# Pauloff Harbor Tribal Council Local Economic Development Plan

Presented to the Aleutian Pribilof Islands Association





Center for Economic Development

LAA BUSINESS ENTERPRISE INSTITUTE

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# Location



Figure 1: Location of Sunak Island, Alaska Source: http://explorenorth.com/library/communities/alaska/bl-Pauloff.htm

Pauloff Harbor is located in the Aleutian Island Chain on the northern coast of Sanak Island, 35 miles southeast of False Pass. It lays at approximately 54.458850° North Latitude and -162.70036° West Longitude. Pauloff Harbor is located in the Aleutian Islands Recording District and the maritime climate zone. Temperatures range from -9 to 76. Snowfall averages 52 inches, with total annual precipitation of 33 inches.

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<sup>&</sup>lt;sup>1</sup> (Sec. 16, T066S, R090W, Seward Meridian.)

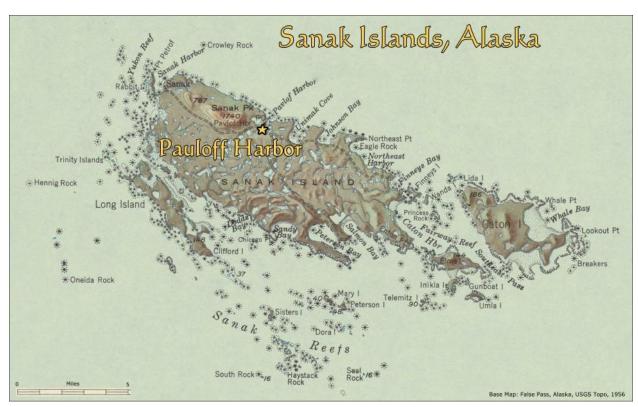


Figure 2: Location of Pauloff Harbor, Sunak Island, Alaska
Source: http://unimak.us/Pauloff%20Harbor-large/pauloff\_harbor\_sanak\_island\_alaska\_map\_large.html

# **History and Culture**

The community name differs from the harbor on which it is located -- Pavlov Harbor. The people of Pauloff Harbor are of Aleut descent. They also recognize the Russian and Scandinavian influence on the region.

Beginning in the 1870s and lasting through the 1920s, there were codfish stations around Sanak Island, part of the Scandinavian influence on the Aleut people. A post office was established there in 1949. There was also an established mail boat, freight ships, store, and trading post. The majority of freight shipments were received via False Pass. The area was rich with subsistence resources, and according to Council Members, all the streams produced fish. The people of Pauloff Harbor dried, smoked and barreled (salted) their fish; they also hunted many different animals and salted birds, caribou, and other animals to preserve the quality of the meat.

People originally left Pauloff Harbor to find work. They moved to False Pass in the summers to work, thus leaving Pauloff Harbor to become a winter station. Men left to work on fishing boats for American companies and women left to work in the canneries. When people originally left, they had intentions of returning. However, once the only teacher located at the Bureau of Indian Affairs School left the Island, the school closed and most people chose not to return to Pauloff Harbor.

Today, the island is unoccupied. Most of the shareholders and tribal members now live in Sand Point. There are some old structures still standing, and there are remnants of old military sites that are now environmental concerns for the Tribe.

# **Infrastructure and Community Facilities Summary**

The APIA website reports, "There are no public facilities at Pauloff Harbor." 2

Pauloff Harbor			
Asset	Present Description/Condition		Ownership
Airstrip	Yes	Seaplane Base/ Not Applicable	Tribal
Marine Highway Service	No		
Community Hall	Yes	Quonset Hut/ Poor	Tribal
Water/Sewer	No		
Electricity	No		
Fuel Storage	No		
Medical Services	No		
Dock/Harbor	No		
Public Safety	No		
Fire Protection	No		
Telephone and Internet	No		
Post Office	No		

Table 1: Infrastructure present at Pauloff Harbor

<sup>&</sup>lt;sup>2</sup> Aleutian Pribilof Island Association. "Pauloff Harbor." (n.d) Accessed 3/5/2018 from https://www.apiai.org/tribes/pauloff-harbor/

Sand Point			
Asset	Present	Description/Condition	Ownership
Airstrip	Yes	4,300ft paved	State
Marine Highway Service	Yes	Bi-Monthly between May & Oct	State
Community Hall	Yes	School facilities	City
Water/Sewer	Yes		City
Electricity	Yes	2.6MW total Capacity. Wind/Diesel hybrid system;	Tribal
Fuel Storage	Yes	Limited capability, relies on Sales from Trident Fish plant	Tribal
Medical Services	Yes	Community Health Clinic	City
Dock/Harbor	Yes	25 acre, 4 docks, 134 slips	City
Public Safety	Yes	Police/Fire/EMS/Animal Control	City
Fire Protection	Yes	Ship and Land capabilities. Volunteer staff.	City
Telephone and Internet	Yes	Phone: 3G. TelAlaska, AT&T, GCI Internet: TelAlaska and Hughes Net private customers; GCI public customers. Sub Broadband speeds.	Private
Post Office	Yes	One post office	Federal
School	Yes	PK through 12, operated by Aleutians East Borough School District	State

Table 2: Infrastructure in Sand Point

# **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 economic recession has affected Rural Alaska in complex ways as the region experienced net outmigration, but many rural hubs are experiencing an increase in population. As Sand Point is a regional hub, its population has increased since 2010, and the unemployment has decreased.

Indicator	2010	2016	Percent Change
Population	976	1248	28%
Tribal Members	381	598	57%
Housing Units	290	462	59%
Median Household Income	\$63,750	\$65,764	3%
Unemployment Rate	5.8	5.4	-7%

Table 3: Demographic and Economic Indicators for Sand Point.

Source: American FactFinder

There are 39 active business licenses in Sand Point. There were 315 commercial fishing permits in 2010 but only 177 fishing permits in 2018, a decrease of 44%. The recent Alaskan depression has affected Rural Alaska by causing people to migrate to local or regional hubs, and we see that Sand Point is gaining in population as one of the local hubs in the APIA region.

## **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. Pauloff Harbor is not one of the eligible CDQ communities.



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

### **Existing Community Projects**

The City of Sand Point is leading the following projects:

- Pave the road to Red Cove;
- Rebuild the incinerator at the city landfill;
- Inspect and repair or replace water distribution lines;
- Make additional improvements to the boat harbor and city dock for the fencing, bull rails, boat launch, and sheet pile bulkhead. The City should also consider a long-term plan to replace the boat lift, based on its age;
- Construct shelters to house public works equipment, the fireboat, and another harbor; equipment, and landfill equipment;
- Increased parks and recreation facilities;
- Increase web access capabilities (most likely a regional approach).

## **Existing Workforce Competencies**

The existing workforce competencies are exactly what we would expect out of a fishing town engaged in food manufacturing.

Number of Workers with Experience in Industry 2012–2016		
Manufacturing	66	
Accommodation and food services	59	
Trade	58	
Health care and social assistance	44	
Transportation and warehousing	38	
State government	23	
Construction	22	
Information	12	
Administration and support and waste management	9	
Real estate and rental and leasing	9	
Agriculture, forestry, fishing, and hunting	8	
Mining	4	
Utilities	4	
Arts, entertainment, and recreation	2	
Finance and insurance	2	
Professional, scientific and technical services	2	
Educational services	1	
Management of companies and enterprises	0	

Table 4: Number of Workers with Industry Experience (may be overlap between categories). Source: Alaska Local and Regional Information

In addition, very common to Rural Alaska we see that local government is one of the largest industries, followed by (food) manufacturing and utilities.

2016 Workers by Industry	Number of workers	Percent of total employed
Local Government	96	39.3
Manufacturing	55	22.5
Trade, Transportation and Utilities	28	11.5
Educational and Health Services	24	9.8
Leisure and Hospitality	16	6.6
Construction	7	2.9
Information	7	2.9
Other	4	1.6
Financial Activities	3	1.2
State Government	2	0.8
Natural Resources and Mining	1	0.4
Professional and Business Services	1	0.4

Table 5: 2016 Workers by Industry

Source: Alaska Local and Regional Information

# **Local Government/Community Stakeholders**

#### **Community Organizations**

- Tribal Governments (Qagan Tayagungin, Pauloff Harbor, and Unga Tribes)
- ANCSA Village Corporations (Shumagin, Sanak, and Unga Village Corporations)
- ANCSA Regional Corporation (Aleut Corporation)
- Regional Non-Profit Native Corporations (Aleutian Pribilof Islands Association, Eastern Aleutian Tribes)
- Regional Municipal Government (Aleutians East Borough)
- Denali Commission, Alaska Native Tribal Health Consortium (ANTHC)
- Seafood Industry (Commercial fishermen, Aleutian Seafoods, Trident Seafoods, Peter Pan Seafoods, and other processors).

## **Borough Government**

The borough seat of the Aleutians Islands is Sand Point, on Popof Island in the Shumagin Islands group.

## Municipality/Village

The Pauloff Harbor tribe resides primarily in the municipality/village of Sand Point.

## **Native and Village Corporations**

- **Tribal Governments (***Pauloff Harbor Tribe***):** Tribal governments have the status as federally recognized tribes. They have responsibility for certain local health and social service programs and have access to sources of federal funding.
- ANCSA Village Corporations (Sanak Village Corporation): Village corporations are the major surface landowners in Sand Point and on Sanak Island, and many residents are shareholders in these corporations.
- ANCSA Regional Corporation (Aleut Corporation): Regional corporations are the major subsurface landowner in the area and are a major partner in land and economic development.

# **Existing Community Plans**

Under Alaska Statute 29, certain municipal governments must exercise their planning powers and adopt comprehensive plans. The City of Sand Point did so and finalized a Comprehensive Community Development Plan (CDDP) in January 2018, conducted by AECOM. AECOM facilitated community meetings between stakeholders, determined community priorities and updated the 2004 CDDP issues and needs, as well as addressed statewide and regional plans affecting the Sand Point area.

Top priorities from the planning included:

- Providing for a diverse economy that strengthens commercial fishing opportunities for residents
- Utilizing increased aviation and marine transportation capacities and community partners;
- Creating educational and recreational opportunities for youth and adults;
- Maintaining an appreciation of local history and culture;
- Maintaining a safe and healthy community that values its local environment.<sup>3</sup>

#### **Existing Plans and Initiatives**

- 2016-2019 Statewide Transportation Improvement Program (STIP), 2017
- Southwest Alaska Municipal Conference Comprehensive Economic Development Strategy 2015-2019, 2016
- Communities of the Aleutians East Borough Multi-Jurisdictional Multi-Hazards Mitigation Plan,
   2010
- Wastewater System Improvement Plan, 2004
- Sand Point Harbor Land Use Plan, 2003
- Sand Point Economic Strategy Plan, 2002
- Aleutians East Borough Transportation Improvement Plan, 2001

<sup>&</sup>lt;sup>3</sup> AECOM. "City of Sand Point: Comprehensive Community Development Plan." (January 2018). Accessed 3/21/2018 from

 $https://www.sandpointak.com/uploads/2/7/6/7/27677223/february\_13\_2018\_city\_of\_sand\_point\_council\_meeting.pdf$ 

# 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, the types of fish being caught are changing, and the rise of farmed seafood internationally, and an aging fishing fleet put the existing economic base of Sand Point at risk. Management of fish stocks, revitalizing the fleet and seeking efficiencies in fishing and food manufacturing is essential to ensuring the economic base of Sand Point.
- Natural hazards and isolation provide a constant barrier to economic development. Weatherrelated 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 of living for all supplies, and food
  specifically.
- High dependence on government employment; many nearby villages turned into ghost towns
  when the village school or post office closed. If the state or federal government decrease the
  number of employed positions in Sand Point or in nearby villages, it will lead to increased
  outmigration of the borough in general. Sand Point, as a regional hub, may either see net outmigration or see its ability to provide services stretched thin as its population increases.
   Monitoring the state and federal staffing at Sand Point and nearby villages will assist Sand Point
  in adapting to a fluid circumstance.
- The lack of physical infrastructure limits Sand Point's ability to host eco-tourism. The Alaska Marine Highway System ferry does stop at Sand Point, but not long enough to facilitate long visitor stays, and this limits the hospitality industry in Sand Point. Iterative improvements in hospitality infrastructure outreach to the outside travel industry and increased service by the Alaska Marine Highway System or commercial cruise companies can mitigate this barrier.

# **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:

- Population decline
- Climate change
- Health crises
- Loss of cultural memory
- Disengagement

Figure 4: SWOT Analysis

## **Tribal Council Goals**

#### **Increase Tribal Employment**

Currently, most tribal members work in the fishing or seafood processing industries. The tribe would like to look into new sustainable business ventures. The past few seasons have been good for salmon but not necessarily for other fish. Therefore, they are looking at opportunities to increase tribal employment in other industries.

#### **Better Utilization of Tribal Assets**

They want to generate revenue to further support programs and services for tribal members. This could be done through better utilization of tribal assets such as commercial use of the cattle on Sanak Island, our rural tourism opportunities.

# **Increase Funding for Tribal Programs**

The tribe would like to increase services for tribal members and complete projects on Sanak Island; however, this can be difficult because of grant funding restrictions. They are interested in increasing their pool of unrestricted funds; as well as be more independent and less reliant on grant funding.

# **Increase Training Opportunities for Tribal Members**

They are interested in providing training to tribal members around grant writing, federal funding requirements, and writing a business plan.