

2020-2024 Comprehensive  
Economic Development Strategy  
(CEDS)

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Southwest Alaska Municipal  
Conference (SWAMC)

# What is CEDS?

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- Used by EDA to encourage economic development planning that is “locally-based” and “regionally driven”
- Extensively revised every five years and updated each year

# Elements of a CEDS:

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- 1. Summary Background
- 2. SWOT Analysis
- 3. Strategic Direction– Action Plan
- 4. Resilience
- 5. Evaluation

# SWAMC CEDS Organization Pillars

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- 1. Resources
- 2. Infrastructure
- 3. Energy
- 4. Workforce Development
- 5. Partnerships

# STRENGTHS

Existing relative competitive advantages.

## Resources

### FISH

6 of top 10 ports in U.S. are in SWAMC region



18 Communities have land-based seafood processing.<sup>2</sup>

**Community Development Quota program<sup>3</sup>**  
 \$21.5 million / year  
 1,114 workers employed

### TOURISM

Out-of-state visitors to Southwest AK spent an average of **\$1,514** per person on their trip, compared with the statewide average of **\$941**<sup>5</sup>

**3 National Parks in the region**

### MINING

**52%** of 2010 Alaska mining exploration expenditures were made in Southwest AK<sup>4</sup>

**22 communities** with harbor facilities support a fleet of **1,487 boats**<sup>6</sup>



## Workforce Development

Fisheries, Seafood and Maritime Initiative - addressing workforce development needs **FSMI** 2012 Rural Jobs + Innovation Accelerator Challenge grant: **\$405,023**



**Partnerships**  
 Funded by: U.S. Dept. of Commerce's Economic Development Administration, the U.S. Dept. of Agriculture  
 Partners: BBNA, SAVEC, University of Alaska, AK Regional Training Centers, Bristol Bay School District and more

**Job growth to population growth ratio (1997-2008)<sup>1</sup>**  
**4.88** Southwest AK vs **0.93** United States

**Energy**  
 Alaska Energy Authority's Power Cost Equalization (PCE) program reimburses up to **70 percent** of residential energy costs in some Southwest Alaska communities.<sup>11</sup>

**Partnerships**  
 3 Alaska Native Corporations, 3 Community Development Quota organizations, 18 SWAMC Business Council members

# WEAKNESSES

Existing relative competitive disadvantages.

## Resources

### Fluctuating seafood stocks



**Seasonality of resource jobs: Unemployment in Aleutians East Borough<sup>7</sup>**  
**8%** July 2013 vs **26%** December 2013

## Workforce Development

**Widely dispersed population:** Less than 30,000 people over an area the size of Oregon

**Lack of trained local workforce:** More than **80%** of fish processing jobs held by non-residents

## Infrastructure

**One-way flight costs from Anchorage<sup>8</sup>...**

To Adak, Unalaska, St. Paul	\$450 - \$700
To Honolulu	\$350 - \$500
To London	\$650 - \$900



The M/V Tustumena is nearing retirement

## Energy

There is **no area-wide energy plan** to guide investments

**Average annual household energy costs:<sup>10</sup>**  
**\$ 8,410** Lake + Peninsula Borough vs. **\$ 2,790** Municipality of Anchorage

**4/6** Regions have higher overcrowding rates than the statewide rate of 6%.  
**In Dillingham Census Area, 18% of housing units are overcrowded<sup>9</sup>**

**2** There are only **Chambers of Commerce** in Southwest Alaska

## PRIORITY ACTIONS

- Expand Fisheries Cluster
- Implement Alaska Maritime Workforce Development Plan
- Promote Local Guiding Training for Tourism
- Establish Youth Mentorship and Training Program
- Promote Entrepreneurial Enterprise
- Promote Energy and Infrastructure Development

## Resources

- Outer Continental Shelf (OCS) oil + gas potential
- Rich regional mineral deposits
- Arctic development, resources + science

## Value-Added Seafood Processing

**\$ Catch** ← Happens in AK  
**\$\$ Process** ← Usually happens in AK  
**\$\$\$\$ Package** ← Sometimes happens in AK

## Workforce Development

BBEDC's Permit loan program is increasing the number of locally-owned commercial fishing permits

## Partnerships

3 Alaska Native Corporations, 3 Community Development Quota organizations, 18 SWAMC Business Council members

International interest in adventure tourism: **increased 65%** between 2009-2012.<sup>12</sup>

## Energy

Many current and potential efforts to reduce regional energy costs:

- Bulk fuel purchasing
- Natural gas development
- Hydro energy
- Waste-to-heat incinerators

Pilot project in Unalaska, Tidal power in False Pass, Hydrokinetic in Igluigik, Dillingham, Egegik

Creative efforts to improve housing infrastructure:  
**ALASKA WATER AND SEWER CHALLENGE**  
 AK Dept. of Environmental Conservation  
**LIVING ALEUTIAN HOME DESIGN COMPETITION**  
 Aleutian Housing Authority

## Infrastructure

Recent and planned investments in microwave and fiber optic network improvements, including the proposed Quintillion Arctic Fibre cable

Source: Arctic Fibre

## Energy

Proximity to the Pacific Ring of Fire  
 cheap energy alternatives

Environmental protections limit development<sup>13</sup>  
 Endangered since 1990

## Partnerships

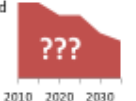
Tribal offices are relocating out of the region  
 Southwest Alaska → Anchorage

## Infrastructure

Average of **200 earthquakes ≥ 4.0** per year<sup>17</sup>

**36 of Alaska's 41 active volcanoes** are in Southwest AK<sup>16</sup>

**Heavy reliance on public funds.** Declining state and federal budgets may result in decreased investment and employment.



**Climate change: current + potential threats**  
 Erosion, Flooding, Melting permafrost... and more

# OPPORTUNITIES

Chances/opportunities for regional improvement or progress.

# THREATS

Threats to regional improvement or progress.