Agdaagux Tribal Council Local Economic Development Plan

Presented to the Aleutian Pribilof Islands Association







Prepared By
The University Of Alaska
Center For Economic Development
ua-ced.org

Table of Contents

Location	3
History and Culture	4
Infrastructure and Community Facilities Summary	4
Demographics and Economy	5
Community Development Quota (CDQ) Groups	5
Existing Community Projects	6
Existing Workforce Competencies	6
Local Government/Community Stakeholders	7
Borough Government	7
Municipality/Village	8
Native and Village Corporations	8
Identification of Barriers to Community and Economic Development	8
SWOT Analysis	8
Tribal Council Goals	9
Elder Care	9
Housing	10
Rehabilitation Services	10
Increased Jobs	10
Greenhouse/Hydroponics Unit	10

Table of Figures

Figure 1: Location of Agdaagux Tribe, King Cove, Alaska	3
Figure 2: Close up of King Cove and surrounding Geography	
Figure 3: Map of CDQ Communities in the Aleutians	6
Figure 4: SWOT analysis	9
Table of Tables Table 1: Infrastructure of King Cove, Alaska	5
Table 2: Demographic and Economic Indicators for the City of King Cove	
Table 3: Number of King Cove Workers by Industry in 2014	
Table 4: Number of workers with Industry Experience from 2012 to 2016	

Location



Figure 1: Location of Agdaagux Tribe, King Cove, Alaska Source: Alaska Fish and Game

The Agdaagux Tribe is located in the City of King Cove along the south side of the Alaska Peninsula, where they have lived for thousands of years. King Cove falls in the maritime climate zone with temperatures ranging from -13 to 78 degrees throughout the year. There is an average of 56 inches of snowfall and 33 inches of precipitation per year. High winds are common in King Cove as the city lies between two volcanic peaks. The City of King Cove is only accessible by plane or boat; the nearest city is Cold Bay, approximately 20 miles away.

¹ Source: King Cove Corporation, http://www.kingcovecorporation.com/

Agdaagux Tribal Council Local Economic Development Plan Center for Economic Development: pg. 3

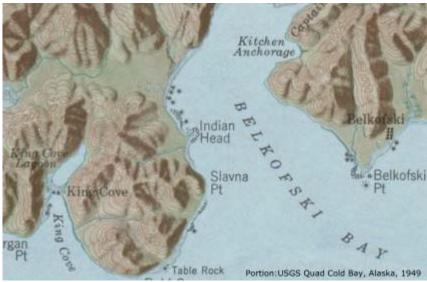


Figure 2: Close up of King Cove and surrounding Geography Source: http://unimak.us/belkofski.shtml

History and Culture

The Aleut people have been living on the peninsula in and around King Cove for over four thousand years. Early settlers in the area included Aleut and European fishermen. The City of King Cove was founded in the early 1900s when Pacific American Fisheries opened a cannery. The cannery employed many Aleut people from across the region, as well as other Non-Native workers. Fishing and seafood processing are still large components of the local economy today, much as they were when the city was first founded. The City was officially incorporated in 1947.

Infrastructure and Community Facilities Summary

King Cove is a growing community but still has many of the hardships associated with rural Alaska. The airstrip is not safe under most winter conditions, and it is not unusual for weather hazards to make King Cove inaccessible by air. The next closest airport is in Cold Bay, approximately 20 miles away. Flying to Cold Bay is much more reliable as it has a commercial size runway due to its military history.

City of King Cove				
Asset	Prese	Description	Ownership	
	nt			
Airstrip	Yes	3,360-foot gravel. Not safe under many conditions.	State	
Marine Highway Service	Yes	Every other week from May through September.	State	
Water/Sewer	Yes	Water comes from Ram Creek with a sheet pile dam, which stores roughly 980,000 gallons of unfiltered water. A piped sewage collection system connects to central septic tanks.	City	
Electricity	Yes	Diesel generator, Hydropower. \$3.07 per gallon for diesel.	City	

Fuel Storage	Yes	The dock has a pipeline that runs from 5 fuel steel storage tanks to bring fuel into the city	City
Medical Services	Yes	King Cove Medical Clinic, and public health nursing	Tribal
Dock/Harbor	Yes	King Cove has a deepwater port	City
Public Safety	Yes	King Cove has a city police station	City
Fire Protection	Yes	King Cove Fire and Rescue	City
Telephone and Internet	Yes	Broadband internet and regular phone service is available; broadband phone service is not	Private
Post Office	Yes	One Post Office	Federal
School	Yes	Aleutians East Borough School District	State

Table 1: Infrastructure of King Cove, Alaska

Demographics and Economy

The following information is from the Census Bureau's American FactFinder database. Due to the small population in these areas, the most current information for many of these indicators is 2016, and these represent the 5-year averages from the American Community Survey. If these areas had larger populations, then the Census Bureau would have presented a 1-year average. The year of 2010 was selected as a benchmark year because the data is as authoritative as the Census Bureau can produce as it comes during the decennial census.

The recession has affected Rural Alaska in complex ways. There is a net outmigration that has been occurring since 2008 in more urban centers, but regional hubs, such as King Cove, are generally gaining population. The total population of King Cove has increased 15 percent to 1080 from 2010 to 2016, and the number of tribal members has increased by almost 30% to 467 members. The increase in unemployment from 0.2% to 2.4% is alarming in percent terms (1,100%) but well below the national, state, and borough average.

Indicator	2010	2016	Percent Change
Population	938	1080	15%
Tribal Members	361	467	29%
Housing Units	229	295	29%
Median Household Income	\$50,500	\$72,679	44%
Unemployment Rate	0.2	2.4	1100%

Table 2: Demographic and Economic Indicators for the City of King Cove

Source: American FactFinder

Community Development Quota (CDQ) Groups

Western Alaska groundfish fisheries are managed under several federal programs. The Community Development Quota program reserves 10% of the catch for groundfish, pollock, and crab within a region to qualified Alaska Native Claims Settlement Act (ANSCA) communities within 50 miles from shore. However, King Cove is not an eligible CDQ community.



Figure 3: Map of CDQ Communities in the Aleutians Source: North Pacific Management Council

Existing Community Projects

For a generation, King Cove has been attempting to have a road built to Cold Bay. There are a variety of reasons to connect these two cities, primarily the health and safety concerns for residents when travel to and from King Cove is not possible. They are primarily going through the legislative process to achieve this goal. A deal was signed in early 2018 with the purpose of advancing construction of the road.

Existing Workforce Competencies

The city ownership and operation of regional assets such as a deepwater port and airport lead to a high amount of Local Government employment within King Cove. Trade, Transportation, and Utilities, and Food Manufacturing (i.e., fishing and fish processing related jobs) are also a significant source of employment in King Cove. There are 31 active business licenses with physical addresses in King Cove.

Industry	Number of workers	Percent of total employed
Local Government	86	43%
Trade, Transportation, and Utilities	34	17%
Manufacturing	30	15%
Educational and Health Services	27	13%
Construction	5	2%
Financial Activities	4	2%
Leisure and Hospitality	3	1%
Natural Resources and Mining	2	1%
Professional and Business Services	2	1%
State Government	2	1%
Other	1	0.5%

Table 3: Number of King Cove Workers by Industry in 2014

Source: Alaska Regional and Local Information

The workforce of King Cove has experience in trade, transportation, and utilities with a lesser emphasis on healthcare and manufacturing.

Number of Resident Workers with Industry Experience between 2012 and 2017		
Trade	73	
Health care and social assistance	46	
Manufacturing	36	
Accommodation and food services	26	
Construction	22	
State government	19	
Transportation and warehousing	17	
Real estate and rental and leasing	14	
Agriculture, forestry, fishing, and hunting	12	
Arts, entertainment, and recreation	11	
All Others	24	

Table 4: Number of workers with Industry Experience from 2012 to 2016

Source: Alaska Regional and Local Information

Local Government/Community Stakeholders

Borough Government

The Aleutians East Borough is responsible for regional taxation, education, planning, and land use regulation. The borough seat of the Aleutians Islands is Sand Point, on Popof Island in the Shumagin Islands group.

Municipality/Village

The City of King Cove first incorporated as a 2nd Class City in 1947 and gained 1st Class City status in 1974.

Native and Village Corporations

- Tribal Government (Agdaagux Tribe): The Agdaagux tribe is a federally recognized tribe; they
 have responsibility for specific local health and social service programs and have access to
 sources of federal funding.
- **ANCSA Village Corporation (King Cove Village Corporation):** The King Cove Village Corporation is the major surface landowner in King Cove. Most King Cove residents are shareholders in the corporation.
- ANCSA Regional Corporation (Aleut Corporation): The Aleut Regional Corporation is the major subsurface landowner in the area and is a partner in land and economic development.

Identification of Barriers to Community and Economic Development

The region's economy is tied tightly to the fishing industry. The barriers to economic development are:

- Shortening fishing seasons
- Changes in the types of fish being caught
- The rise of farmed seafood internationally
- Aging fishing fleet

These put the existing economic base of the region at risk. Management of fish stocks, revitalizing the fleet and seeking efficiencies in fishing and food manufacturing is essential to ensuring the economic support of the region.

Natural hazards and isolation provide a constant barrier to economic development. Weather-related hazards, such as cyclonic storms, can make transportation by land and air unreliable and unsafe. Volcanic and seismic activity pose a probable risk of property damage. The remote location and lack of agricultural land cause a high cost for all supplies, specifically food. Reduced access to fresh fruit and vegetables can lead to a high level of food insecurity.

However, a positive change for the tribe and the community has been the advance of the plans for the road from King Cove to Cold Bay. For more than 20 years, King Cove has been working tirelessly to facilitate the building of a road to Cold Bay particularly essential to increase access to Cold Bay's airport. As of January 2018, the King Cove Corporation and the U.S. Federal government have a signed a formalized land trade, the first step in the process of development of the road.

SWOT Analysis

Strengths:

- Strong community ties
- Abundance of human capital
- Rich natural beauty
- Plentiful natural resources

Weaknesses:

- Limited access to public services
- High transportation costs
- Aging/limited housing stock
- Residents lack training for local jobs

Opportunities:

- Various State/Federal subsidies
- Expanding (eco)tourism market
- Technological advancement
- Job training programs

Threats:

- Need for funding w/ low admin burden
- Population decline
- •Climate change
- Opiod crisis
- Loss of cultural memory
- Disengagement of youth

Figure 4: SWOT analysis

Tribal Council Goals

- To be at the center of the community.
- Growth to keep the tribe and the community moving forward.
- Find funding to be able to increase services available to tribal members.
- Focus on programs that build capacity for the tribe to reduce the need for outside contractors.

Elder Care

There is a growing need for health and wellness services for the elder population in King Cove. The tribe operates an elder care task force. They are currently collaborating with the following organizations:

- The City of King Cove
 - The city owns the community center. They are interested in transitioning the operations and maintenance of this building to another entity. However, there is currently no sustainable funding source to help cover those costs.
- Belkofski Tribe
- Eastern Aleutian Tribes (EATS),

- o EATS is the healthcare provider. They currently have personnel assisting with elder care and elder-specific programming in King Cove. However, they are looking for additional workers to operate the health and wellness programs at the elder center.
- APIA
- Aleutian Housing Authority (AHA)

This collaborative effort has made great progress in transitioning the former community center into a center for elders. However, the project is in need of funding sources that can be used to support health and wellness programs for elders. In addition to this collaborative effort, many tribal members provide programs and services to elders such as a craft gathering, in-home visits, and weekly gatherings for a meal and socialization.

Housing

The Aleutian Housing Authority (AHA) has been working on the latest housing project on the island for the past three few years. However, it is difficult to keep up with the ever-increasing demand for housing in King Cove. For the young people to be able to stay in the community and raise their own families, there needs to be housing.

Rehabilitation Services

Illicit drug use is a growing issue in King Cove, as it is throughout much of Alaska. More support and resource are necessary for those recovering from drug use issues. There are mental health resources in town, but they have a limited capacity.

Increased Jobs

The tribe is interested in workforce development, specifically, for tribal members. In the past, some tribal members have worked doing construction or hazmat, on large-scale projects funded by the EPA, or other federal agencies. These jobs were available to tribal members after they had gone through specific training provided by the Aleut Corporation. While there are no projects currently underway, it is highly valuable to have tribal members trained and certified in fields like construction and hazmat.

Greenhouse/Hydroponics Unit

The tribe is interested in a greenhouse or hydroponics system that could provide fresh fruit and vegetables. There have been other greenhouses built in the region, mainly funded through grants or other similar funding sources. However, due to weather conditions, some of these greenhouses are no longer functional. The tribe is interested in a hydroponics unit that could generate revenue and potentially collaborate with the school to provide lunches that are more nutritious. Other rural areas such as King Salmon and Bristol Bay have fresh veggies in their school lunches, from a community garden or hydroponics system.