska, accounting for approximately 9%-16% of the jobs on Kodiak Island. As mentioned above, local & state governments work with nonprofits and the same is true in Kodiak. While nonprofits bring essential services to the community, the City of Kodiak and the Kodiak Island Borough also provide funding to nonprofits; see the table below for how much has been contributed each fiscal year.

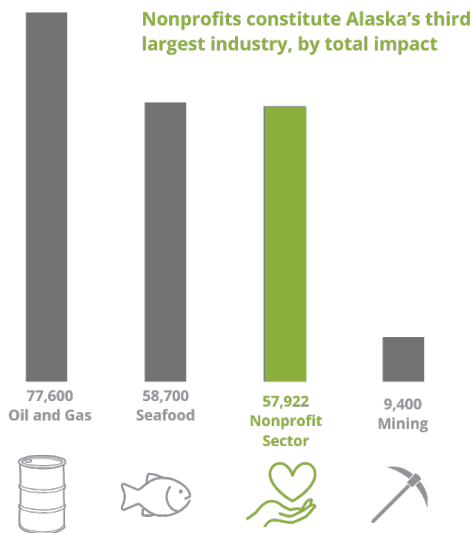
Funds Distributed to Nonprofits in Kodiak

	FY20	FY21	FY22	FY23
City of Kodiak	\$553,086.20	\$553,104.18	\$549,568.20	\$595,718.20
Kodiak Island Borough	\$169,500	\$126,750	\$159,587	\$170,000
TOTAL	\$722,586.20	\$679,854.18	\$709,155.20	\$765,718.20

* Information above from city.kodiak.ak.us and kodiakak.us

Figure 1

Providing jobs for Alaskans



Source: State of Alaska Department of Labor and Workforce Development, UACED Calculations, and McKinley Research, includes the direct, indirect, and induced effects of each industry.

ECONOMIC DEVELOPMENT ORGANIZATIONS

Kodiak has three organizations that fit into the definition of an Economic Development Organization (EDO). An EDO is dedicated to the economic development of a geographic region, often engaging with

businesses, government entities, and the public to enhance existing and develop new economic development opportunities.

Kodiak Chamber of Commerce

The Chamber is a member-driven non-profit organization. The dedicated staff and Board of Directors work to offer educational and networking opportunities, business resources, and government advocacy to protect and advance members' interest.

Mission:

To provide business development for an economically strong and diverse Kodiak region.

Core Purpose:

Educate, Support, Grow

Core Values:

Embrace diversity, member-driven, anchored in the community, business champions, forward thinking. The Chamber supports several annual events in Kodiak, including: Crab Festival, ComFish Alaska, Coast Guard Appreciation Dinner, Downtown Trick or Treat, Community Clean-Up Day, as well as hosting Political and Educational Forums as the opportunities arise.

The Chamber provides a variety of services to their members and the community:

- Relocation Guide for newcomers to Kodiak, including newly arriving Coast Guard members
- Business After Hours events held at member locations
- Ribbon Cutting events: newly opened, relocated, or expanding – big scissors and ribbon included
- Chamber News & Views: a 2-minute radio interview segment with a Chamber member
- Educational Courses, Seminars, and Mentors: a partnership with the Small Business Development Center, Kodiak College, and the Small Business Association
- Loyal to Local Gift Card: gift card network that accepts eGift cards of participating members

Discover Kodiak

Discover Kodiak is the convention and visitor's bureau for the Kodiak Archipelago, with members located all over Kodiak, Raspberry and Afognak Islands. Tasked with promoting the sustainable development of the tourism industry throughout the Archipelago, Discover Kodiak maintains a year-round visitor center in the heart of the downtown area to help visitors find local attractions and recommend member businesses.

Travel to, and thus tourism in, Kodiak is supported by Alaska Airlines and the Alaska Marine Highway. Discover Kodiak advocates for continued and consistent services by both organizations.

Discover Kodiak promotes the tourism industry in the Kodiak region by marketing and advertising to visitors, event & meeting planners, and the media to draw attention to all the opportunities Kodiak has to offer.

On top of benefiting hospitality-based businesses like hotels and tour companies, the tourism industry supports ancillary industries like gas stations, grocery stores, bookkeepers, accountants, and more.

Kodiak Economic Development Corporation

The Kodiak Economic Development Corporation is entering its fourth year of existence and has developed a comprehensive strategic plan with prioritized initiatives based on board member feedback, community needs assessments, and other data points.

Core Purpose:

Strengthening Kodiak's economic present and future – Advocating, Connecting, Innovating, and Driving

Core Values:

Relationships – Diversity – Entrepreneurial – Sustainability – Hope

Core Outcomes:

Advocating for a healthy business climate. Connecting all stakeholders committed to economic development. Innovating to bring in new businesses to strengthen Kodiak's economic future. Driving support for existing businesses to strengthen Kodiak's economic present.

Core Geography:

Kodiak Island

Envisioned Future (2027):

By 2027, the Kodiak Economic Development Corporation is recognized as a resource for comprehensive economic development information and taking proactive action across Kodiak Island.

Envisioned Future (2030):

KEDC is recognized across the state as an effective business incubator, with the financial resources to support the development of the Kodiak economy.

Identified Initiatives

- Arctic Gateway
- Blue Zone
- Island Wide Marketing and Business Recruitment
- Business Retention and Expansion
- Mariculture Sector Support
 - Working with local independent kelp and shellfish farmers to form Kodiak Mariculture Alliance to provide better access to processing capabilities and expanded markets. In conjunction with the "Blue Economy Zone" hub proposed for Gibson Cove, will pursue funding opportunities for site development of future processing locations.
- Storefront Enhancement Program
- Workforce Housing
- Waterfront Development
- Workforce Development

Community Land Trust

KEDC has proposed a Three Phase project to establish a Community Land Trust (CLT), in which land is held by the trust, while the developer or homeowner would own the building, in an effort to increase the availability of affordable workforce housing in the community. The project would produce 18 duplexes totaling 36 single family units.

Phase I:

Feasibility Assessment and Business Planning – *Complete*

1. Assess the feasibility of operating a CLT and the development of a business plan to articulate the critical business planning assumptions for CLT Operations.
2. Identify city owned property ideally suited for CLT development.
3. Identify developmental costs for the CLT addition.
4. Identify a builder familiar with Kodiak Alaska’s building requirements
5. Develop a Job Description for Phase II Project Manger

Phase II:

Creation of KICLT and Implementation of its Home Ownership Program

1. Hire KICLT Phase II Project Manager
2. Property lease between the City of Kodiak and KEDC
3. Development of KICLT property
4. Marketing and presale of KICLT homes
5. Construction and occupancy

Phase III:

Sustainable Management

1. Formation of Kodiak Island CLT 501c3
2. Transfer of management and operations to newly formed governing structure

WATERFRONT MASTER PLAN²

The importance of the waterfront to Kodiak’s economy cannot be understated. From the seafood industry, the U.S. Coast Guard, the transportation sector, visitor/tourism industry, subsistence participation, and the emerging mariculture industry, nearly every facet of industry, occupation, and activity rely on a functional waterfront. CEDS stakeholder engagement highlighted that Kodiak is located in a strategic location and could be considered the Gateway to the Arctic. Improvements to the waterfront would prepare Kodiak to increase shoreside services (eg. maintenance, construction) to accommodate Ice Breakers, increased Coast Guard vessels, research vessels, and maritime transportation.

To update the City of Kodiak’s 2010 Waterfront Master Plan, the City of Kodiak contracted with RESPEC. The purpose of the Kodiak Waterfront Master Plan Update, dated February 2023, is stated in the document: “The development of the Kodiak Waterfront Master Plan involved reviewing the needs and current and future uses of Kodiak’s downtown waterfront space. The plan incorporates an inventory of existing facilities, amenities, and recommendations for upgrades and enhancements for all city-owned waterfront properties based on need and use priority. Additionally, the plan identifies potential funding sources to fulfill the recommendations.” (Kodiak Waterfront Master Plan Update)

RESPEC states on the project website that: “A successful approach to waterfront planning aims to strike a balance between providing public access to the waterfront for both residents and visitors and supporting long-time industries that depend on the waterfront.”

² <https://www.kodiakwaterfrontplan.com/>

The City of Kodiak owns approximately nine miles of the 12 miles of waterfront within city limits, so undoubtedly, will have a significant role in planning and financing improvements. According to the updated plan, “the waterfront faces numerous challenges, including facilities in need of electrical and

structural upgrades, docks lacking space for the ever-growing number of large fishing and cargo vessels, and the need for new and improved facilities to accommodate the many people who visit the waterfront. Despite these challenges, there are many opportunities for the Kodiak Waterfront, including creating space to support the growing mariculture industry, providing drydock and haul-out locations, and development facilities for marine debris recycling.”

Key Obstacles

- Lack of suitable dry-dock facilities at St. Herman Harbor
- Facility deficiencies, such as structural failures of piers with unsafe electrical components, degraded utilities, insufficient spill and fire response capabilities and navigational aids, unsuitable berthing depths, and unavailable upland space to support industrial activity due to the unfinished quarry
- Unsuitability of the terminal design space at Pier II
- Lack of proper passenger facilities at Pier II
- Unsuitability of the floatplane dock for a larger capacity at Trident Seaplane Basin
- Lack of a critical deep water dock to facilitate industrial and transportation user activity

Most Critical

- Harbor electrical system (St. Herman and St. Paul Harbor)
- Dock piling replacement (St. Paul Harbor: Dock I and Oscar’s Dock)
- Installation of more piers (St. Herman Harbor)
- Extending/widening/developing of the breakwater (St. Herman and St. Paul Harbor)

GIBSON COVE

Gibson Cove is about 29 acres of waterfront property that is just two miles south of downtown Kodiak. Gibson Cove has historically been used as a tannery, cannery, served as boat gear storage, and other miscellaneous fishery/ maritime industry. It also currently is a highly trafficked recreational beach site for residents.

The City of Kodiak owns the majority of the Gibson Cove property, which was purchased due to the potential development opportunities as commercial waterfront property, something that is very limited in Kodiak. The property includes a dilapidated cannery building and industrial dock, that is currently unsafe for use. These structures will need to be assessed to see if any of the foundations of the building itself or the dock are salvageable. In addition to being a hazardous structure, the Gibson Cove cannery building experienced a fire in January of 2023 that further devalued and damaged the buildings infrastructure.

The Kodiak City Council and subcommittees have been in discussions of potential uses for this property for several years with letters of interest from potential stakeholders archiving back to 2016. In 2019, the City Manager asked the Port and Harbor Advisory Board (PHAB) for suggestions for the uses of Gibson Cove property. PHAB researched and made suggestions to the board based on conversation they had

with interested parties including representation from the United States Coast Guard, NOAA, and local charter companies.

In the *Kodiak Waterfront Master Plan* (kodiakwaterfrontplan.com), Gibson Cove is listed as a priority for renovation and development. Included in the Gibson Cove section (pg. 40) is an aerial map of future plans- short, mid-term and long -term goals (see on next page).

Short-term Goals:

- Demolish old fish cannery

Midterm Goals:

- Develop vehicle parking area
- Develop pedestrian signage, sitting and walkways within bay area on southside of Gibson Cove

Long- term Goals:

- Develop pedestrian signage, sitting and walkways from Gibson Cove along Rezanof Drive to the Pier 2-Multi-Dock

The City of Kodiak aims to continue conversations amongst: community members, fishermen, kelp farmers, marine debris & marine net recyclers, local non-profits, and entrepreneurs; all of whom wish to see this unique site used to its full potential, as well as hopefully respect the local recreational uses.

WORKFORCE SHORTAGES & GAPS

Stakeholders identified gaps in Kodiak’s workforce as a significant challenge to fill current open positions and accommodate for potential growth of businesses in the Kodiak region. Skilled trades are of particular concern, including HVAC, mechanical, electrical, and construction; many projects in Kodiak require hiring workforce from off-island with added travel and accommodation costs. Automotive maintenance, equipment operators, and medical providers are also short in supply.

In September 2022, the Kodiak Economic Development Corporation hosted a Workforce Development luncheon with approximately 30 people representing 13 different sectors. Common themes from attendees included: difficulty of employers in filling open positions, attracting talented individuals, and a desire to have young people remain in Kodiak and thus grow the local workforce. An overwhelming number of attendees expressed the need to first understand how to start, and then support local resources to grow and develop the local talent. Developing local capacity is a preferred long-term workforce development solution as it can strengthen the economy in coming years.

A more immediate need is to address the contemporary gap in the workforce. This is not just a Kodiak issue, but a state-wide challenge. According to the March 2023 Alaska Economic Trends “The size of Alaska’s working-age population has been declining for nine years in a row.” Two reasons cited include net migration losses and an aging population. Kodiak, in particular, has experienced an aging workforce in the fisheries sector, both in the fishing and processing components.

Additional factors also play a role in the availability of our local workforce, including significant housing shortages and the lack of affordable, quality childcare. The transient workforce from the military transfers and the fishing industry places pressure on housing availability, often filling short-term residential rentals.

Housing

Pulled from the Kodiak Island Borough Housing Needs Assessment

The Kodiak region, both on the Road System and within the village communities, experiences a significant shortage of available, affordable housing. This is particularly true, according to Kodiak Economic Development Corporation (KEDC), for “median-level income earners.” In response, KEDC has formed a Housing Steering Committee and is actively pursuing funding opportunities to create a housing action plan for Kodiak. KEDC is looking at forming a Community Land Trust (CLT), where, the buildable land is owned by the CLT and the homeowner purchases the structure and all improvements. KEDC hopes to work with the Kodiak Island Housing Authority and the City of Kodiak to produce as many as 18 duplexes.

Housing shortages have caused challenges for attracting a desirable workforce to the Kodiak Region. Employers (ranging from the Providence Kodiak Island Medical Center, the Kodiak Island Borough School District, construction companies, Native Corporations, and more) report housing as a substantial deterrent to effectively recruiting staff to move to Kodiak. Providence Hospital took steps to address this challenge by enacting the Providence Kodiak Workforce Housing Project, a 16-unit facility to house new staff while they search for permanent housing.

A report titled “Kodiak Island Borough Housing Needs Assessment,” produce by McKinley Research Group for Kodiak Island Housing Authority in May 2022 analyzed the current and future housing conditions in the Kodiak Region.

The report found:

- Housing costs in Kodiak are rising and are more expensive than the Alaska-wide median housing costs both for renting and purchasing. There is limited availability of multi-family housing.
- 28% of Kodiak households are “cost burdened,” meaning that they spend 30% or more of monthly household income on rent or ownership costs.
- Most interest is in single-family, less than 2,000 square foot homes between \$300,000 and \$400,000; survey respondents state that housing affordability and availability is poor to very poor.
- The assessment indicates that demand exists for between 65 to 75 new single-family households with income above \$100,000 (approximate income to support a \$340,000 home).
- Strong demand for residents and employers for “professional” high-quality rental units; whereas demand for low-income housing is weaker.

Specifically, for the Village Communities, the report found:

- Many vacant housing units exist in village communities, some due to seasonal usage with others needing momentous maintenance and are practically uninhabitable.
- Housing in the village communities are overwhelmingly single-family homes (96%)
- Populations in the village communities are declining, from 768 in 2010 to 619 in 2020; Low household income persists with high numbers of households below the federal poverty level.
- The assessment indicates that demand exists for between five to ten, new or refurbished, housing units in each village community. However, the average home value is quite low in comparison to the costs of land and materials required to build new housing.

- Survey respondents express that there is a demand for housing for Tribal members who would like to move back to the village. Additionally, younger residents living in multi-generational housing _also require additional housing support.
- Availability for housing for rent and/or for purchase, are poor to very poor, and nearly ½ of survey respondents were dissatisfied with the state of repair and energy efficiency in their homes.

Childcare Shortages

As employment has rebounded post-pandemic, the shortage of available childcare options and childcare workers is keeping many people from returning to the workforce. There were childcare shortages before the pandemic and post-pandemic the shortages are even more profound.

According to “Alaska Economic Trends” from April 2022, “An unmet need for childcare hampers economic recovery” and that “The shortage of child care has affected women most.”

The lack of available affordable, quality childcare did not start with the pandemic. In 2013, the Kodiak Area Native Association commissioned a feasibility study by the McDowell Group that indicated “that there is relatively strong unmet demand in Kodiak for high-quality child care.”

However, as “Alaska Economic Trends” explains “Like restaurants and stores, child care providers grappled with small profit margins, high turnover, and changing regulations” and states that “Almost a fifth of Alaska’s licensed child care facilities have closed since March 2020, mainly because of financial losses and the lack of workers.”

Addressing the gap in available quality child care services could provide relief to workforce shortages and improve the economic conditions of the region.

Employers recognize that some employees do not return to their employment after their maternity leave. Many employees explain they cannot find childcare providers who are able or willing to care for the youngest infants because credentialing is more extensive than for school-age children. While the financial reimbursement for caring for infants is slightly higher than for older children, childcare providers are limited to the number of infants they can care for which affects their profit margin.

Over the last three years, two of the four large childcare providers have closed their doors. This includes St. Paul Preschool/Daycare and the Kodiak Mission; leaving only the River of Life Christian Fellowship and the Child Development Center (available only to military personnel or the contractors who work on base). These sites closed due to an inability to pay their staff a living wage, if not greatly augmented by contributions from the constituents of their churches. Disagreements on the legality of citing a non-profit status within the Kodiak Island Borough, also caused a childcare site to close as they were no longer able to supplement their childcare income, with selling other locally produced goods such as ice cream or goat’s milk.

While many parents prefer to have their children cared for at a center, as many of these have closed the in-home providers in our community are growing in proportion to the centers. In-home providers may be challenged by the regulations which they struggle to understand, as oftentimes they may be individuals for whom English is not their first language.

KANA Childcare Assistance, housed within the Community Services Department, helps local childcare providers to navigate the bureaucracy of licensure and is able to offer financial support to families who are eligible.

The State of Alaska’s Childcare Assistance no longer has an office within Kodiak, so some childcare providers struggle to engage effectively with them over the phone.

Declining Population in the Kodiak Region:

According to “Alaska Economic Trends” from September 2022, the “Predicted growth would be the slowest in Alaska’s history” through 2050. State population is projected to “increase by a projected 24,800 people from 2021 to 2050.”

The same analysis indicates a significant decrease in population for the Kodiak Island Borough, from an estimated 12,900 people in 2021 to 11,871 in 2030 and just 9,871 in 2050 representing a 23.5% decrease. Net out migration, decreases in birth rates, and increases in death rates are all contributing factors. Such a significant decline in population is concerning and could impact the economic outlook of the Kodiak Region in the coming decades.

Pacific Spaceport Complex:

Owned and operated by the Alaska Aerospace Corporation, the Pacific Spaceport Complex (referred to locally as “the launch complex”) is located approximately 45 miles from the City of Kodiak, in an area called Pasagshak, on Kodiak Island. While historically most activity at the Pacific Spaceport Complex has been conducted by the U.S. government, private industry is increasing activity. According to an interview with former CEO Milton Keeter by Alaska Public Media “Alaska Aerospace is headquartered in Anchorage, and the Kodiak facility employs about 40 full and part-time staff, plus contractors.” ([Alaska Public Media, Oct 11, 2022; by Kirsten Dobroth, KMXT](#))

These part-time staff and contractors oftentimes struggle to find housing when preparing for a launch, which further tightens the housing crunch.

Alaska Marine Highway:

The Alaska Marine Highway System (AMHS) is a vital transportation system for Coastal Alaska, including connections to Bellingham, Washington and Prince Rupert, British Columbia. For the Kodiak region, the AMHS connects the Port of Kodiak, Old Harbor, Port Lions, and Ouzinkie with the mainland, providing residents and visitors with safe, reliable, and efficient transportation of people, goods, and vehicles. Of particular concern for the Kodiak region is the aging MV Tustumena, which started service in 1964. The MV Kennicott is the only additional vessel with capabilities to serve the Kodiak region. The State of Alaska continues efforts to replace the MV Tustumena, which has been challenging given the precarious condition of the State budget; however, Federal and State funding options are in process for an eventual replacement targeted for 2027. The State budget has also had dampening effects on the frequency and seasonal service of the AMHS to the Kodiak region, including challenges staffing the vessels at required levels and reduced vessel schedules, these can cause a lack of ferry service to even the hub of Kodiak for 4-6 months at a time. This inability to utilize the ferries as a reliable transportation option can further increase the costs of both construction of new housing and investment in economic development.

Energy Infrastructure on the Kodiak Road System

The Kodiak Electric Association (KEA) produced 99.8% renewable electricity from hydroelectric and wind generation sources in 2023. KEA provides electricity service to the Kodiak Road System and to Port

Lions. Current generation infrastructure in place and financed through long-term debt, creating what is essentially a fixed-cost utility, meaning that electricity rates do not fluctuate with the cost of diesel fuel or natural gas like most of Alaska.

Electricity demand is expected to soften from the impact of reduced fish processing and the sale of Trident's Kodiak processing facility. In response to reduced revenue, KEA enacted a 12.5% rate increase to cover fixed costs, effective April 1, 2024. This is the first time in 30 years KEA has increased rates. Even with the increase, electricity rates are similar or less than the cost of the greater Anchorage area, the average cost of the United States, and less than most other areas of Alaska. Industry on the Kodiak road system can depend on stable, affordable rates, which provides an ideal location for seafood processors to operate and the opportunity for future development of year-round agriculture, manufacturing, and kelp/mariculture product processing.

KODIAK MARKETPLACE

The Kodiak Marketplace, a community-driven initiative aimed at empowering small businesses, fostering workforce development, and promoting overall well-being, opened its doors to the community in October 2023. Since then, its impact on economic development and job creation has become increasingly evident.

The decision to replace the existing building with the Kodiak Marketplace has profoundly influenced the fabric of the community. Spearheaded by the Kodiak Area Native Association (KANA), this transformation energized the entire community through strategic redevelopment and marked KANA's significant venture into commercial real estate.

In 2014, KANA acquired the property with the dual aim of revitalizing downtown Kodiak and advancing its overarching healthcare goals. The demolition of the old building in 2021 paved the way for ambitious redevelopment, addressing the community's need for a centralized space that fosters social interaction, community engagement, and economic initiatives.

Recognizing the potential of the Marketplace to enhance downtown cohesion and vitality, KANA envisioned not just a place for commerce but a hub for cultural and communal gatherings. This initiative aimed to establish a vibrant center fostering a deep sense of belonging and unity among Kodiak residents.

Before the Kodiak Marketplace, the community faced limitations due to the absence of large-scale meeting spaces. This infrastructure gap hindered communal engagement and professional growth. The Marketplace, equipped with cutting-edge audiovisual technology and flexible capacity options, now facilitates extensive gatherings, bolstering the community's capacity for collective advancement.

A key objective of the Marketplace is to provide local businesses with affordable and accessible retail spaces. Its over 60,000-square-foot area lowers hurdles for small businesses and startups, providing them with a platform to expand and contribute to job creation.

Hosting a comprehensive mix of services and spaces, from a conference center and offices for KANA to a post office and various shops, the Marketplace has solidified its status as a community hub. This multifaceted approach not only supports local businesses but also enriches the lives of Kodiak's residents, demonstrating the Marketplace's significant contribution to economic development and job creation in the region.

KODIAK ROAD SYSTEM

Population:

12,764

Coordinates:

57.8675° N, 152.8822° W

Location:

252 Air Miles SW of Anchorage

Land Area: 6.3 square miles (*City of Kodiak*)

Water Area: 3.7 square miles

The City of Kodiak is nestled on the northeastern side of the second largest island in the United States (Kodiak). The Kodiak Road System is comprised of approximately 87 miles of state-owned roads, with end points at White Sands Beach, Fossil Beach in Pasagshak, and Anton Larsen Bay. The City of Kodiak is the most densely populated community on the Road System though populations also exist out of city limits in Bells Flats, Coast Guard neighborhoods, Pasagshak, Chiniak, and remote locations in between.

History & Culture

The first people (Alutiiq/Sugpiaq) arrived on Kodiak Island more than 7,500 years ago via “skin boats”³ along the Aleutian Chain. The Alutiiq/Sugpiaq people thrived on Kodiak Island for thousands of years before Russian contact in the late 1700s, when Russian fur hunters, traders, and explorers established the first permanent Russian settlement in Alaska on Kodiak. This settlement acted as a commercial port and the first capital of Russian America.⁴

Kodiak has a long history of natural disasters as well, with Mount Novarupta erupting in 1912, covering the City of Kodiak in Ash,⁵ as well as the “Great Alaska” earthquake in 1964 that triggered devastating tsunamis to the island, leveling out downtown infrastructure.⁶

The City of Kodiak saw a boom in population during World War II as the island acted as a perfect strategic location for the North Pacific. The United States Navy built a large base which still stands today, now as the largest United States Coast Guard Base.⁷ Before WW II, Kodiak was a fishing community of approximately 400 people.⁸

Governance & Contact

City of Kodiak

2nd class city, incorporated in 1940

6-member City Council

907-486-8636

³ [Alaska Native Heritage Center | Alaska History and Cultural Studies \(lpsd.com\)](#)

⁴ [Alutiiq People - Alutiiq Museum and Archaeological Repository](#)

⁵ <https://www.nps.gov/articles/aps-v11-i1-c10.htm>

⁶ <https://vilda.alaska.edu/digital/collection/cdmg23/id/600/rec/3> (Visual of downtown from the Museum to support)

⁷ <https://koc.alaska.edu/about/community/>

⁸ <https://koc.alaska.edu/about/community/>

Kodiak Island Borough

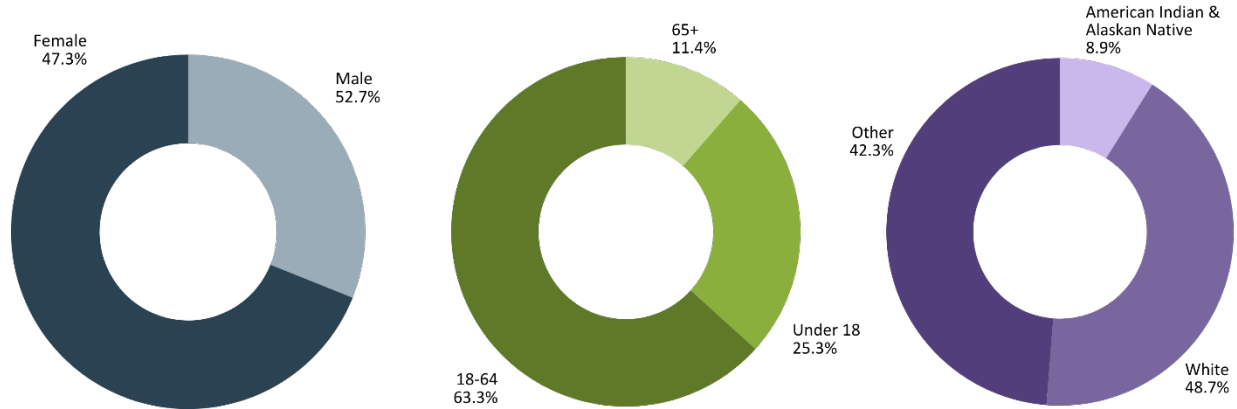
2nd class borough, incorporated in 1963

7 member Assembly

907-486-9300

The City of Kodiak was incorporated in 1940, 77 years after the United States purchased Alaska from Russia and nearly 20 years before Alaska became the 49th state. In 1965 a City Charter was adopted and signed so that Kodiak could operate as a “Council-Manager” form of government. ⁹

Demographics - Population by Sex, Age, and Ethnicity (from left to right)



Education

Preschools	Elementary Schools	Middle Schools	High Schools	Higher Education
Akteach	Akteach	Akteach	Akteach	Kodiak Community College
—	Chiniak School	Chiniak School	Chiniak School	
KIBSD Early Childhood Services	East Elementary	Kodiak Middle School	Kodiak High School	
Alutiingcut Childcare Center	Main Elementary	Kodiak Christian School		
Child Development Center - CG Base	Peterson Elementary	—		
Kodiak Christian School	North Star Elementary	The Rock Education Group		
The Rock Education Group	Kodiak Christian School			
—	The Rock Education Group			

⁹ <https://www.city.kodiak.ak.us/community>

Transportation – Only accessible by boat or plane

Air

Benny Benson State Airport is a public and military use airport comprised of 3 asphalt-paved runways, all measuring between 5,000 – 7,500 feet long.¹⁰ Alaska Airlines is the only commercially owned airline that flies into Kodiak offering flights to and from Anchorage (approximately a one-hour flight). Small planes also operate from the state airport, offering flights from the City of Kodiak to all communities off of the Road System. Kodiak also features a municipal airport with a 2,883-foot paved runway. There are floatplane facilities at Lily Lake and Trident Basin on Near Island.

Water

The Alaska Marine Highway, operating the M/V Tustumena and M/V Kennicott connects Kodiak with Port Lions, Old Harbor, Ouzinkie, and the Alaska mainland. It provides passenger and car transport service year-round. Two all-cargo carriers and one scheduled intra-island carrier ship also serve Kodiak to provide food, provisions, and supplies.¹¹

Employment & Businesses

600 Active Business Licenses¹²

\$91,138 Median household income.¹³

5% Unemployed.¹⁴

5% Bed tax¹⁶

7.5% Living below poverty

7% Sales tax (city limits)

***10.25** Property tax mills.¹⁵

Kodiak is home to the largest fishing fleet in the state of Alaska with 650 slips in the Kodiak Municipal Harbor, which is owned by the City of Kodiak. Kodiak is one of the top ports in the world, as commercial fishing is a dominant part of the economy.¹⁷ Additionally, you can also find the largest U.S. Coast Guard Air Station in Kodiak, making government jobs a large part of the workforce. Other sectors like retail, manufacturing, and tourism are important parts of the Kodiak economy as well.¹⁸

**Service Districts and property taxes based on service needs.*

¹⁰ chrome-extension://efaidnbmnnnibpajpcgclefindmkaj/https://dot.alaska.gov/sereg/projects/kodiak-airport/20210422_Kodiak%20Airport_Presentation.pdf

¹¹ <https://dot.alaska.gov/amhs/communities.shtml>

¹² <https://www.city.kodiak.ak.us/finance/page/active-business-licenses>

¹³ <https://www.census.gov/quickfacts/fact/table/kodiakislandboroughalaska/INC110222#INC110222>

¹⁴ <https://live.laborstats.alaska.gov/data-pages/labor-force-area-data?s=18&a=0>

¹⁵ <chrome-extension://efaidnbmnnnibpajpcgclefindmkaj/https://www.kodiakak.us/DocumentCenter/View/394/Mill-Rates?bidId=>

¹⁶ <https://www.kodiakak.us/285/Transient-Accommodations-Tax#:~:text=The%20Borough%20collects%20a%205,within%20the%20Kodiak%20Island%20Borough>.

¹⁷ <https://www.city.kodiak.ak.us/ph>

¹⁸ <https://datausa.io/profile/geo/kodiak-ak#:~:text=Median%20household%20income%20in%20Kodiak,values%20of%20%2470%2C893%20and%20%2436%2C979>.

Community Energy Sources & Use Utility Provider: Kodiak Electric Association

Sources of Energy: Hydropower, Wind, Diesel

Gas Vendor: Petro Marine / Petro 49

Heating Oil: Petro Marine / North Pacific Fuel

Capital Improvement Projects (CIP) List FY23.¹⁹

Project	Estimated Cost	Funds Needed
Hospital Facility Sterilizer and Boiler Replacement	\$1,000,000	\$1,000,000
Kodiak Community Health Center Expansion Design	\$25,850,000	\$1,200,000
Ouzinkie Electrical Distribution System	\$2,500,000	\$2,500,000
City of Larsen Bay Water Distribution Lines	\$1,700,000	\$1,700,000
Old Harbor Septic Tank Replacement	\$100,000	\$100,000
Service Area Road Improvements and Paving	\$10,000,000	\$9,000,000
Drainage Improvements for Chiniak Highway and Sargent Creek Intersection	\$2,500,000	\$2,500,000
Port Lions State Route Improvement Project	\$1,200,000	\$1,200,000
School Roof Evaluation and Design	\$100,000	\$100,000
Safe Pathways to North Star Elementary School	\$2,000,000	\$2,000,000
Akhiok School HVAC Controls Replacement	\$300,000	\$300,000
Sargent Creek Community Playground & Basketball Court	\$300,000	\$148,000
Mill Bay Beach Access and Recreation Upgrade	\$500,000	\$500,000

¹⁹ <https://www.kodiakak.us/DocumentCenter/View/10718/KIB-State-Legislative-Capital-Improvement-Projects-Priority-List?bidId>

Anton Larsen Bay Road Extension to Ice Free Water	\$10,450,000	\$10,000,000
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Port Lions (*Masiqsirraq*)

Population²⁰

170

Coordinates²¹

57.8675° N, 152.8822° W

Location

19 Miles SW of Kodiak, 247 Miles SW of Anchorage

Land Area: 6.3 square miles

Water Area: 3.7 square miles

Port Lions is located in Settlers Cove off of Kuzhuyak Bay on the north end of Kodiak Island. The town is surrounded by Sitka spruce, birch, alder, and willow trees that cover the mountainous terrain. Within town, a causeway provides foot and bike access across Settler’s Cove to Peregrebni Point. The waters around Port Lions are an excellent place to spot wildlife and are home to some of the richest fisheries in Alaska. In the summer, whales, sea otters, sea lions, seals, and hundreds of birds can be spotted.

History & Culture

The village of Port Lions was founded in 1964 by the displaced communities of Aq’waneq on Afognak Island and Port Wakefield on Raspberry Island, after the villages were destroyed by a tsunami triggered by the Good Friday Earthquake. Port Lions was built with the help of the Bureau of Indian Affairs, Lions Club International, Mennonites, the Public Health Service, and other organizations, and was named in honor of the Lions Club. The community’s culture and history date back at least 6,000 years. Many community members can trace their ancestry to the Old Village of Afognak and have a diverse mix of Sugpiaq/Alutiiq, Russian, and Scandinavian bloodlines. Several sites around Port Lions were inhabited before colonization. Three sites are on the Peregrebni Peninsula, one is at the head of Settlers Cove, and a possible site is at the north bank of the mouth of the Port Lions River. Three homesteads and a sawmill were established in the area in the early 1900s. The large Wakefield Cannery was located on Peregrebni Point until it burned down in 1975. A 149-foot floating crab processor called “The Smokwa” operated in Port Lions from 1975-1980. The majority of the population of Port Lions are Alutiiq, and most residents practice a fishing and subsistence way of life.

Governance & Contact

City of Port Lions

2nd class city, incorporated in 1966

7-member City Council

cityofportlions@gmail.com

Native Village of Port Lions

7 members of Tribal Council

²⁰ <https://www.census.gov/>

²¹ <https://www.bia.gov/>

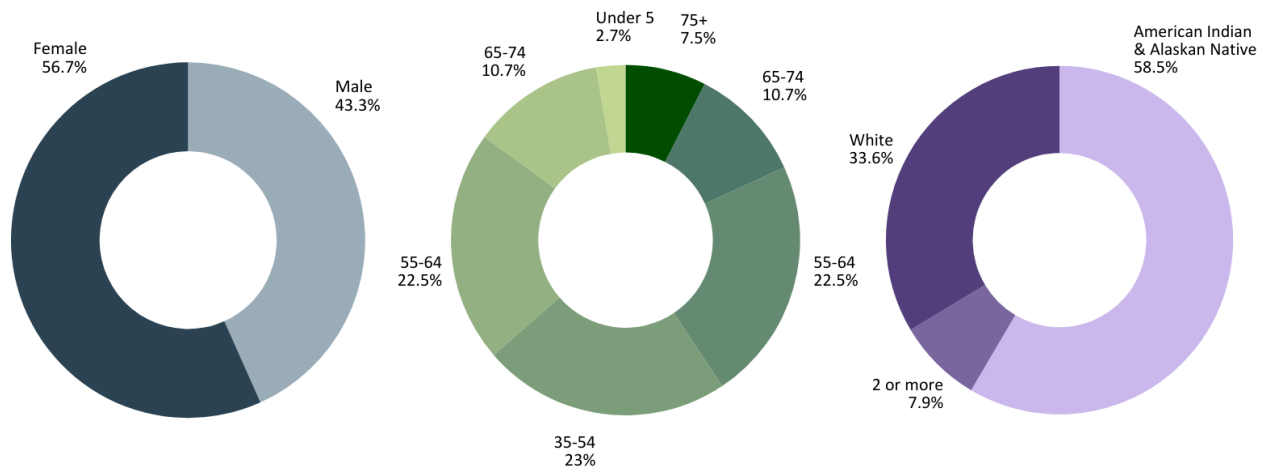
nativevillageofportlions.org

Afognak Native Corporation

www.afognak.org

The City of Port Lions provides for and manages water and sewer, a library, public dock facilities, solid waste management, and public safety. The City and Tribe work together to provide street maintenance and solid waste management. The Native Village of Port Lions is a federally recognized Tribe that administers programs including youth and elder services, cultural programs such as Alutiiq Dancing, and Tribal Environmental Programs. Through a resolution from the Native Village of Port Lions, the Kodiak Area Native Association (KANA) provides medical, dental, and behavioral services. In addition, KANA provides two Village Public Safety Officers for the community through an agreement with the City of Port Lions. The Tribe also owns the Port Lions Farm, which has hoop houses and a hydroponics operation.

Demographics²² - Population by Sex, Age, and Ethnicity (from left to right)

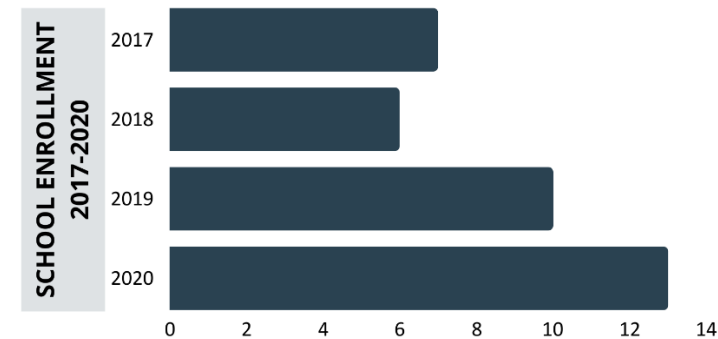


Education²³

Port Lions School

Kodiak Island Borough

School District



²² <https://www.census.gov/>

²³ <https://education.alaska.gov/>

Transportation – Only accessible by boat or plane

Air

State of Alaska-owned 2,600 foot gravel airstrip; Daily flights between Port Lions and Kodiak via Island Air Service

Water

Small boat harbor, may be used by seaplanes; 68 boat slips; Boat harbor partially rebuilt in 2011. Recently built deep water city dock to accommodate large ships; Alaska Marine Highway ferries serve Port Lions twice/week from May to October, and twice a month November to April. Access to Kodiak Road System at Anton Larsen Bay during non-winter months.

Employment & Businesses

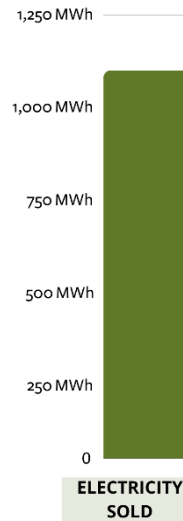
17 Business License Holders
\$42,917 Median household income
13.9% Unemployed
5% Bed tax

12.9% Living below poverty
0% Sales tax
10.75 Property tax mills

Local government and utilities are the main employers in Port Lions. There is some employment from sport fishing, _ hunting guide services, and commercial fishing. In the 1970s and 1980s, commercial fishing and lumber industries fueled a thriving community in Port Lions. However, in recent decades the community has increasingly struggled to provide year-round employment for its residents due to a decline in fish prices.

Community Energy Sources & Use

Utility Provider: Kodiak Electric Association
Sources of Energy: Hydropower, Wind, Diesel
Gas Vendor: Kizhuyak Oil Sales
Bank Fuel Capacity: NVPL 90,600 gallons; KEA 1100 gallons



ELECTRIC CUSTOMERS	ANNUAL FUEL USE (GALLONS)
135 RESIDENTIAL	N/A Electric
15 COMMUNITY FACILITIES	97,391 Space Heating
	26,049 Transportation

Community Energy Priorities

1. **Maintenance and efficiency of public buildings**
 - a. Funding for energy audits and retrofits on community buildings
 - b. Pursue RACEE Round 2 funding (in progress as of May 2020)
2. **Maintenance and efficiency of residential buildings**
 - a. Feasibility of energy efficiency upgrades to residential buildings
 - b. Pursue RACEE Round 2 funding (in progress as of May 2020)
3. **Maintenance and efficiency of commercial buildings**
 - a. Feasibility of energy efficiency upgrades to commercial buildings
 - b. Pursue RACEE Round 2 funding (in progress as of May 2020)

4. **Maintenance and efficiency of water utilities**
 - a. Conduct system-wide energy audit
5. **Maintenance and efficiency of community transportation infrastructure**
 - a. Improve reliability of cost-effective transportation option – improve transportation options for elders
6. **Develop local energy generation**
 - a. Reactivate Tribal Energy Dept. – Hire energy coordinator
7. **Broadband Internet Infrastructure**
 - a. Aleutian/Kodiak fiber optic cable installation

Capital Improvement Projects (CIP) List FY21

Estimated Cost	Project Name
\$120,000	Loader
\$700,000	Broadband Internet Tech.
\$1,200,000	Road Upgrade
\$2,500,000	Water Distribution Replacement & Expansion
\$35,000	Insulated Fire Truck Garage
\$50,000	Disaster Emergency Preparedness
\$50,000	Landfill Bulldozer

AKHIOK (KASUKUAK)

Population.²⁴

63

Coordinates.²⁵

56.9456° N, 154.1703° W

Location

90 Miles SW of Kodiak, 340 Miles SW of Anchorage

Land Area: 7.8 square miles

Water Area: 2.4 square miles

Akhiok is located on the southwest end of Alitak Bay, between Kempf Bay and Moser Bay. The terrain surrounding Akhiok is made up of low hills and a moist tundra-like valley. There are few tall brush areas and trees, and some stands of alder are present. Akhiok is surrounded by land owned by the Akhiok-Kaguyak Native Corporation and is within the Kodiak National Wildlife Refuge. The area is rich in wildlife and marine life, while the original village site on the Aliulik Peninsula has a high brown bear density and ancient Alutiiq petroglyphs are preserved near the present village.

History & Culture

The original village of Akhiok was located near Humpy Cove, on the eastern side of Alitak Bay, and was originally a sea otter hunting settlement. The village, called Kashukugniut, was occupied by the Russians in the early 19th century. The name Akhiok was reported in the 1880 census. In 1881, residents from the old village relocated to the present site at the south end of Kodiak Island at Alitak Bay. A post office was

²⁴ <https://www.census.gov/>

²⁵ <https://www.bia.gov/>

established in 1933 and remained open until 1945. The village was renamed Alitak during World War I by the post office to avoid confusion with a village near Bethel named Akiak. The name was later changed back to Akhiok. With the decline of the sea otter industry, however, the village became oriented primarily toward fishing. Following the 1964 earthquake and tsunami, families from the village of Kaguyak were relocated to Akhiok. The majority of the community are descendants of Kodiak Archipelago's Sugpiaq/Alutiiq peoples. Residents are proud of their heritage and traditions of respect for the land and marine resources. Subsistence is an important part of the community's culture and well-being. Children are taught from an early age how to hunt, fish, dig for clams, pick berries, and gather medicinal plants. Akhiok residents consider halibut, flounder, and cod as primary subsistence fish resources as well as salmon and trout. In addition, all varieties of clams are utilized, as are crab and shrimp. Marine mammals of subsistence importance include seals, sea otters, and sea lions. The Kodiak brown bear and the Sitka black-tail deer are both popular for sport hunting and are essential sources of subsistence food for local residents.²⁶

Governance & Contact

City of Akhiok

2nd class city, incorporated in 1974

7-member City Council

City_of_akhiok10@yahoo.com

Native Village of Akhiok

7 members of Tribal Council

donene89@yahoo.com

Kaguyak Tribal Council

9 enrolled Tribal members

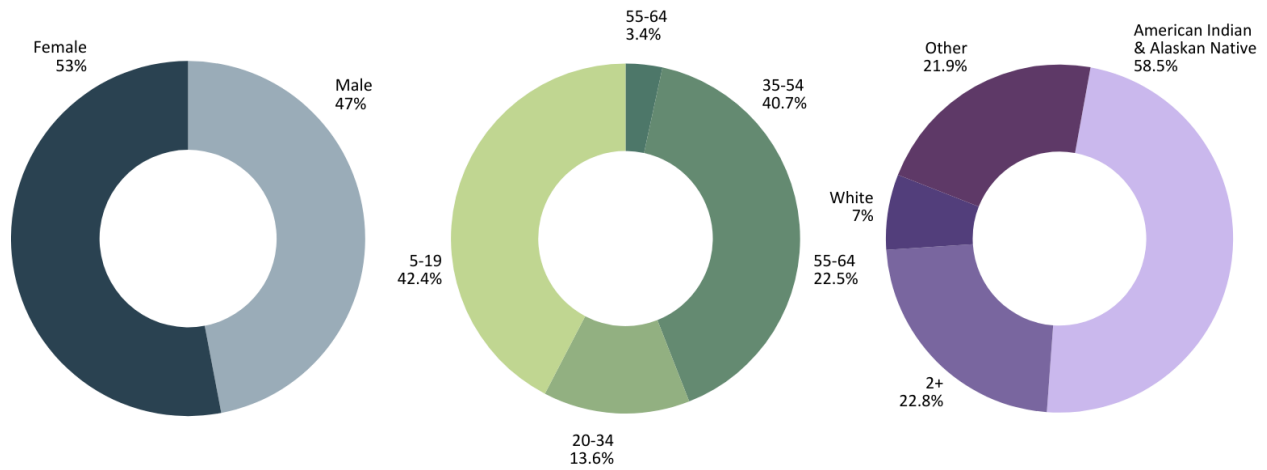
PO Box 5078, Akhiok, AK 99615

Pamodo_98@yahoo.com

Two federally recognized Tribal councils, Native Village of Akhiok and Kaguyak Village, are jointly eligible to administer a variety of federal programs, including local health care, employment assistance, and other social services. They assign their federal contracting authority to the Kodiak Area Native Association (KANA), which then administers many of these programs and provides essential services. The City levies no property or sales taxes, and most municipal funds come from service charges and state-shared revenue. The City and Tribal Councils provide services including street maintenance, electricity and fuel distribution, water and sewer, police and emergency response services, a Culture Center, airstrip maintenance, and solid waste disposal.

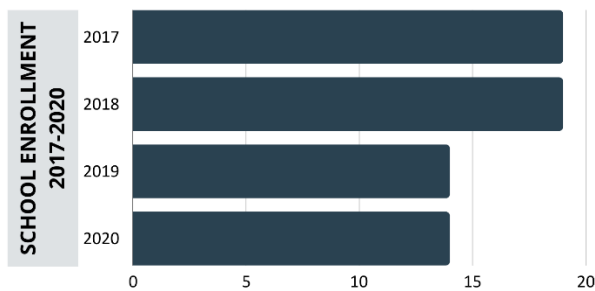
²⁶ <https://aki-kodiak.com/our-lands/tourism/>

Demographics.²⁷ - Population by Sex, Age, and Ethnicity (from left to right)



Education.²⁸

Akhiok School
Kodiak Island Borough
School District



Transportation – Only accessible by boat or plane

Air

Small gravel airstrip, in need of an expansion to accommodate larger aircrafts
Island Air Service provides flights 3 times per week.²⁹

Water

No boat harbor; no dock.

Employment & Businesses

3 Business License Holders
\$27,500 Median household income
20% Unemployed

10.5% Living below poverty
0% Sales tax
10.75 Property tax mills

²⁷ <https://www.census.gov/>

²⁸ <https://education.alaska.gov/>

²⁹ <https://www.flyadq.com/>

Akhiok’s economy is based on a mixture of commercial fishing and subsistence harvest activities, with some commercial tourism focused on sport fishing and hunting. Much of the community’s cash flow also comes from public-sector employment. In recent years, commercial fishing activities have been adversely affected by several factors, including limited entry and individual fishing quotas, the Exxon Valdez oil spill of 1989, and a decline in fish prices. The community has one lodge that provides some employment opportunities for residents who provide fishing and hunting guide services. The nearby Alitak fish processing plant does not employ Akhiok residents, however the community has relied on fuel and delivery services through Alitak Cannery for many years. In 2024, OBI Seafoods announced that the Alitak Cannery will not purchase commercially caught salmon from set net site operators, and limited purchase from the seining fleet, marking the end of an era.

Community Energy Sources & Use

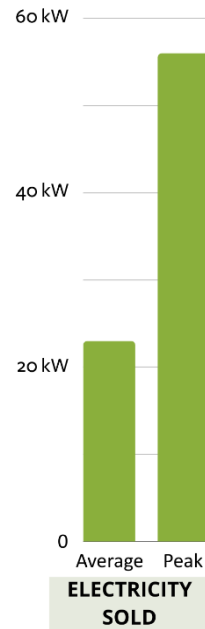
Utility Provider: Akhiok/Kaguyak Electric

Sources of Energy: Diesel

Electrical Generation Capacity: 3654 kWh Diesel / 3 Diesel generators

PCE Status: Active (\$0.13/kWh)

ELECTRIC CUSTOMERS	ANNUAL FUEL USE (GALLONS)
22 RESIDENTIAL	35,340 Electric
4 COMMUNITY FACILITIES	27,357 Space Heating
1 GOVERNMENT	7,317 Transportation
5 COMMERCIAL	



Community Energy Priorities

1. **Maintenance and Efficiency of Community Transportation Infrastructure:**
 - a. Construction of a fuel pier with dolphins and marine header
 - b. Feasibility of road to Alitak Cannery
 - c. Acquire fuel truck to move fuel from tank farm to power house
2. **Develop Local Energy Generation:**
 - a. Solar: test feasibility of cost/benefit of solar integration
3. **Maintenance and Efficiency of Public Buildings:**
 - a. Feasibility of energy efficiency upgrades to public buildings
4. **Maintenance and Efficiency of Residential Buildings:**
 - a. Expressed need for new, energy-efficient homes. Some homes are so old that they shouldn’t be retrofitted; they need to be retired.

Capital Improvement Projects (CIP) List FY21

Estimated Cost	Project Name
\$125,000	School Heat Recovery
Unknown	Fuel Dolphin
Unknown	Landfill Relocation
\$1 Million	Renewable Energy Generation Integration

KARLUK (KAL'UT OR KAL'UQ)

Population³⁰

27

Coordinates³¹

57.5719° N, 154.4556° W

Location

88 Miles SW of Kodiak, 301 Miles SW of Anchorage

Land Area: 55.4 square miles

Water Area: 2.4 square miles

The community of Karluk is nestled beside the Karluk River at the Karluk River mouth, facing the Shelikof Strait on the western end of Kodiak Island. The village is surrounded by low-lying mountains, moist tundra, and rivers and streams. Kodiak National Wildlife Refuge encircles the Village of Karluk. The Kodiak bears are known to use the drainage.

History & Culture

The area spanning from Karluk Lake to the Karluk River mouth is thought to have been inhabited by Sugpiaq/Alutiiq peoples for more than 7,000 years. There are over 46 archaeological sites that show evidence of Alutiiq peoples inhabiting the area. Russian hunters, drawn to the abundant salmon run in the Karluk River, established a trading post as the first permanent community at Karluk in 1786. In 1878, the Karluk Packing Company cannery was built in Karluk, the first cannery on Kodiak. By the late 1800s, at least 5 canneries were operating out of Karluk. The population had risen to over 1,000 residents, making it the third-largest community in Alaska at the time. The Karluk canneries were producing most of the sockeye salmon that came out of Alaska, and the town was home to the world's largest cannery. Overfishing eventually decreased the salmon population and the canneries closed down in the 1930s. The Karluk Russian Orthodox church was built in 1888 and continues to be a key part of the community. Historically, the community was split across two sites, one on either side of the spit at the entrance to the lagoon. "Old" Karluk lies on the northern side with "new" Karluk on the southern side. New Karluk is the residential core of the community, and is home to all but three or four families. The village council relocated the community to its present site after a severe storm in January 1978.

Governance & Contact

Karluk, Census-Designated Place

Unincorporated City

No municipal government structure

Karluk Indian Reorganization

Act (IRA) Tribal Council

7 members of Tribal Council

PO Box 22 Karluk, AK 99608

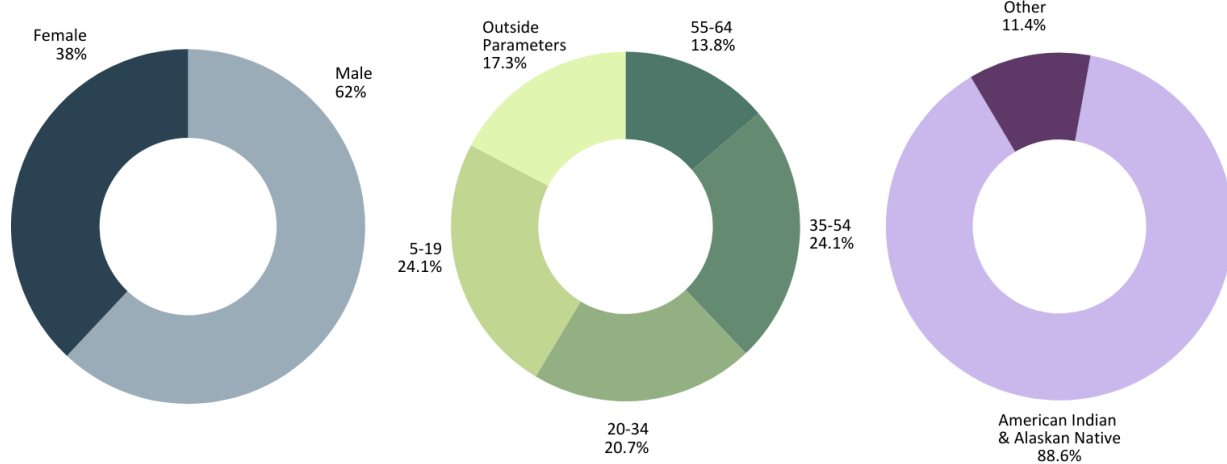
907-241-2218

³⁰ <https://www.census.gov/>

³¹ <https://www.bia.gov/>

Karluk is an unincorporated community, with no municipal government structure. Most community activities are governed by the Karluk Tribal Council, the federally recognized tribe and official Tribal governing body. The Tribe is eligible to administer a variety of federal programs. It currently contracts with the Kodiak Area Native Association for elder meal services. Because Karluk is not a second-class city, it is not eligible for the same Borough or state assistance as other outlying communities in the Borough.

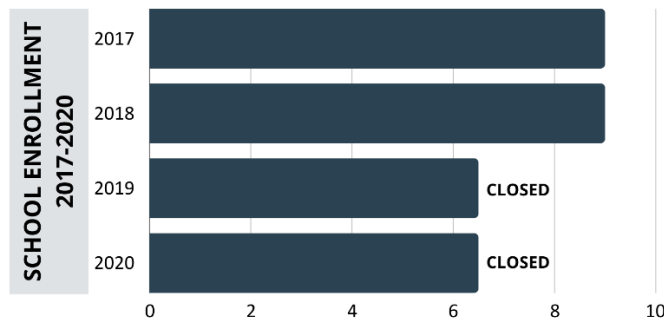
Demographics³² - Population by Sex, Age, and Ethnicity (from left to right)



Education³³

Karluk School

Kodiak Island Borough School District



Transportation – Only accessible by boat or plane

Air

State of Alaska-owned 2,400-foot gravel airstrip

One flight per day (year-round, weather permitting) between Karluk and Kodiak through Island Air Services

Water

Seaplane base at Karluk Lake

³² <https://www.census.gov/>

³³ <https://education.alaska.gov/>

Employment & Businesses

3 Business License Holders
 \$19,500 Median household income
 28% Unemployed

25% Living below poverty
 0% Sales tax
 10.75 Property tax mills

Hunting and guide services provide some seasonal employment. Most residents rely heavily on the subsistence economy to supplement their diets. Most available fish and wildlife species are harvested, including shellfish, finfish, waterfowl, small and big game, and marine mammals.

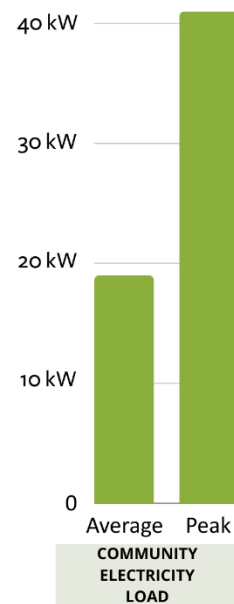
Community Energy Sources & Use

Utility Provider: Alutiiq Power and Fuel Company

Sources of Energy: Diesel

Electrical Generation Capacity: 264 kWh Diesel / 2 Diesel generators

ELECTRIC CUSTOMERS	ANNUAL FUEL USE (GALLONS)
14 RESIDENTIAL	23,759 Electric
2 COMMUNITY FACILITIES	14,226 Space Heating
14 OTHER	3,805 Transportation



Community Energy Priorities

1. **Maintenance and efficiency of electrical utilities**
 - a. Upgrade streetlights
 - b. Heat recovery on powerhouse
2. **Maintenance and efficiency of water utilities**
 - a. Replace and upgrade mainlines and pump-house
3. **Maintenance and efficiency of public buildings**
 - a. Feasibility of energy efficiency upgrades to public buildings
4. **Maintenance and efficiency of residential buildings**
 - a. Feasibility of energy efficiency upgrades to residential buildings
 - b. Find ways to help homeowners up-keep homes and lower home heating and electrical bills

Capital Improvement Projects (CIP) List FY21

Estimated Cost

Unknown
 Unknown

Project Name

Landfill Relocation
 Wastewater Treatment Plan Upgrade

LARSEN BAY (UYAQSAQ)

Population³⁴

34

Coordinates³⁵

57.5400° N, 153.9786° W

Location

60 Miles SW of Kodiak, 283 Miles SW of Anchorage

Land Area: 5.4 square miles

Water Area: 2.2 square miles

Larsen Bay is located inside Uyak Bay, a narrow fjord on the southwest end of Kodiak Island. Larsen Bay is surrounded by the Kodiak National Wildlife Refuge. The landscape is dominated by scattered birch, cottonwood, and alder trees, with some locally heavy stands. High brush of alder and willow predominates with the tree growth. There is no Sitka spruce in the western part of Kodiak Island. There are small areas of wetlands, especially at the head of the bay.

History & Culture

The area of Larsen Bay has been inhabited for over 2,000 years by Sugpiaq/Alutiiq peoples. Russian fur traders frequented the area in the mid-1700s, and the Bay was named by Russians for Peter Larsen, an Unga Island furrier, hunter, and guide. A tannery operated in Uyak Bay in the 1800s. The influence of Russian fur traders is apparent in the Russian Orthodox churches and cemeteries, and Russian heritage is an important aspect of the identity of the predominately Alutiiq community. The area has a rich archaeological history. In the 1930s, Ales Hrdlicka removed 756 human remains from Larsen Bay's cemetery, despite the objections from the community, and took them to the Smithsonian Institution in Washington, D.C. Hrdlicka was the curator of the U.S. Museum of Natural History at the time, and has since been recognized as disrespectful and dismissive of Native peoples. The Larsen Bay Tribal Council formally requested the return of the remains in 1987, and after negotiations and some resistance from the Smithsonian, the remains were returned to Larsen Bay in 1991 and reburied. During the summer months, the population of Larsen Bay more than doubles as the commercial salmon fishery gets underway. The vast majority of cannery employees are non-village residents. Larsen Bay is a hub of commercial and sport fishing activity on Kodiak's west coast. Six lodges host visitors and provide a tourist guide service, although most are not owned by village residents. Subsistence is a central way of life to many residents, both for food security and for cultural well-being.

Governance & Contact

City of Larsen Bay

2nd class city, incorporated in 1974

7 member City Council

cityoflarsenbay@gmail.com

mayor.larsen.bay@gmail.com

³⁴ <https://www.census.gov/>

³⁵ <https://www.bia.gov/>

Native Village of Larsen Bay

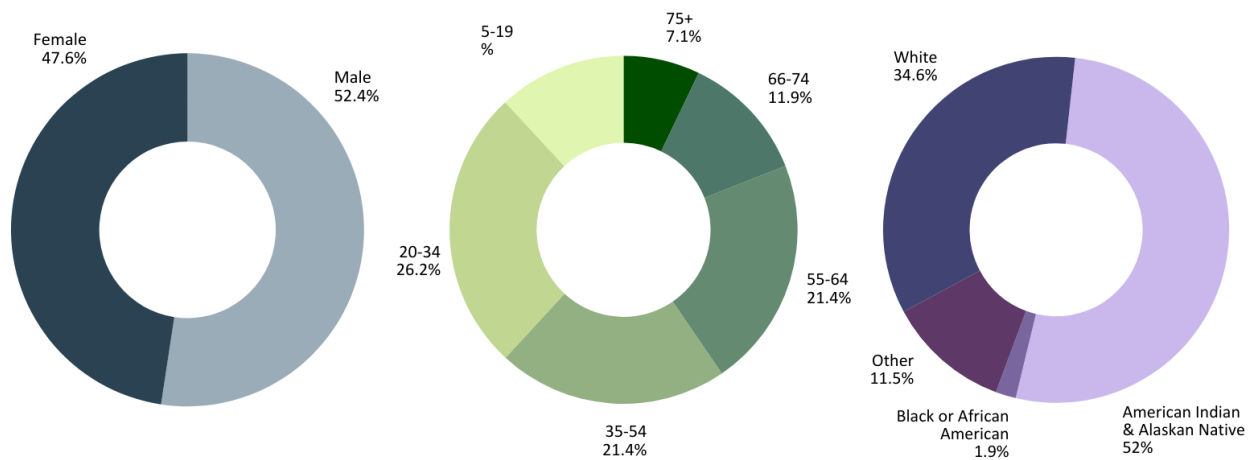
7 members of Tribal Council

larsenbaytribe@gmail.com

PO Box 50, Larsen Bay, AK 99624

The City of Larsen Bay provides electricity, water, sewer, road maintenance for the 3.5 miles of gravel roadway, and solid waste disposal. A small hydroelectric plant located about a mile from the community generates electricity. The Larsen Bay Tribal Council serves as the tribal government for Alaska Native residents of Larsen Bay. The Council administers numerous grants, and owns the Tribal farm, Marlene's Garden, which has 2 hoop houses and a hydroponics operation. Kodiak Area Native Association provides health services and Village Public Safety Officer through a contract with the Tribal Council.

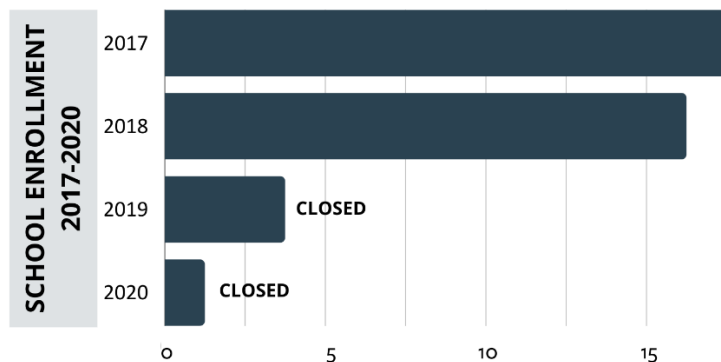
Demographics.³⁶ - Population by Sex, Age, and Ethnicity (from left to right)



Education.³⁷

Larsen Bay School

Kodiak Island Borough School District



³⁶ <https://www.census.gov/>

³⁷ <https://education.alaska.gov/>

Transportation – Only accessible by boat or plane

Air

State of Alaska-owned gravel airstrip

Daily flights between Larsen Bay and Kodiak Mon-Sat via Island Air Service

Water

Small boat harbor; cargo barge arrives every six weeks (weather dependent)

Float plane dock operated by State of Alaska

Employment & Businesses

18 Business License Holders

36.5% Living below poverty

\$36,250 Median household income

3% Sales tax

30% Unemployed

10.75 Property tax mills

\$5 Per person per night bed tax

Employment in Larsen Bay comes from local government, fishing, and sport fishing and hunting guide services. Many jobs are seasonal. There are a number of lodges that operate from May to October, although most are not owned by local Larsen Bay residents. The cannery employs foreign workers who live in Larsen Bay at the cannery only during the summer. The subsistence economy is very important; there is no store in town.

Community Energy Sources & Use

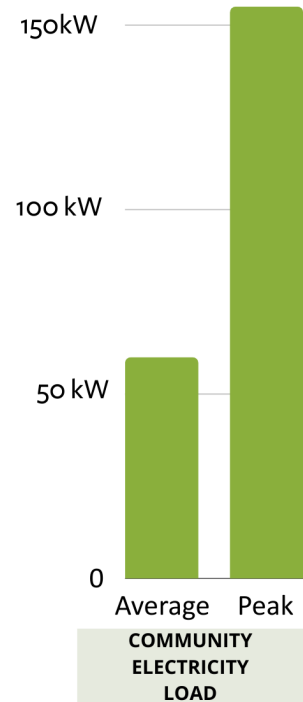
Utility Provider: Larsen Bay Utility Company

Sources of Energy: Diesel & Hydroelectric

Electrical Generation Capacity: 23 MWh Diesel / 807 MWh Renewable

PCE Status: Active (\$0.06/kWh)

ELECTRIC CUSTOMERS	ANNUAL FUEL USE (GALLONS)
52 RESIDENTIAL	2,245 Electric
8 COMMUNITY FACILITIES	43,771 Space Heating
41 OTHER	30,000 Transportation



Community Energy Priorities

- 1. Develop local energy generation**
 - a. Hydro: updating/replacing/refurbishing spillway
- 2. Maintenance and efficiency of community transportation infrastructure**
 - a. Dock construction and moorage for fuel barge
- 3. Maintenance and efficiency of public buildings**
 - a. Work with AEA to balance PCE price increase
 - b. Feasibility of energy efficiency upgrades to public buildings
- 4. Maintenance and efficiency of residential buildings**
 - a. Feasibility of energy efficiency upgrades to residential buildings
- 5. Reduce cost of local food supply**
 - a. Explore feasibility of solar integration at village farm
- 6. Maintenance and efficiency of electrical utilities**

- a. Replace electrical lines (complete)
- 7. Maintenance and efficiency of water utilities**
 - a. Replace and upgrade current infrastructure in schools

Capital Improvement Projects (CIP) List FY21

Estimated Cost	Project Name
\$1,700,000	Water Distribution Lines
\$1,200,000	Reservoir Spill Way
\$157,000	Equipment Repairs and Maintenance
\$700,000	Upgrade City Hall

OLD HARBOR (NUNIAQ)

Population

216

Coordinates

57.2028° N, 153.3039° W

Location

70 Miles SW of Kodiak, 300 Miles SW of Anchorage

Land Area: 20.5 square miles

Water Area: 6 square miles

Old Harbor is located on the southeast side of Kodiak Island in Sitkalidak Strait off of the Gulf of Alaska. Placed at the base of steep mountains, the physical topography around Old Harbor is very rugged. Old Harbor has three distinctive small neighborhood sites necessitated by the terrain and lack of buildable land around the old town site. The village is located in a transition zone between high-brush vegetation and alpine tundra. The vegetation is dominated by willow, alder, devil’s club, bluejoint and fescue grasses, lupine, Jacob’s ladder, ferns, sedges, and horsetail.

History & Culture

The lands and waters of Old Harbor have been inhabited by the Sugpiaq/Alutiiq peoples for nearly 10,000 years. About 73% of the current village population of 216 are of Alutiiq descent. In the 1780s, Russian colonizers landed on Kodiak Island and established their first colony in Three Saints Bay, just south of Old Harbor. The colony was destroyed by a tsunami and two earthquakes and relocated to the present site of Kodiak City. The Russians carried out one of the largest known massacres of several hundred Qik’rtarmiut Sugpiaq in the late 1780’s at Refuge Rock near Sitkalidak Island. This sacred place is known as Awa’uq (to become numb) in Alutiiq. In the late 1800s, a new settlement was established at the current site of Old Harbor. The 1964 Good Friday Earthquake and resulting tsunami destroyed almost the entire town and the nearby village of Kaguyak. Old Harbor was rebuilt in the same location and many Kaguyak residents relocated to Old Harbor. The community is rich in culture with spiritual ties to the land, bonds of kinship and belief, respect for Elders and community, and the shared practices of a subsistence lifestyle. Families continue a tradition of subsistence hunting and fishing in the village. Many residents smoke, dry and pickle fish, harvest berries, gather seagull eggs, kelp, shellfish, sea urchins, and octopus, and hunt for ducks, ptarmigan, goat, deer, seal, and sea lion. Relatives and friends return to their home community in the fall to partake in subsistence hunting and fishing. Old Harbor is unique in

its blending of older Sugpiaq traditions, the Orthodox Christian religion, and a strong subsistence-based lifestyle with newer influences from modern American society.

Governance & Contact

City of Old Harbor

2nd class city, incorporated in 1966
7 member City Council
oldharborcitycouncil@gmail.com

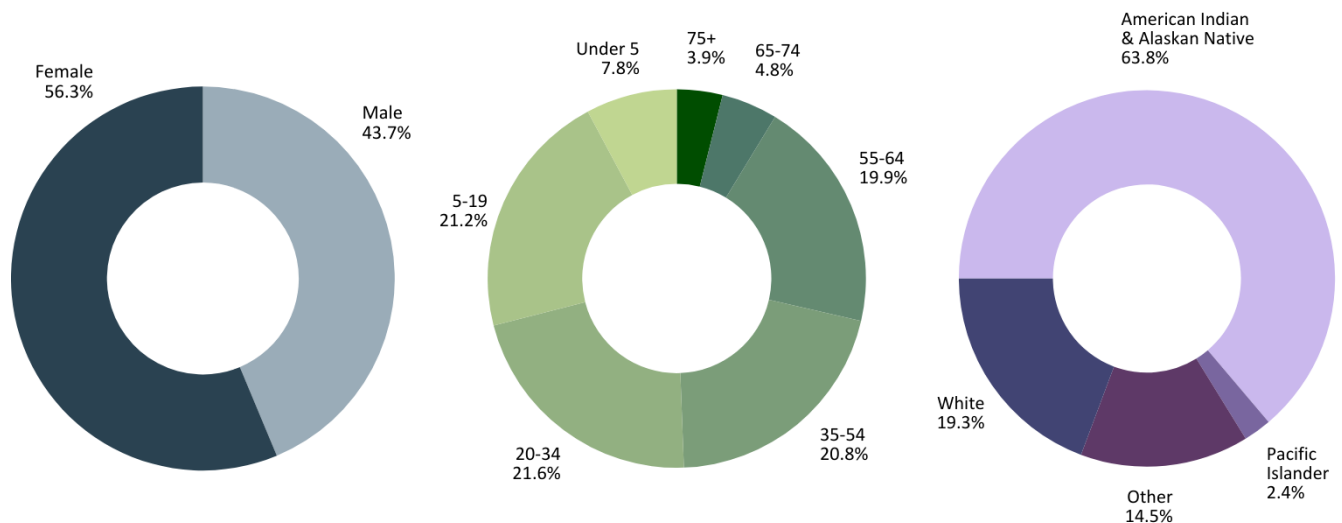
Alutiiq Tribe of Old Harbor

7 members of Tribal Council
administrator@alutiiqtribe.org

Old Harbor Native Corporation
450 shareholders
9-member board
info@oldharbor.org

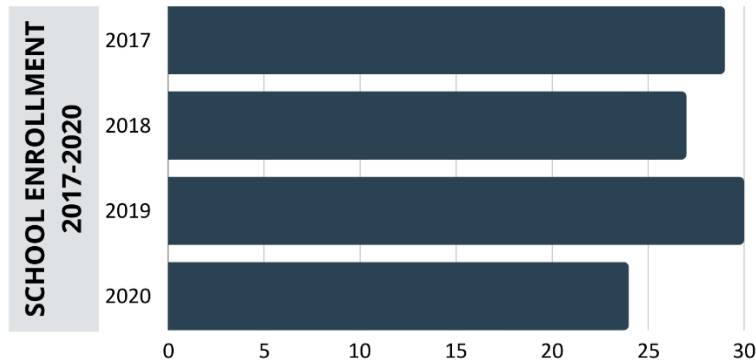
The Alutiiq Tribe of Old Harbor, the Old Harbor Native Corporation, and the City of Old Harbor work together to ensure a healthy future for the community. The City is responsible for community facilities such as water and sewer, street maintenance, public buildings, and the small boat harbor and dock. The Tribal government administers social and cultural programs and provides funds to help maintain roads in the community. The Tribal government contracts with Kodiak Area Native Association to provide health care, senior citizens meal programs, and public safety. The Old Harbor Alliance runs the Nuniaq farm, which has 3 hoop houses and a hydroponics operation, as well as manages the Tribally-owned bison herd on Sitkalidak Island.

Demographics - Population by Sex, Age, and Ethnicity (from left to right)



Education⁴

Old Harbor School
Kodiak Island Borough School District



Transportation – Only accessible by boat or plane

Air

State-owned 2,750 foot gravel runway; small passenger & freight services from Kodiak: two air charter operations; 2x daily flights from Kodiak via Island Air Service
No cross runway, no navigations equipment available

Water

Old Harbor dock and small boat harbor: 35 boat slips; new, larger dock completed in 2011
No current Alaska Marine Highway Ferry service.

Employment & Businesses

10 Business License Holders	24.1% Living below poverty
\$31,563 Median household income	3% Sales tax
15.8% Unemployed	10.75 Property tax mills

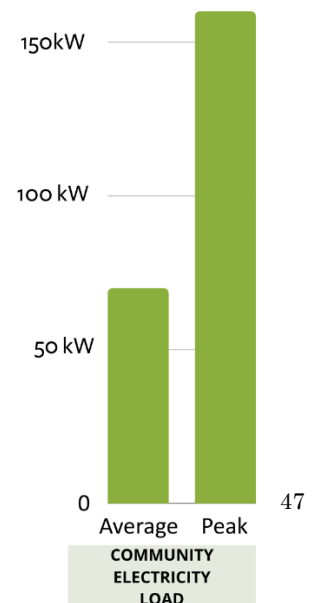
³ <https://www.census.gov/>
⁴ <https://education.alaska.gov/>

Employment in Old Harbor is in tourism, guiding sport fishing and hunting, and some commercial fishing. Government entities including the City of Old Harbor, Alutiiq Tribe of Old Harbor, Kodiak Island Borough School District, and Kodiak Area Native Association also provide employment.

Community Energy Sources & Use

Utility Provider: Alaska Village Electric Cooperative
Sources of Energy: Diesel
Electrical Generation Capacity: 845 kWh Diesel / 3 Diesel generators
PCE Status: Active (\$0.42/kWh)

ELECTRIC CUSTOMERS	ANNUAL FUEL USE (GALLONS)
95 RESIDENTIAL	58,192 Electric
120 COMMUNITY FACILITIES	108,334 Space Heating



Community Energy Priorities

1. **Develop local energy generation**
 - a. Hydro: permitting and final design and construction funding for hydro.
2. **Maintenance and efficiency of water utilities**
 - a. Replace and upgrade current infrastructure
3. **Maintenance and efficiency of public buildings**
 - a. Feasibility of energy efficiency upgrades to public buildings
4. **Maintenance and efficiency of residential buildings**
 - a. Feasibility of energy efficiency upgrades to residential buildings
5. **Maintenance and efficiency of commercial buildings**
 - a. Feasibility of energy efficiency upgrades to commercial buildings
6. **Maintenance and efficiency of community transportation infrastructure**
 - a. Runway expansion project (complete)
 - b. Resurface local roads
7. **Maintenance and efficiency of electrical utilities**
 - a. Workforce development: training for the next generation utility operator
 - b. Provide lighting service to airport
8. **Increase community education and outreach**
 - a. Increase local education about science and energy in schools

Capital Improvement Projects (CIP) List FY21

Estimated Cost	Project Name
\$10,000,000	Hydroelectric Power Project
\$100,000	Downtown Septic Tanks
\$200,000	State of AK Airport – Updated Layout Plan
\$1,435,000	Water Distribution System Upgrade
\$20,000	Bear Proof Dumpster & Dumpster Repair
\$200,000	City Shop/Garage
\$130,000	Landfill Building

OUZINKIE (UUSENKAQ)

Population³⁸

109

Coordinates³⁹

57.9236° N, 152.5022° W

Location

12 Miles NW of Kodiak, 270 Miles SW of Anchorage

Land Area: 6 square miles

Water Area: 1.7 square miles

³⁸ <https://www.census.gov/>

³⁹ <https://www.bia.gov/>

Ouzinkie is located on the southwest shore of Spruce Island and is separated from Kodiak City by the Ouzinkie Narrows. Ouzinkie's landscape is characterized by tall Sitka spruce forests, swampy areas, and volcanic and sedimentary rock. Ouzinkie and its surroundings are home to a wide variety of fish and wildlife species.

History & Culture

The village of Ouzinkie is located on the ancient homelands of the Sugpiaq/Alutiiq peoples, who have continuously inhabited the lands and waters of Spruce Island and the Kodiak Archipelago since time immemorial. The village itself was founded in 1849 as a retirement community by Russian settlers from the Russian American Company, making it one of the oldest settlements of the archipelago. The Russian Orthodox Church of the Nativity was built in 1898. The Church remains an important part of the community and is a national historical landmark. St. Herman, the first canonized Russian Orthodox saint in North America, called Ouzinkie home. St. Herman's Chapel is located at Monk's Lagoon, located on the East end of Spruce Island, and is an annual pilgrimage site in early August. Ouzinkie was once a thriving commercial fishing community, supported by the rich salmon and other fisheries around the archipelago. Two canneries were built in Ouzinkie in the late 1800s. The 1964 Good Friday tsunami destroyed one of the canneries, which was never rebuilt. The Ouzinkie Seafood cannery was built in the late 1960s and burned down in 1976; no canneries have operated in Ouzinkie since. Fishing remains an important part of the culture and economy. The dual Alaska Native and Russian Orthodox heritage remains valued in the community. Today, roughly 75% of the population of Ouzinkie identifies as Alaska Native. The Native Village of Ouzinkie is a federally recognized Tribe and around 75% of the village population are enrolled tribal members. Village inhabitants continue to rely on the lands and waters for their way of life.

Governance & Contact

City of Ouzinkie

2nd class city, incorporated in 1967

7-member City Council

Mayor.jackson@ouzinkie.city , clerk@ouzinkie.city

Native Village of Ouzinkie

7 members of Tribal Council

Nvo.clerk@gmail.com

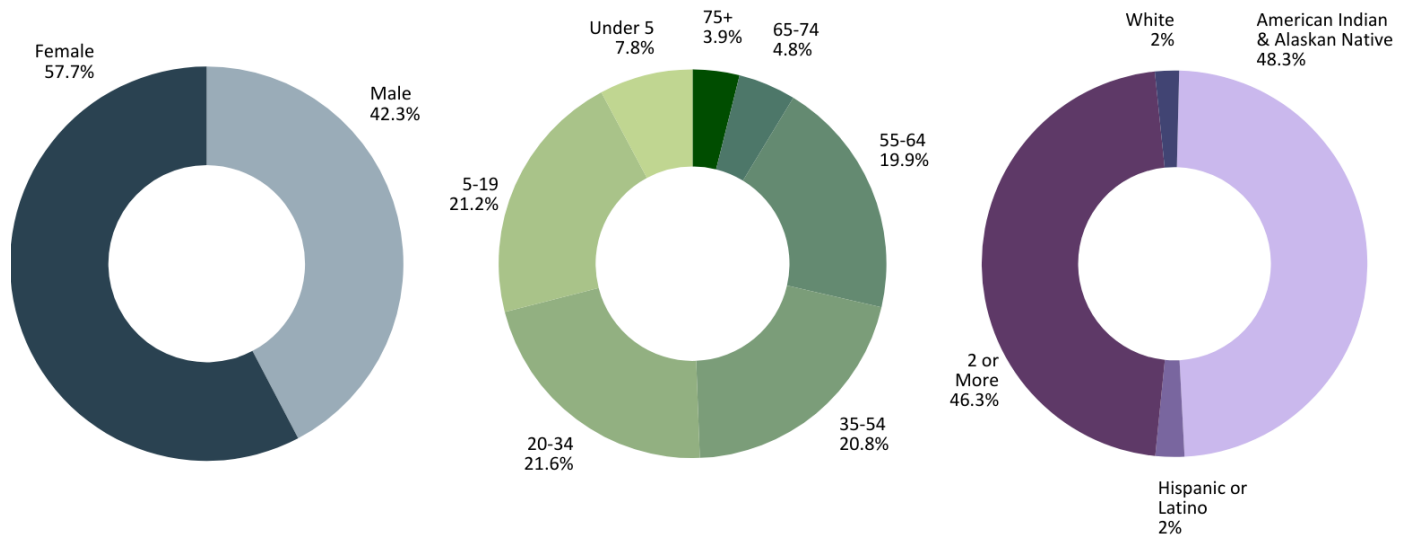
Ouzinkie Native Corporation

PO Box 89, Ouzinkie, AK 99644

info@ouzinkie.com

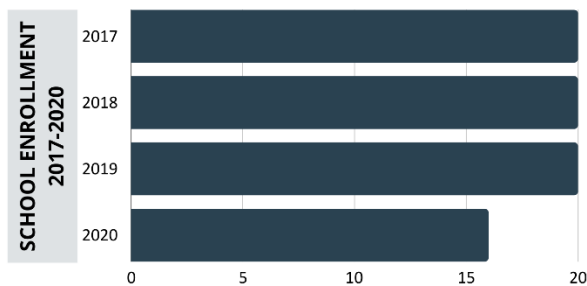
The Tribal Council administers several federal grants and addresses issues concerning Alaska Native members of the community. The Tribal Council contracts with the Kodiak Area Native Association to provide medical, dental, behavioral health, two Village Public Safety Officers, and other community care services. Ouzinkie Native Corporation owns and manages much of the land around Ouzinkie. Civic centers in Ouzinkie include the Community Hall, the Nativity of Our Lord Church, and a community farm with hoop houses, and a hydroponics operation called Spruce Island Farm. With the help of the Kodiak Archipelago Leadership Institute (KALI), Spruce Island Farm aims to increase food security in Ouzinkie.

Demographics⁴⁰ - Population by Sex, Age, and Ethnicity (from left to right)



Education⁴¹

Ouzinkie School
Kodiak Island Borough
School District



Transportation – Only accessible by boat or plane

Air

2x daily flights to Ouzinkie from Kodiak via Island Air Service

Gravel runway – upgraded in 2010

Water

Dock was enlarged in 2015, can now accommodate the Alaska Marine Highway ferries
The Ferry service is weather-dependent; generally, is 3x per week from March to October

Employment & Businesses

10 Business License Holders
\$43,125 Median household income
39% / 66% Year-round / Seasonal unemployed

20.5% Living below poverty
3% Sales tax
10.75 Property tax mills

⁴⁰ <https://www.census.gov/>

⁴¹ <https://education.alaska.gov/>

Employment in Ouzinkie comes from government entities including the City of Ouzinkie, Ouzinkie Tribal Council, Kodiak Island Borough School District, Kodiak Area Native Association, and the Ouzinkie Native Corporation. Tourism, commercial fishing, and logging also provide some employment.

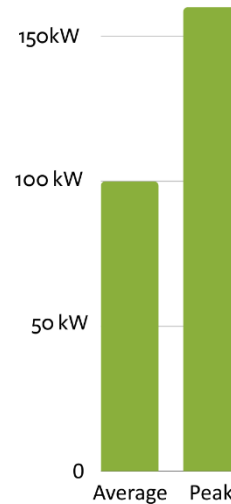
Community Energy Sources & Use

Utility Provider: City of Ouzinkie

Sources of Energy: Diesel & Hydroelectric

Electrical Generation Capacity: 515 kWh Diesel / 239 kWh Renewable

PCE Status: Active (\$0.22/kWh)



ELECTRIC CUSTOMERS	ANNUAL FUEL USE (GALLONS)
77 RESIDENTIAL	40,800 Electric
10 COMMUNITY FACILITIES	78,788 Space Heating
22 OTHER	21,073 Transportation

Community Energy Priorities

1. **Develop local energy generation:**
 - a. Optimize hydroelectric generation
 - b. Biomass: find funding for a feasibility study of biomass system
 - c. Wind/solar: analyze the feasibility of small-scale wind and solar power (Met tower is currently in place)
2. **Maintenance and efficiency of electrical utilities:**
 - a. Install AMPY meters or other pre-paid system
 - b. Replace street lights
3. **Maintenance and efficiency of public buildings:**
 - a. Feasibility of energy efficiency upgrades to public buildings
4. **Reduce the cost of local food supply:**
 - a. Install stand-alone solar generation at the farm for hoop house heat/cooling

Capital Improvement Projects (CIP) List FY21

Estimated Cost

\$4,807,500
\$1,500,000

Project Name

Municipal All-Purpose Complex
Electrical Distribution System

Renewable Energy Projects

\$1,200,000
\$750,000

Wind Generation
Solar Panels

\$283,407
\$750,000

Spruce Island Farm Improvements
Heavy Equipment Storage & Firehall Building

Equipment Upgrades

\$125,000
\$100,000

Forklift Replacement
Landfill Maintenance Equipment

\$30,000	<u>Municipal Port Facility Upgrades</u>
\$20,000	Zink replacement for Harbor and Dock
	Electrical upgrade and water to Harbor
\$150,000	Harbor to Dock Access Road
\$175,000	Access Ramp at Harbor
\$3,275,000	Community Roads Resurfacing
Unknown	Alaska Marine Highway, Tustumena Replacement
\$8,000,000	Anton Larsen Bay Road Extension
	<u>Public Facilities Development</u>
\$170,000	Public Restroom
\$100,000	Boardwalk Repair/Replacement
\$200,000	Community Development
\$350,000	Upgrade to Fish Processing Facility
\$100,000	Cellular Communication System for State Airport

REGIONAL OVERVIEW-SWOT

Strengths

1. Our People: with cultural revitalization of the Alaska Native Community paired with diverse population.
2. The beauty of the Kodiak Region and natural environment are ideal for residents and attractive for tourist activity.
3. Strategic ice-free port location: The Gateway to the Arctic for ideal placement of military and Coast Guard population, marine services, and transportation/shipping.
4. Low cost electricity on the Kodiak Road System and in Port Lions.
5. Quality healthcare services.

Weaknesses

1. Cost & quality of housing; expensive & limited in inventory; limited rental options in villages and on Kodiak Road System.
2. Aging infrastructure in the City of Kodiak and throughout the villages.
3. Workforce shortage, declining population, and aging workforce.

Opportunities

1. Community and Economic Development with long term sustainability and resilience in mind.
2. Enhancement of regional disaster implementation and response plans.
3. Community Plan Updates to support greater economic development.
4. Growing and stable military and Coast Guard population and increased retention of military incomes and investments. Potential location for ice-breaker placements.
5. Infrastructure investments from Federal economic development program through the Inflation Reduction Act and Infrastructure Investment and Jobs Act.
6. Develop "Shovel Ready" projects in advance of future funding opportunities.

Threats

1. Reduced State of Alaska budget:
 - a. Cuts to the Alaska Marine Highway System (increasing freight and travel costs) and Kodiak Island Borough School District.
 - b. Increased property taxes in the Kodiak Island Borough.
2. Loss of population in village communities and outmigration in the Kodiak Island Borough.
3. School sizes in the village communities are on a decline.
4. Kodiak was not eligible or selected for Opportunity Zone.
5. Natural or Human disaster.
 - a. e.g. COVID-19 Pandemic

FISHERIES – SWOT

Strengths

1. Wide diversity and sustainability of fishery species in the Kodiak Archipelago, providing nearly year-round fishery industry activity.
2. Increasing maritime repair capabilities, industrial supplies, and infrastructure in the Kodiak region with a public-private partnership between the City of Kodiak and Highmark Marine for the management and operation of Kodiak Shipyard.
3. Investment in and wide acceptance of science-based management of the fish industry.
4. Community Quota Entities (CQE) Program participation:
 - a. Five village communities participate in the CQE Program and all six villages are CQE eligible.
5. Sun’aq Tribe’s “Kodiak Island WildSource” – custom fisheries and kelp processing capabilities and infrastructure.

Weaknesses

1. The Greying of the Fleet: the aging population of fishery participants in harvesting and processing sectors with limited new generation participants entering the industry.
 - a. Cost of entry is high, reducing the participation of the younger generation in the industry.
2. Fishery value-added processing is limited in the Kodiak region with minimally processed catch shipped overseas for manufacturing into consumer products.
3. Large trawl vessels have significant volumes of by-catch that are discarded, thus unavailable for small fleets to harvest.
4. The high cost of energy reduces the attractiveness of processors/canneries in some village locations.
5. Privatizing fisheries access has led to a decline in local ability for fishery participation.
6. Some cannery jobs are perceived as not attractive for many village participants.
7. Large processors in the Kodiak market have consolidated in recent years, which could translate into fewer jobs, reduced economic activity, and lower prices paid to fishery participants.

Opportunities

1. CQE program expansion to rural village communities: increase fishery quota that is owned locally and anchored in the village communities.

2. Trade education and policy education for natural resource management – help educate the younger generation to increase their ability to participate in resource management and policy-making processes.
3. Create fisheries policies that view fisheries as holistic ecosystems which include participation by the indigenous people and communities.
4. Custom processing infrastructure facilities for smaller fishing businesses seeking to increase the value of their catch.
5. The anticipated increase in biomass of sablefish due to climate change.
6. Selling locally caught seafood from smaller boat fisheries through a catcher-seller permit direct to consumer dockside and at local grocery stores like the Kodiak Harvest Food Cooperative.
 - a. City of Kodiak allows for the direct sales of fresh seafood to a consumer dockside from a fishing vessel.
7. Fisheries enhancement in Old Harbor, working towards king crab and salmon enhancement in Three Saints Bay.
8. Employment to village residents in a new processor/cannery proposed for Old Harbor

Threats

1. Foreign trade impacts, predominately from Russian seafood, flooding global markets and decreasing demand for Alaskan seafood.
 - a. Includes increased technical capacity of foreign producers to compete with American-made value-added products (e.g. surimi production in Russia).
2. Loss of access to and ability to participate in fisheries by local communities from third-party controlling interests.
3. Fisheries Management is not currently supporting the long-term access and sustainability of marine resources for small coastal communities.
4. Kodiak commercial salmon fisheries lost access to some areas and fishing time through a Board of Fish decision meant to reallocate stock to Chignik and northern Cook Inlet.
5. Resource fluctuation and seasonality including changes in ocean chemistry, weather patterns, and marine production.
 - a. Pacific cod decline, _ pink salmon disasters, and impacts due to climate change are examples of the delicate availability of targeted fisheries resources.
6. The consolidation of processing companies; increased automation, decreasing workforce needs; and aging local workforce requiring importation from outside of Kodiak/Alaska/United States.

FISHERIES – NARRATIVE

Our Rural Communities, including Kodiak, are surrounded by a seemingly endless coastline and a wealth of marine resources. Inhabitants of this region have depended on the resources from the sea for many centuries for their existence. From living a subsistence lifestyle, hunting, and fishing from skin-covered kayaks, through forced labor during the Russian settlement hunting for fur, to the commercial fishing era in the early 1900s. The marine ecosystem has provided food, an economy, and a way of life. The majority of the population around Kodiak Island, and all of our village communities, are settled alongside the sea and rely on the resources that come from it. Utilizing these resources is vital to the economic stability of the region. Managing the sustainability of these resources is vital to ensure that future generations continue to benefit from the potential economic stability.

There has been a steady decline in the fishing and maritime industry as a result of several critical and varied causes:

- The financial and social reduction in the importance of Wild Alaska Salmon;
- The devastating effects of the 1964 earthquake, which destroyed many of the fish processing plants around Kodiak Island that employed residents of the rural villages;
- The decrease in access stemming from the implementation of the limited entry program for salmon by the State of Alaska in the 1970s, and the Pacific Halibut and Sablefish Individual Fishing Quota (IFQ) catch share program in the 1990s;
- The Exxon Valdez Oil Spill.

All of these events have contributed to this drastic decline, impacting the economic and socio-economic state of the rural villages of the Alutiiq community in the Kodiak region.

The state of the fisheries industry in 2024 is precarious, with Russian seafood flooding the global markets, demand for Alaska seafood has slumped significantly. The detrimental impacts of the global market have created uncertain economic conditions which are expected to cause ripples throughout the Kodiak region. Examples include Trident Seafood's divestment of assets throughout Alaska, including Kodiak, the announcement that OBI Seafoods will not purchase salmon at the Alitak Cannery and not process salmon at the Larsen Bay Cannery, and a recent increase in electricity prices provided by Kodiak Electric Association due to the forecast decrease in seafood processing in the City of Kodiak.

Community Quota Entities (CQEs) pose an opportunity for economic development in our village communities. The purpose of the CQEs is to create jobs and revenue for economically distressed communities. The problem is the challenge of purchasing the quotas at a price that allows the CQEs sufficient income to pay the debt service. However, the prices for quota shares have gone up to the point that this is not feasible. At current quota pricing, a down payment (either existing capital or a grant) of about 33% would be needed to cover the debt service. CQEs generally don't have an initial asset base and have had limited success in securing down payments through other means.

There are active Community Quota Entities (CQEs) in Ouzinkie (about 17,000 pounds of halibut quota in Area 3A), Old Harbor (about 7,000 pounds in 3B and about 1,200 pounds in 3A) and Port Lions (quota data unavailable at writing). Local fishermen's requests substantially exceed the available quota each year and each community can purchase up to 50,000 pounds of quota, which likely could be easily fished.

The fishery dependent, Native Village of Old Harbor, is in the midst of a long-range, multi-pronged economic development strategy that has the ultimate goal of returning the economic benefit of fisheries to the community; through creative funding, strategic partnerships, long-range planning, and a lot of hard work. Old Harbor has completed its airport runway expansion project, has received grant funding to build a run-of-river hydroelectric project, and is developing a salmon enhancement project in Three Saints Bay. All of these inter-related projects and efforts ultimately lead to the development of a frozen fish processing facility in Old Harbor. It is reported that there are cannery operators who are highly interested in developing a frozen fish processing facility in Old Harbor.

The infrastructure improvements provide the necessary access to transport the product to market, renewable electricity to produce the product, and the fish necessary to harvest for the product. The improvements are also in response to what potential private investors need to operate the plant efficiently.

The Sun’aq Tribe of Kodiak purchased the Ursin property in 2016, which is a long-ago abandoned cannery near downtown Kodiak. The tribe has expanded its Kodiak Wild Source processing capacity at this location and would like to build a restaurant, cultural center, and/or another complimentary business space.

During the March 2021 Kodiak Archipelago Rural Regional Leadership Forum, the following Issues, Goals, and Strategies related to the Fisheries economic cluster were developed.

Review Draft- Forum Fisheries Issues, Goals and Strategies- March 2021		
ISSUES What is the Problem?	GOALS What are the solutions?	STRATEGIES How do we achieve the solutions?
<p>Loss of Human Right to fish leads to a significant decline in access to fisheries by local communities and an increase in third party controlling interests. This impacts our communities in the following four ways:</p> <ul style="list-style-type: none"> • Degradation of Sugpiaq and community traditions that have been based on marine resources for at least 7,000 years. • Loss of Community Food Security. • Decline in Available Capital • Limiting Opportunities for Community Members and our young people. <p>Fisheries Management is currently not supporting the long term sustainability of our marine resources for our small coastal communities.</p> <ul style="list-style-type: none"> • Regulations currently allow for fishing practices that support habitat destruction and large by-catch of valuable non-targeted species of both commercial and subsistence resources. <p>Fisheries policy making bodies currently exclude the full participation of our long-term, multi-generational, fishery stakeholders.</p> <p>Fisheries are currently not being managed for long-term sustained yield as environmental changes in the marine environment accelerate due to climate change that impacts ocean chemistry, weather patterns, and marine production.</p>	<p>Establish Effective Fisheries Policies that view fisheries as holistic systems, that consider the impacts on local economies, culture and heritage, and teaching and learning between generations.</p> <ul style="list-style-type: none"> • Establish rural coastal community and Alaska Native representative presence on federal and state policy making bodies. <p>Restore coastal communities home-ported small boat fishing fleets.</p> <ul style="list-style-type: none"> • Anchor federal quota shares to communities to re-establish and support long-term sustainability. • Develop a Community Development Quota entity for the Gulf of Alaska. • Re-envision State CFEC regulations so that limited entry permits are retained by fishery dependent communities. • Reduce the cost of entry. <p>Work together to tell the story of climate change. This includes:</p> <ul style="list-style-type: none"> • Establish tribal and community environmental monitoring programs. • Document the use of Local and Traditional Ecological Knowledge. <p>Maintain the subsistence priority use of marine resources.</p> <p>Maintain rural marine infrastructure.</p>	<p>Develop an effective advocacy program to influence federal and state policy makers.</p> <ul style="list-style-type: none"> • Fully support and collaborate with the Kodiak Fisheries Advocacy Committee. • Provide regional staffing to support fisheries advocacy efforts. <p>Make what we currently have work. Don't lose any more ground.</p> <ul style="list-style-type: none"> • Identify and successfully fund opportunities that support regional goals, develop proposals and implement projects.

AGRICULTURE - SWOT

Strengths

1. The continual increase in participation in traditional soil and hydroponic agriculture throughout the entire Kodiak region.
2. The hydroponics industry provides fresh and local produce year-round, increasing food security and economic impact.
3. The Kodiak Archipelago Leadership Institute (KALI) farm infrastructure support in four village communities:
 - a. Development of farm infrastructure and agriculture technical capacity.
 - b. ANA funding to develop a food hub to distribute to elders in the Kodiak region.

- c. Technical assistance and training through USDA 2501, expanding to include mariculture farm development.
 - d. Actively growing food in all six village communities, with Ouzinkie and Larsen Bay producing enough to sell overstock to Kodiak. This includes significant expansion into year-round hydroponic farming.
 - e. The development of a network of technical resource advisors.
4. High export costs for Alaskan-grown foods and high import costs for outside foods, making the locally-grown market more competitive.
 5. The Kodiak Harvest Food Cooperative, a local cooperatively owned grocery store, has a focus on selling produce and goods from the Kodiak region and Alaska-wide producers.

Weaknesses

1. Traditional farming in Alaska is subject to a shorter growing season.
2. Farming and agriculture is are occupations that are not traditionally high-paying.
3. Hydroponic agriculture is energy-intensive, limiting economic feasibility in communities with high electricity costs.
4. A limited amount of personnel in some communities makes recruiting and retention of farm laborers very challenging.
5. Soil conditions in the Kodiak region generally require amendments to create fertility levels needed for adequate productivity; this requires additional knowledge, time, and outside resources for soil testing and education.

Opportunities

1. Emerging hydroponics could provide year-round production of local greens in the Kodiak region.
2. The USDA subsidizes some shipping costs for supplies and produce to and from farms outside of the contiguous United States. If implemented properly, this could reduce shipping costs that are paid for by customers.
3. Village farms have the potential to grow enough produce to both feed their local community and export produce to the Kodiak road system.
4. Potential for wholesale purchasing access for grocery stores in the village communities.
5. Institutional markets for local agriculture such as hospitals, schools, and senior centers present a sizable opportunity if quality and production quantities can be met by Kodiak farmers and producers.
6. KALI continues to adapt subsequent funding applications to the growing capacity of the farmers and ranchers in the Kodiak region.
7. Port Lions is connected to the Kodiak Electric Association grid. The low-cost electricity could allow economic feasibility for hydroponic farming operations.

Threats

1. Internet and online retailers:
 - a. Companies like Amazon and Fred Meyer are stiff competition for locally owned grocery stores and farmers. This includes subsidized shipping through the US Mail system, providing cheaper alternatives that the public can purchase instead of locally grown produce.
2. Climate change can alter the growing seasons and other available food resources grown, gathered, fished, and hunted locally.

AGRICULTURE – NARRATIVE

Historically, up until the 1940's Kodiak's rural communities were for the most part self-sufficient. Village residents hunted and fished, grew gardens, and received grocery orders for canned goods and fuel. As one Larsen Bay elder shared, "We worked all summer and used our commercial fishing money to buy our winter supplies. We had everything we needed." This changed beginning after WWII as more consumer goods arrived and now the tradition of supplying the majority of your food locally has declined, increasing the cost of living and leading to the loss of Traditional Ecological Knowledge (TEK). A limited amount of locally grown food is produced and marketed on Kodiak Island on a commercial level. Nearly all produce is either shipped or flown in for the entire Kodiak populace, including the village residents. Because of this, the price of fresh produce in the Kodiak region is expensive and often of low quality. The weather and severe seasonal differences in the Kodiak region pose a major obstacle to the development of local food production.

However, agricultural production is rapidly changing in Kodiak. In just seven short years, four village-based farms have begun to fulfill local fresh produce demand in the respective village community. Supporting both food security and local economic development the Kodiak Archipelago Leadership Institute (KALI) has been working to develop farm infrastructure and agricultural technical capacity in Larsen Bay, Old Harbor, Ouzinkie, and Port Lions. In 2015, a three-year project funded by the Administration for Native Americans (ANA) started pilot farms. On top of the infrastructure installed (hoop houses, poultry coops, etc.), locally hired farm technicians received training to build the local workforce to start on the path to self-sustainability. KALI continues to provide technical assistance and training through the USDA 2501 (Socially disadvantaged farmers and ranchers) program. All four original farms are actively growing food and two additional sites (Akhiok and Karluk) are working with KALI to develop their farms.

KALI continues to lead the agriculture industry development, starting a project named "Suupet Neregkwarluki" in Alutiiq or "We Are Feeding Our People" through another ANA Social and Economic Development Strategies (SEDS) grant awarded in September 2020 to further hydroponic farming. Hydroponic farming allows for year-round fresh produce to be grown. Additionally, private-investment hydroponic agriculture operations are appearing throughout the Kodiak region as others recognize the potential in this emerging industry. Local food production has an opportunity for either organizations or entrepreneurs to further local economic development. Currently, Kodiak has limited marketplace platforms for local farms to engage with the public and generate revenue. These platforms include farmer's markets and a Community Supported Agriculture (CSA) producer's cooperative that delivers weekly farm share boxes to subscribers. Kodiak Harvest Food Cooperative, a community-owned cooperative grocery store operates with a focus on selling locally grown produce and locally caught seafood. A food cooperative is a local, community-owned business that does not have the same corporate barriers that a nationwide grocery store has. The local ownership would make it easier for the grocery store to decide to carry the products they wish before competing with industrial scale farms from the Lower 48.

Further increases in commercial agricultural production have opportunities beyond residential and retail sales channels. Local produce and agricultural products could meet the needs of institutional customers, including schools, the hospital, senior center, and more.

ENERGY – SWOT

Strengths

1. The Economic Development and Environmental Programs Manager is a participant in the Arctic Energy Office Energy Ambassador program. This program will provide support through the Arctic Energy Office to foster energy security and advance the clean energy transition across the state.
2. Kodiak Road System and the community of Port Lions is powered by 99.5% renewable energy sources at relatively inexpensive rates
3. Economic assistance provided to rural Alaskan customers to cut costs for power through the Alaska Energy Authority's Power Cost Equalization program.
4. Completion of Akhiok's electrical distribution system and electric powerhouse replacement project in the summer 2021 will enable the integration of renewable generation.
5. Replacement of the hydroelectric penstock in Ouzinkie and the planned replacement of the current aging hydroelectric turbine.

Weaknesses

1. The real, unsubsidized cost of electricity in rural village communities is very high.
2. Three of the six village communities are 100% reliant on fossil fuels for energy generation.
3. Aging utility infrastructure which varies from village to village will require significant investment for modernization.
4. Aging skilled workforce which may decrease self-sustainability and require reliance on expensive, outside technicians.

Opportunities

1. Technical Assistance provided by The United States Department of Energy – Office of Indian Energy. Tribes may request this service for no-cost TA to develop energy projects in their communities.
2. Wind, hydroelectric, and solar with the addition of grid energy storage are all potential opportunities to decrease dependence on fossil fuel electricity generation.
3. Senator Lisa Murkowski's Energy Act of 2020 will allow for the broad modernization of national energy policies.
4. Beneficial electrification specifically for the Kodiak Electric Association grid (Kodiak road system and Port Lions) provides opportunities for heat pumps to heat homes/water and electric vehicles for transportation.
5. Strategic workforce development plans should be identified and created to bridge the gap of the aging workforce.

Threats

1. The complexity and automation of powerhouses in rural Alaska _ challenge maintenance staff in village communities and creating an increased reliance on outside technicians.
2. State budget challenges:
 - a. Reduced funding for energy projects.
 - b. The potential elimination of the Community Assistance Program.
 - c. The Power Cost Equalization endowment could be at a significant risk from being transferred into general funds, removing inherent protections an endowment provides.
3. Environmental regulations could change the way diesel fuel can be delivered to some of the village communities.

4. Outmigration of population in rural village communities is changing load profiles on the village communities’ power systems.

ENERGY – NARRATIVE

The Kodiak Electric Association (KEA) is a leading example of an isolated microgrid operation throughout the world, producing 99.5% renewable electricity (wind/hydro, with battery) with electricity rates that are less than mainland Alaska. KEA’s success shows that renewable energy production is possible on Kodiak Island. And, the village of Port Lions is connected to the KEA grid.

An important element to remember is that five village communities are not connected to the KEA grid. These communities experience very high electricity costs just the same as isolated village communities throughout Alaska and the residents of these communities are very dependent on the Power Cost Equalization program for some level of electricity affordability.

The Alaska Energy Authority (AEA) has traditionally been heavily involved with energy planning and project support throughout Alaska and has a mission to “reduce the cost of energy in Alaska.” AEA has seen sizable budget cuts from State of Alaska and has a reduced capacity for future planning and project support. It may be more important than ever for private organizations, such as KANA and ANTHC, to develop the technical capacity and obtain funding resources to support those services lost by the state government agencies.

Major partners in the energy sector in the Kodiak region include the AEA, the Alaska Native Tribal Health Consortium (ANTHC), the Department of Energy – Office of Indian Energy, the University of Alaska’s Alaska Center for Energy and Power (ACEP), and the National Renewable Energy Laboratory (NREL). Working with these partners provides much-needed technical expertise to move projects forward in the Kodiak region.

Energy costs are a significant component of Economic Development. The economic feasibility of projects, existing businesses, and startups can be hampered by high energy costs and must be considered during evaluation.

The following table is a listing of Community Energy Priorities that were derived through a series of community meetings held by SWAMC staff and “community and regional leaders, residents, utilities, industry representatives, and other key stakeholders” during Phase II of the Kodiak Regional Energy Plan process. These energy project priorities will be updated as projects are completed or conditions change.

<u>Ahkiok</u>	<u>Old Harbor</u>
<ol style="list-style-type: none"> 1. <u>Maintenance and Efficiency of Community Transportation Infrastructure:</u> <ul style="list-style-type: none"> • Construction of a fuel pier with dolphins and a marine header • Acquire fuel truck to move fuel from tank farm to powerhouse 2. <u>Maintenance and Efficiency of Electrical Utilities:</u> <ul style="list-style-type: none"> • Workforce development: training for the next-generation utility operator 3. <u>Increase Community Education and Outreach:</u> <ul style="list-style-type: none"> • Increase local education about energy efficiency 4. <u>Develop Local Energy Generation:</u> <ul style="list-style-type: none"> • Solar: test feasibility of cost/benefit of solar integration 5. <u>Maintenance and Efficiency of Public Buildings:</u> <ul style="list-style-type: none"> • Feasibility of energy efficiency upgrades to public buildings 	<ol style="list-style-type: none"> 1. <u>Develop Local Energy Generation:</u> <ul style="list-style-type: none"> • Hydro: Permitting and final design and construction funding for hydro. • Install Transmission lines from the new hydro facility • Install power plant improvements for full system integration 2. <u>Maintenance and Efficiency of Water Utilities:</u> <ul style="list-style-type: none"> • Replace and upgrade current infrastructure. Currently a work in progress. 3. <u>Maintenance and Efficiency of Public Buildings:</u> <ul style="list-style-type: none"> • Feasibility of energy efficiency upgrades to public buildings 4. <u>Maintenance and Efficiency of Residential Buildings:</u> <ul style="list-style-type: none"> • Feasibility of energy efficiency upgrades to residential buildings 5. <u>Maintenance and Efficiency of Commercial Buildings:</u>

<p>6. <u>Maintenance and Efficiency of Residential Buildings:</u></p> <ul style="list-style-type: none"> • Newer more energy-efficient homes are desired for the community to start replacing the older and less efficient homes. 	<ul style="list-style-type: none"> • Feasibility of energy efficiency upgrade to commercial buildings <p>6. <u>Maintenance and Efficiency of Electrical Utilities:</u></p> <ul style="list-style-type: none"> • Workforce Development: Training for the next-generation utility operator • Provide lighting service to the airport <p>7. <u>Increase Community Education and Outreach:</u></p> <ul style="list-style-type: none"> • Increase local education about science and energy in schools
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Karluk	Ouzinkie
<p>1. <u>Maintenance and Efficiency of Electrical Utilities:</u></p> <ul style="list-style-type: none"> • Upgrade streetlights <p>2. <u>Maintenance and Efficiency of Water Utilities:</u></p> <ul style="list-style-type: none"> • Replace and upgrade mainlines and pump-house <p>3. <u>Maintenance and Efficiency of Public Buildings:</u></p> <ul style="list-style-type: none"> • Feasibility of energy efficiency upgrades to public buildings <p>4. <u>Maintenance and Efficiency of Residential Buildings</u></p> <ul style="list-style-type: none"> • Feasibility of energy efficiency upgrades to residential buildings • Find ways to help homeowners up-keep homes and lower home heating and electrical bills <p>5. <u>Develop Local Energy Generation:</u> Integrate renewable energy infrastructure to reduce dependence on diesel fuel for electricity</p>	<p>1. <u>Develop Local Energy Generation:</u></p> <ul style="list-style-type: none"> • Hydro: Complete USDA High Energy Cost Grant funded project to optimize penetration of hydroelectric generation • Biomass: Find funding for feasibility study of biomass system • Wind/Solar: Analyze the feasibility of small-scale wind and solar power <p>2. <u>Maintenance and Efficiency of Electrical Utilities:</u></p> <ul style="list-style-type: none"> • Install AMPY meters or other pre-paid system • Replace streetlights <p>3. <u>Maintenance and Efficiency of Public Buildings:</u></p> <ul style="list-style-type: none"> • Feasibility of energy efficiency upgrades to public buildings <p>4. <u>Reduce Cost of Local Food Supply:</u></p> <ul style="list-style-type: none"> • Install stand-alone solar generation at the farm for hoop house heat/cooling

TOURISM – SWOT

Strengths

1. Kodiak is an amazing place for tourists to visit with world class outdoor activities: fishing, hunting, hiking, and wildlife viewing.
2. Existing tourism related business in our village communities, including hunting and fishing lodges in Larsen Bay, Old Harbor, Akhiok, and Port Lions, provide economic activity and employment for residents.
3. “Discover Kodiak”, Kodiak’s Destination Marketing Organization, has promoted Kodiak worldwide as a travel destination since 1986, with their main purpose to promote sustainable development of the tourism and convention industry throughout the Kodiak Island Borough and City, thereby increasing economic opportunities, jobs and local tax revenues.
4. Pre-pandemic, the number of cruise ships stopping in Kodiak had increased and participation in the Bear Town Market by local arts and crafts also increased supporting small entrepreneurs. Cruise ship traffic is forecast to increase again in the 2024 season.
5. The Alaska Marine Highway Service serves Kodiak, Ouzinkie, Port Lions, and Old Harbor with Mainland Alaska and the Aleutian Chain.

Weaknesses

1. Limited tourism support infrastructure in the village communities, including transportation and available services may make access for potential mainstream tourists challenging.
2. Air Transportation from the Mainland and the Lower 48 to Kodiak is expensive and may limit the number of travelers.

3. Cruise ship tourists tend not to eat out in traditional restaurants while on shore.
4. The downtown area of the City of Kodiak is dated and several storefronts sit empty.

Opportunities

1. Eco-tourism is gaining substantially worldwide and provides good opportunity in the Kodiak Region. Low impact, outdoor based, nature exploration like hiking, surfing, camping, birding, kayaking, whale watching, bear viewing, and more are all accessible on Kodiak Island.
2. Cultural Tourism is rising in interest and focus. The Alaska Native Cultural Tourism Plan has a state-wide view, while the Alutiiq Heritage Foundation has a more Kodiak Regional view through development work at the Alutiiq Museum and ideas behind developing artist & culture-bearer workforce development opportunities and resource availability.
3. Growth of existing village-based tourism businesses and support infrastructure, including transportation, accommodation, and internet/cellular connectivity.
4. Foods (seafood) and beverages (brewery/cidery) with Kodiak or Alaska specific focus could be designed and marketed specifically to cruise ship tourists.
5. Increased promotional opportunities for off-road system tourism business operators through Discover Kodiak.
6. Kodiak regional Alaska Native Corporations may find opportunity in investing in Tourism infrastructure to build up local capacity and earn a return on their investment.
7. Kodiak Economic Development Corporation Storefront Improvement Program, in partnership with Kodiak Area Native Association, is intended to assist businesses in the downtown core are with improving storefront appearance through a matching grant of up to \$7,500.

Threats

1. State of Alaska budget cuts to the Alaska Marine Highway have forced reduction of the operating schedule and length of service season.
2. Unintended consequences that are associated with tourism activities, including increased traffic, impact to infrastructure, and utilization of subsistence resources.
3. Environmental/Natural catastrophe: oil spill, earthquake, bear mauling, global pandemic – could bring tourism activity to a halt.
4. The Tustumena is the main ferry that services the Koniag and Aleutian region for the Alaska Marine Highway, due to the age of the vessel it is often in dry dock for extended periods of time for repairs. This results in travel delays, shipping delays, and uncertainty for travelers.

TOURISM – NARRATIVE

Kodiak Island, often dubbed The Emerald Isle, draws tourists from around the world. According to Kodiak Island Borough and City of Kodiak reports, Kodiak sees over 60,000 visitors annually. The 2019 cruise ship season brought 30 ships with approximately 22,000 passengers. Due to the COVID-19 pandemic, the 2020 and 2021 seasons were effectively cancelled. Slowly making a resurgence, the 2023 season had 23 ships scheduled and 2024 has 20 ships scheduled to Kodiak; double the amount from 2022.

The pandemic slowdown brought significant impact to the business reliant on tourism, including small independent artists and crafters, who rely on the cruise ship visitors for their livelihood. The purpose of the visitors' travel varies, including hunting, fishing, hiking, and wildlife viewing; tourists provide a vital contribution to the diversity of the local economy.

The Kodiak Island Convention & Visitors Bureau, Discover Kodiak, has been promoting sustainable development of the tourism and convention industry throughout the Kodiak Island Borough and City since 1985. This work increases economic opportunities, jobs, and local tax revenues. Recent employment figures published by Discover Kodiak places 8% of Kodiak’s labor force related to tourism. Much of the tourism promotion work has historically focused on the City of Kodiak and the connected road system. Recently, tourism industry development has become of bigger interest in the village communities, including in areas of Cultural Tourism and Eco Tourism. Work in the Cultural Tourism sector includes the recently published Alaska Native Cultural Tourism Plan (<https://www.alaskanative.net/wp-content/uploads/Alaska-Native-Cultural-Tourism-Plan-Final.pdf>) lead by the Alaska Native Heritage Center in March 2022. Further, development plans under way at the Alutiiq Museum in Kodiak include renovations to increase museum space and the gift shop area and artist/culture-bearer workforce development.

Eco tourism includes low impact, outdoor based activities like camping, hiking, surfing, birding, kayaking, whale watching, bear viewing, etc. on the road system and in the rural village communities. Opportunities abound for these activities around the Kodiak Archipelago. Transportation is an essential component to successful tourism industry; as an island, Kodiak Island is only accessible by air or water. Alaska Airlines is currently the only commercial air carrier connecting Kodiak Island to Mainland Alaska. Island Air is the only carrier providing scheduled service between the Kodiak road system and the village communities. The Alaska Marine Highway provides a vital connection between the Kodiak road system (along with Ouzinkie, Port Lions, and occasionally Old Harbor) and mainland Alaska. Any disruptions that could occur with any of these carriers could collapse an already fragile transportation segment. Additionally, there are six other float plane companies that offer non-scheduled transportation to off-road system locations.

MARICULTURE – SWOT

Strengths

1. Mariculture is a complementary industry to the traditional fisheries industry in terms of marine vessel experience, equipment already owned, infrastructure, and a workforce with transferrable skills.
2. Alaska Mariculture Cluster, part of the Southeast Conference, is the recipient of a \$49M Economic Development Administration Build Back Better Regional Challenge grant to enable shellfish and seaweed aquaculture to expand in the state.
3. The Alaska Mariculture Task Force was established by the State of Alaska “To provide recommendations to develop a viable and sustainable mariculture industry producing shellfish and aquatic plants for the long-term benefit of Alaska’s economy, environment, and communities.”
4. Permit applications have been submitted from multiple tribes in the Kodiak region to establish mariculture farms.
5. The Kodiak Archipelago Leadership Institute (KALI) successfully utilized USDA funding to conduct site assessments and mapping that supported the tribes’ current and future farm permit applications.
6. Kodiak Wildsource (owned by the Sun’aq Tribe) processed raw kelp for a few harvest seasons and is working to improve operations to increase processing capacity.
7. Blue Evolution in Kodiak purchases and processes kelp from independent farmers, provides kelp seed, advice on farming practices and site selection, and funds research that will improve farming practices and efficiency.

Weaknesses

1. Limited amount of processing and farm infrastructure coupled with a limited amount of capital for farms and processing infrastructure development.
2. Lack of a developed market, making funding for the development of farms and processing infrastructure difficult to obtain.
3. Limited technical capacity in farm operations and management for emerging farmers in rural village communities.
4. Processing kelp into food-grade materials requires high energy consumption; this is challenging in small microgrid communities.
5. The volume of raw materials to create bio-fuels and bio-plastics is much higher with lower value than raw materials needed for food products.

Opportunities

1. Polyculture (cultivating multiple crops in the same farm location) farming in the Kodiak region represents a good opportunity to contribute to economic diversification.
2. The Kodiak Seafood and Marine Science Center (KSMSC) has the potential to become a mariculture innovation center to conduct training from seed to sale, assist in product development and business planning guidance with components including hatcheries and a demonstration farm for hands-on learning.
3. Farm and processing operations could be owned locally, providing new economic diversification for rural village communities.
4. Advances in manufacturing and product development beyond food would increase the raw material demand.
5. Demonstration farms for local, prospective farmers to gain experience and technical skills while working through permitting and set up of village-based mariculture farms and hatchery operations.
6. Carbon sequestration from the natural seaweed could present additional benefits for mariculture farms and provide potential for entry into carbon markets, adding revenue to mariculture farm businesses.
7. Port Lions' connection to the Kodiak Electric Association's low-cost electricity is a benefit for establishing a processing plant.

Threats

1. Large industrial entities with sizable technical depth and access to capital developing farms around the local village communities create concern regarding rural and Alaska Native participation in the industry.
2. Over-saturation of products on the market would be an issue without increasing demand for kelp and kelp products.
3. A long and backed-up permitting timeline from DEC.
4. Lack of processing capacity – farm operators may not have the ability to influence unless vertically integrated.
5. Lack of clearly defined markets for products, infrastructure, and available capital.
6. Concerns regarding ensuring rural and Alaska Native participation.

MARICULTURE – NARRATIVE

The Mariculture industry continues to develop with increasing potential throughout Kodiak, and along all coastal communities throughout the world. Mariculture is the enhancement, restoration, and farming of seaweeds, shellfish, and other marine life. The industry could provide opportunities for economic growth, food security, climate change mitigation, and the future of alternative fuels and plastics. The industry is directly complimentary to the traditional fisheries industry, sharing much of the same equipment (skiffs/boats, nets, and line, etc.), and vessel experience and generally is active when commercial fisheries are not. The industry helps commercial fishing ride out the “lows”, including the farming, harvesting, and processing sectors and can share a workforce with transferrable skills.

Under Alaska Governor Bill Walker in 2016, the State of Alaska Mariculture Task Force was established with a goal to grow the mariculture industry to a \$100M industry in 20 years. The task force is tasked to provide recommendations to develop a viable and sustainable mariculture industry producing shellfish and aquatic plants for the long-term benefit of Alaska’s economy, environment, and communities. The task force worked to create action plans, training programs, development plans, academic research documents, and economic analysis of industry impacts and feasibility. The Task Force sunsetted in June 2021, but the content created may last much longer.

The Alaska Mariculture Cluster, a part of Southeast Conference, was awarded a \$49M EDA Build Back Better grant. “The Cluster will distribute 50 percent of the award to underserved communities, with a quarter of the total funds going to Alaska Native Communities.” The award will allow for the growth of the mariculture industry and prioritize Tribal and Alaska Native Leadership. The award will encompass the following components: Governance, coordination, and outreach; workforce development, equipment and technology; green energy; research and development; marketing; and revolving loan fund.” (<https://www.fisheries.noaa.gov/feature-story/alaska-mariculture-cluster-wins-regional-challenge-grant-aquaculture>).

Small mariculture farming operations have proven that the waters in the Kodiak region are hospitable to both seaweed and shellfish farming. A small oyster farm located in Larsen Bay, Alaska produced 150,000 oysters during the first year of harvest, with prospects to sell up to 2 million annually. The local demand in Kodiak is present to sell some of that harvest, with most expected to reach diner's plates on the mainland and Lower 48. The farm employs local residents in this newly created industry. Seaweed farms located in the Kodiak Archipelago are also proving that with proper design and set-up, farmers are successfully harvesting yields of significant size. In 2020, two Kodiak kelp farms estimated a harvest of 300,000 pounds.

Kelp has a wide range of uses, including Energy (ethanol, biogas), biotextiles/biomaterials, seaweed extracts, agricultural and horticultural products/animal food; pharmaceuticals/cosmetics; nutritional and food products. Foods and pharmaceutical use place a higher value on the raw materials and require less volume, while the energy and biomaterials use require larger volumes of less valuable kelp inputs. It is commonly agreed that increases in the supply of seaweed are operationally possible by increasing the acreage of active farming. Product demand, however, needs to be addressed through additional research and development efforts. A mariculture specialist at the Kodiak Seafood and Marine Science Center (KSMSC) indicates that the biggest hurdle in Alaska and the industry overall is to increase the demand side of the market by developing marketable products that consumers want and need. The KSMSC could become a mariculture innovation center for both shellfish and seaweed to support the

development of new products and processing methods, conduct training from seed to sale, and provide business planning guidance for industry participants.

The Kodiak Archipelago Leadership Institute (KALI) is supporting the development of eight mariculture farms located around the village communities of Old Harbor, Ouzinkie, Port Lions, and Larsen Bay. These farm operations intend to be ready to fill future demand and address product manufacturing locally with smaller, value-added processing and food manufacturing.

The Kodiak Economic Development Corporation received a grant from the Denali Commission to develop a pilot process to prove the viability of new markets and expanded production capacity for Alaskan kelp. Along with Blue Evolution and Ocean Rain forest, the project seeks to identify new markets for Alaskan kelp through a fermentation process, ultimately combined with additional ingredients for cattle and hog feed.

CONNECTIVITY - SWOT

Strengths

1. The Kodiak road system has great fiber broadband internet providing excellent connection speeds that are competitive anywhere in the world.
2. Old Harbor Native Corporation – owns Kodiak Microwave Systems, providing service throughout the region. Their expertise and work in the industry could assist with developing broadband internet infrastructure development throughout the region.
3. Tribes in the Kodiak Region submitted applications to the Federal Communications Commission 2.5 GHz Rural Tribal Window. The Alutiiq Tribe of Old Harbor, the Tangirnaq Native Village, Sun’aq Tribe, the Native Village of Port Lions and the Karluk IRA applied for individual licenses; while the Native Village of Akhiok, the Native Village of Larsen Bay, and the Native Village of Ouzinkie applied with Alaska Tribal Spectrum, a consortium of Alaska Tribes.
4. The Native Village of Port Lions is the recipient of an NTIA Grant to connect the village of Port Lions and Ouzinkie in the Kodiak region, and four additional villages on the Aleutian Chain with fiber internet services through GCI.

Weaknesses

1. The “Last Mile” of internet connectivity is the most expensive and challenging. The “First Mile” is built to Kodiak and “Middle Mile” are more easily overcome.
2. Internet service performance varies considerably from village to village and even from location to location within a village. A comprehensive speed/performance analysis should be completed.
3. Current internet connections generally occur through microwave systems that are susceptible to interruptions and damage from Kodiak’s inclement weather.
4. Public community access locations are limited and inconsistent: Old Harbor not ADA accessible; Port Lions library connection is inconsistent; Ouzinkie has public access at city hall and tribal center – Ouzinkie Native Corporation provides access to shareholders.
5. Current providers have limited financial incentive to install, maintain, and enhance broadband internet infrastructure due to the small populations of the village communities.

Opportunities

1. Federal funding: NTIA (National Telecommunications and Information Administration) and USDA ReConnect funding programs are set to fund improving broadband internet service to rural America with some specific focus on Alaska Native and Native American communities.

2. High Speed cellular wireless: 2.5 ghz license (capable of carrying the 5G cellular network) may be utilized to overcome the high-cost of delivering the “last mile” connection.
3. USDA ReConnect grant funded project by GCI bringing fiber broadband from Kodiak down the Aleutian chain. The fiber line is planned to stop into Larsen Bay to boost the signal.
4. Community internet access points may provide internet access to residents who otherwise are not able to afford residential broadband internet (if available) or own computers.
5. Starlink, a low-orbit satellite network is growing and may suffice to be a cost-effective method to deliver broadband internet access to remote locations.
6. Broadband Internet connectivity in rural village communities may increase options for residents to work remotely, engage in e-commerce, receive education and workforce development training remotely, and pursue alternative forms of income producing work.

Threats

1. Municipal and Tribal governments entering into the broadband internet service industry comes with risk – financial, operational, and opportunity. A decision to pursue development of broadband internet infrastructure should be carefully considered.
2. Communities need to be ready for funding opportunities when they are announced in order to successfully submit a competitive application within deadline. Developing a shovel-ready project proposal comes with a financial and opportunity cost risk.

CONNECTIVITY – NARRATIVE

Without adequate internet access, the village communities in the Kodiak Archipelago are unable to fully participate in today’s internet-based marketplace, workplace, meeting space, and access educational opportunities. The COVID-19 pandemic has made the challenges of inadequate internet access even more evident and these challenges have played a role in decreasing populations in our village communities.

In our 21st Century world, communities with limited internet availability and speed are at a disadvantage from those with fast, reliable internet access. Fast and reliable internet connectivity is commonplace in many parts of the United States and it can be easy to forget that many of our rural communities are much more limited.

The benefits of fast and reliable internet access are many, including access to commerce, entertainment, current events, research and education materials. Information can be so accessible that many with fast and reliable access often take it for granted.

The City of Kodiak and most of the Kodiak Road System is connected to high-speed fiber broadband internet. However, the rural village communities have less reliable options resulting in limited internet connections. Speed, reliability, and cost all vary considerably from village to village. Public knowledge of the service providers, speeds, reliability, and costs is generally incomplete, anecdotal, and highly variable. The general consensus is that internet connectivity is too slow, unreliable, and too expensive. Furthermore, it is known that many of the communities have fast and reliable internet access in schools, medical clinics, and some libraries. The services used in these locations are very expensive and rely heavily on subsidies. The accessibility to these connections is unavailable to the average homeowner and/or small business that may be located next door to one of these community facilities.

To advance efforts in enhancing internet accessibility in the Kodiak region, it is imperative to start with an evaluation of the existing conditions. A comprehensive understanding of the current state is essential

for creating strategic plans regarding the allocation of upgrade investments and determining where they should be directed.

One glaring reality is the large expense of building physical internet connectivity infrastructure. The common return on investment calculation for private industry investment makes many projects prohibitive. Public funding to connect rural communities needs to be utilized.

The Native Village of Port Lions is the recipient of an NTIA Grant to connect the village of Port Lions and Ouzinkie in the Kodiak region, and four additional villages on the Aleutian Chain with fiber internet services through GCI.

PLAN OF ACTION: FISHERIES

Goals and Objectives

1. Establish effective fisheries policies that view fisheries as holistic ecosystems, which include participation by the indigenous people and communities that have always been tied to the sea. Effective fisheries policies would consider the impacts of fisheries management decisions on local economies, culture and heritage.
2. Obtain access to fisheries through enabling the teaching and learning between generations of indigenous fishermen and providing a wide range of participation opportunities.
3. Manage access to fisheries energize fisheries related infrastructure development and restore commercial fishing as an economic driver in support of local economic growth in fishery dependent rural communities.
4. Establish a quota acquisition strategy to work towards 10% of federally managed marine resources in the Gulf of Alaska owned locally by the represented tribes through a Gulf of Alaska Community Development Quota program.
5. Anchor federal quota shares to fishery dependent rural communities in order to re-establish and support long term sustainability of a home ported small boat fishing fleet.

Strategies and Tasks:

Objective 1: Establish rural coastal community and Alaska Native representative presence on federal and state policy making bodies.

Objective 2: Develop a Community Development Quota (CDQ) entity for the Gulf of Alaska.

Objective 3: Increase quota share owned by the Community Quota Entities (CQEs) in Old Harbor, Ouzinkie, Port Lions, Larsen Bay, and Akhiok. Assist in the development and quota share acquisition in Karluk.

Lead Organization	Partner Organization	Timeline:	Projected # of Jobs
Cape Barnabas, Inc. Ouzinkie Holding Company			5 FTEs per community

Objective 4: Protect alternative pathways to individual quota share ownership such as entry level quota pools, allocation of quota to crew and/or limitations on the time that initially awarded quota is held by an individual. Explore and encourage tribal pathways to quota ownership.

PLAN OF ACTION: AGRICULTURE

Goals and Objectives:

1. Establish a sustainable, regional network of tribally-owned farms and ranches that provide for year-round food security, healthier food, and sustainable economic development opportunities for the region's Alaska Natives, the rural communities, and the entire region.
2. Develop a marketplace, food distribution network, and storage capacity to meet increased local agricultural production, availability of locally caught/processed seafood, and wholesale grocery products.

Strategies and Tasks:

Objective 1: Continue and develop current additional initiatives that increase the agricultural knowledge, experience, capabilities, and infrastructure of farmers and ranchers in the Kodiak Archipelago.

Objective 2: Utilize emerging food hub distribution model established through the Kodiak Archipelago Leadership Institute and the Kodiak Harvest Food Cooperative for the improved food distribution network. Connect Kodiak-based food hub operations with emerging Alaska-wide food hub alliances for broader access to produce grown state-wide.

Objective 3: Create Kodiak based hydroponic vegetable market demand and supply potential feasibility study including assessing current and future planned operations.

Objective 4: Develop a framework/infrastructure to provide access to wholesale grocery products in the village communities.

Objective 5: Participate in Alaska-wide food hub alliance development to increase access for Alaska Grown produce/products in Kodiak and increase market opportunities for Kodiak grown produce/products statewide.

PLAN OF ACTION: ENERGY

Goals and Objectives

1. Stabilize or reduce energy costs in the rural village communities in the Kodiak Archipelago while pursuing renewable energy generation opportunities.
2. Establish Kodiak based energy planning resource to assist rural village communities in energy infrastructure, policy, and initiative development.
3. Leverage expertise and affordable renewable energy generation portfolio of the Kodiak Electric Association to increase adoption of electrification technologies in the Kodiak Region.

Strategies and Tasks

Objective 1: Utilize the US Department of Energy – Office of Indian Energy as a resource to provide Technical Assistance (for Tribal Council, Village/Regional Corporations, and Tribal consortia) and as a lead to potential funding opportunities.

Objective 2: Kodiak Archipelago rural village communities develop or renew Strategic Energy Plans.

Objective 3: Pursue individual village communities' energy priorities and identify evolving energy priorities.

Objective 4: Identify or create workforce development opportunities for local labor force to employ in emerging electrification industry.

Objective 5: Identify or create project/initiatives implementation funding mechanism (e.g. On-bill financing, Revolving Loan Funds, Commercial Property Assessed Clean Energy – or C-PACE).

PLAN OF ACTION: MARICULTURE

Goals and Objectives

1. Boost the development of the mariculture industry in the Kodiak region by fostering product demand expansion through advancements in product development and raw materials processing.
2. Increase local enthusiasm and support for mariculture by showcasing local farms and products and educating the public about its benefits, promoting sustainable practices, and showcasing economic and environmental advantages.
 - a. Public engagement
3. Rural Forum Development: At least 8 Alaska Native aquatic farms permitted and operational by 2026.

Strategies and Tasks

Objective 1: Formulate Kodiak-specific marketing strategies to attract product manufacturers, highlighting Kodiak’s mariculture growth potential, renewable energy generation portfolio, and seafood processing workforce depth.

Objective 2: Support growth/increased capacity of current shellfish and kelp processing operations, including capabilities of smaller scale, value-added processing that derives a higher price point of raw materials/growers.

- Develop a comprehensive plan for establishing a cold storage facility and distribution center to support the increased capacity of mariculture operations.

Objective 3: Promote the engagement of aquatic farmers in local outreach events to showcase their product. Organize farm tours aimed at boosting public enthusiasm and fostering local pride, while also creating opportunities for tourism.

Objective 4: Establish a Kodiak Rural Mariculture Workgroup/Network to support regional development of village-based Mariculture farm operations and appropriately located hatchery operations.

- Farm & Hatchery development Technical Assistance: site planning & permitting, business and operation planning, access to capital (grants/loans).
- Workforce Development: Support emerging workforce with demonstration farm/training site creation and sustainability.

PLAN OF ACTION: CONNECTIVITY

Goals and Objectives

1. Every community have reliable and affordable internet. That the region obtains internet neutrality.
2. Every community have a centralized location for access for individuals, Elders, students, and small businesses.

Strategies and Tasks

Objective 1: Identify a central organization or agency to organize, support regional efforts, advocate for regional access, and leverage funding opportunities.

Objective 2: Identify/source a subject matter to assist in understanding the complexity of available options and advise communities.

Objective 3: Pursue additional opportunities such as Starlink, the 2.5 GHz Tribal Licensing, and available funding.

PLAN OF ACTION: TOURISM

Goals and Objectives

1. Establish the Kodiak Archipelago as a top tourism and recreation destination with sustainable development of infrastructure and utilization of resources as an industry priority.
2. Increase local and cultural tourism infrastructure and participation to grow the sector and increase tourist-oriented visitors.

Strategies and Tasks

Objective 1: Promote investment in current and future tourism opportunities and infrastructure to improve visitor experiences.

Lead Organization	Partner Organization	Timeline:	Projected # of Jobs
Discover Kodiak	Kodiak Chamber of Commerce; City and Borough	June 2026	Unknown at this time.

Objective 2: Create an archipelago-wide Native Tourism group to share information, intersect with State-wide and Alaska Native Cultural Tourism Plan efforts, and develop shared marketing efforts

Lead Organization	Partner Organization	Timeline:	Projected # of Jobs
Alutiiq Museum	KANA	June 2026	Additional jobs possible with grant funding or industry investment

Objective 3: Develop and offer artist & culture-bearer workforce development training opportunities and resource depository to address rising interest and opportunities in cultural tourism.

Lead Organization	Partner Organization	Timeline:	Projected # of Jobs
Alutiiq Museum	KANA	June 2026	Additional jobs possible with grant funding or industry investment

BUILDING ECONOMIC RESILIENCE

Our perception of Economic Resilience was altered for generations at the start of 2020 with the sudden shutdown of our way of life in the wake of the COVID-19 pandemic. The resulting economic impacts were sudden and hard for many people, industries, and communities. However, depending on a person’s economic status or profession, the severity of the economic impact may have been more limited.

In recent history, our state’s fishery industry was impacted by the pink salmon disaster and the cod collapse. Additionally, the Alaska State budget is still experiencing fall-out from the steep drops in the price of oil. Unexpectedly, it was the COVID-19 Pandemic that most significantly impacted the Kodiak economy.

Building economic resilience to mitigate negative impacts on the economy as a whole requires preparation and planning. Economic diversification allows the impacts on any one industry to be spread

more broadly across the economy. Disaster preparation planning provides the opportunity to intentionally implement a plan in response to the event rather than ineffectively reacting. This CEDS addresses economic diversification in the following ways:

Energy Sector

The Kodiak Electric Association (KEA) is known worldwide as an example of renewable energy generating nearly 100% of electricity through hydro and wind. KEA provides the Kodiak road system and the village community of Port Lions with electricity costs that are competitive with that of Alaska's mainland. KEA's energy production portfolio provides evidence that the climate and geography of the region are capable of supporting renewable energy production.

The village communities in the Kodiak Archipelago have actively engaged in energy planning for many years. Kodiak leaders and stakeholders are working to reduce dependency of diesel fueled electricity generation to stabilize costs and thus increase community resilience and self-sufficiency. Reducing diesel fuel usage also mitigates the impact of fuel delivery issues, including from natural disasters, the potential for fuel/oil spills, and worldwide fuel supply issues.

Broadband Internet

Since March 2020, access to broadband internet speeds has provided employment and educational opportunities when our daily in-person interactions were ground to a halt. People without access to broadband internet speeds were at a clear disadvantage – unable to work or attend school remotely, or even access the much-needed government recovery programs intended to support families and communities to weather the economic shutdown.

In order to participate in the modern economy, our communities need access to reliable broadband internet. Long-term economic resilience and recovery will be challenging without it. Faster, reliable, and more affordable internet creates opportunities for economic development and increased economic resilience.

Fisheries

Sustainable and responsible harvesting practices with access to fishery resources that are anchored to the coastal village communities will move the Kodiak region towards increased economic resilience. The wide diversity of fishery species in the Kodiak Archipelago provides nearly year-round industry opportunities. Economic resilience is contingent on establishing effective fishery policies that view fisheries as a holistic ecosystem. This includes participation by the indigenous people who have historically been tied to the sea and it considers the impacts of fisheries management decisions on local economies, culture, and heritage.

Alaska Native and rural coastal community representation on federal and state policy-making bodies is essential to returning fisheries access to our small coastal communities. Returning fisheries access to our small coastal communities shall provide increased community and economic resilience.

Agriculture

Increased participation in the agriculture industry in Kodiak, and particularly in our village communities, will provide increased, long-term economic stability and resilience. Locally grown produce and products will increase Kodiak's food security and reduce our dependence on foods imported into Alaska. While a major focus remains on satisfying the local demand, increasing production beyond local demand creates an opportunity for exporting off-island and throughout Alaska.

The emerging hydroponic agriculture industry increases opportunities for year-round production. As communities on the Kodiak road system and Port Lions currently benefit from low-cost energy, they could especially benefit from investments in hydroponics.

Mariculture

The mariculture industry in Kodiak benefits from access to clean coastal waters. This workforce is experienced in the marine environment, existing infrastructure and marine equipment used in the fishing industry. Additionally, the growing and harvesting seasons of mariculture crops are naturally outside of the main fishing seasons which provides industry participation. Mariculture, and polyculture (seaweed and shellfish farming) will provide economic diversification that supports increased economic resilience.

The mariculture industry in Kodiak presents opportunities for both product and raw material export as well as the potential for foreign direct investment. Food and pharmaceutical grade raw ingredients are used worldwide for product manufacturing. Emerging technology to manufacture mariculture raw materials into bioplastics and biofuels could provide manufacturing opportunities in Kodiak.

The mariculture industry has an opportunity for carbon sequestration, supporting reduction of climate change impacts.

Tourism

Increased tourism capabilities and infrastructure in Kodiak and participating village communities supports increased economic diversification in the region. Tourism activities are drivers of economic development and economic diversification.

The tourism sector was impacted significantly by the Covid-19 pandemic due to travel restrictions and stay at home orders. The pandemic caused cruise ship cancellations for all of the 2020 season and nearly all of the 2021 season. Tourism businesses that survived the economic fallout of the pandemic are experiencing pre-pandemic levels of business return.

EVALUATION FRAMEWORK

Number and types of investments undertaken in the region:

Food Security:

The Kodiak Archipelago Leadership Institute received grant funding from the Administration for Native Americans Social and Economic Development Strategies to establish year-round access to organic, locally-grown lettuces and greens for six tribes within the Kodiak Archipelago. This project demonstrates a network of Alaskan Native-owned farms that operate year-round to address the region's need for fresh, locally-grown food.

Total funding: \$372,353

The Kodiak Food Cooperative received a USDA Local Foods Promotion Program grant to connect local producers with Kodiak's consumers by expanding operations and establishing an online food hub for producers to connect directly with consumers. The funding also supports the processing, aggregation, distribution, and storage of local and regional food products marketed locally and regionally.

Furthermore, it assists producers with developing and implementing food safety plans and achieving food safety certifications.

Total funding: \$292,940

Energy:

Energy Infrastructure: The City of Ouzinkie is the recipient of an approximated \$1.3M USDA High Energy Cost grant to replace the aging and failing hydroelectric turbine. The hydroelectric turbine replacement is Phase 3 of a 3-phase project to fully replace the entire hydroelectric systems, which includes a new spillway/dam and penstock. Projections indicate the community should be able to generate a good portion of the needed electricity from their hydroelectric resource for many years to come. Stabilizing and reducing the cost of electricity is a primary objective for the community. Construction for this project is expected to conclude in the Summer of 2024.

Additional quantity and type of investment in the Energy Economic Cluster will be determined based on each village community's implementation of identified priorities.

Number of jobs retained in the region:

Job retention in the Kodiak Region, specifically in the village communities, is primarily related to the food security economic cluster. There were seven jobs retained through the continuation of the Administration for Native Americans Social and Economic Development Strategies grant to create a self-sustaining agricultural business owned by the tribes in four village communities and two within the city of Kodiak

Number of jobs created after implementation of CEDS:

Jobs created directly with the success of three CEDS goals: 4 FTEs and 30 seasonal fishing jobs.

- Internet Connectivity: 1 FTE for central planning organization as well as project planning and implementation
- Fisheries: 10 seasonal fishing jobs in three communities
- Food Security: 3 FTE between village farms and the Kodiak Food Cooperative
- Additional: As Goals and Objectives are formalized in future CEDS updates, more jobs created will be documented.

Amount of private sector investment, after implementation of the CEDS, and changes in the economic environment of the region:

Food Security

The Kodiak Food Cooperative has achieved 620 members at an investment of \$150 each, for a total to date of \$93,000.

Fisheries/Maritime

Private sector will be required by the fishing industry to support full utilization of fishing quota in Ouzinkie, Old Harbor, and Port Lions should the quota acquisition objective be completed. The goal of retaining fisheries shares locally, anchored to a community, will improve the local economic conditions of the region.

Energy

Goals to reduce the cost of electricity for village residents will improve economic conditions of individual consumers and could encourage private investment in entrepreneurial ventures that would otherwise be cost prohibitive with high cost electricity.

KODIAK MEDIA, COMMUNICATIONS & PRINT COMPANIES

Local media (radio, television and newspapers) provide the largest communication and outreach platform or megaphone for businesses, non-profits and government agencies to reach local listeners, viewers and readers. They play a critical role in driving success in their communities. In addition, state and national media companies can and do play a critical role in contributing to a community's economic health and development.

Mass communication is key to maintaining a robust and healthy local business economy and environment. In Kodiak our local commercial radio stations, public radio stations and local newspaper have been helping to keep Kodiak's economy growing and thriving for well over 50 years, providing a way to reach the most people possible to inform them of what's happening in Kodiak specifically.

Local & State Media available to Kodiak Residents:

Kodiak Island Broadcasting Co. Inc

- Commercial Radio Stations 98.7 FM KVOK
- HOT 101.1 FM (HD signals)

Kodiak Public Broadcasting Co.

- KMXT 100.1 FM (HD signals)
- KODK 90.7 FM

Turquoise Broadcasting – *Homer stations on translators in the Kodiak community*

- KPEN 102.7 FM
- KBAY 107.9 FM
- KWVV 104.9 FM
- KGTL 620AM

Homer Public Radio - *Available to fisherman on the north side of Afognak island and in surrounding waters.*

- KBBI 890AM

Kodiak Daily Mirror

- Local Kodiak Newspaper, Non-profit

Kodiak Print Master

- Local print company for posters, newsletters, business cards, calendars, banners, and other print media

Anchorage and Other State Newspapers

Television Stations:

- Anchorage stations KTUU, KTBY, KTYR, KAKM available through GCI, DISH, DIRECT TV, HULU, YouTube, FUBO and other streaming platforms.
- ARCS is free statewide over the air television

Social Media & Digital Advertising Platforms

- Leveraging social media platforms for outreach and marketing: In addition to traditional media channels, Kodiak businesses, non-profits, and government agencies are increasingly utilizing social media platforms to reach and engage with local audiences. Platforms such as Facebook, Instagram, and Twitter offer dynamic avenues for communication, allowing for real-time interaction and targeted advertising to promote events, services, and initiatives within the community.

Communications Companies in Kodiak

- ACS—Internet & Home Phone
- GCI—Internet, Cell Phone & Home Phone, & Television
- AT&T—Cell Service, Internet, Tablets and Television (Direct TV)
- Starlink

Prepared by

Kodiak Area Native Association

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