



Craig Community Economic Development Strategy (CEDS)

2019 Committee Report



Adopted: April 18, 2019

2019 CEDS Annual Report

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Executive Summary

The Craig Community Economic Development Strategy (CEDS) Committee is part of the city's overall economic development and capital improvement project planning process.

In addition to staff projects and recommendations and capital planning and project decisions made by the Craig City Council, the CEDS committee provides an opportunity for local agencies, non-profits, businesses, and the general public to participate in the city's capital and economic development planning.

The CEDS committee consists of representatives from a variety of agencies, businesses, non-profits, and the public. The full committee membership for 2019 is listed on the following page.

The committee membership was approved by the Craig City Council at the December 6, 2018 regular council meeting and began reviewing information and participating in surveys electronically.

Surveys were provided to all primary and alternate committee members and some surveys were available to the general public to solicit additional information and feedback.

Using the information gathered by email and electronic surveys, the Craig City Planner drafted an agenda and a packet of information for CEDS meetings at Craig City Hall.

The committee met on March 12, 2019 and on March 14, 2019 to review the information gathered and to discuss strategies and projects. City department managers and staff were available to discuss aspects of city operations and to answer questions by the committee.

The committee drafted a list of priority strategies and projects to present to the city council and adopted the draft 2019 CEDS Annual Report. The report was forwarded to the Craig City Council and adopted at their regular meeting on April 18, 2019.

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2018/2019 Committee Members

Craig City Council

Jan Trojan, Council Member

Craig Planning Commission

Barbara Stanley

Millie Schoonover

Craig Library Board

Jeff Lundberg

Carolyn Gardner (alternate)

Craig Harbor Committee

Pat Tyner, Craig Harbor Advisory Committee Member

Craig City School District

Chris Reitan, Superintendent

Zack Scheidecker, Maintenance Supervisor (alternate)

PeaceHealth

Matt Eisenhower, Executive Director of Community Health and Foundation

Shaan-Seet, Inc.

Ed Douville, President

Prince of Wales Chamber of Commerce

Sharilyn Zellhuber, Board President

US Forest Service

Matt Anderson, District Ranger

Tyler Gunn, Deputy District Ranger (alternate)

Business Members

Gail Slentz, SE Alaska Bookkeeping and Administrative Services

Non-Profit Organizations

Community Connections

Brynn Bolling

Bess Clark (alternate)

PAWS

Allison Weyhmiller

Shannon Crossthaite (alternate)

HOPE

Tiffany Mills

Tammy England (alternate)

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CEDS as part of Craig's Economic/Capital Improvement Planning

Economic development and capital improvement planning in Craig is a multi-faceted and often complicated process. The city uses a variety of tools to develop the Capital Improvement Project (CIP) resolution annually, which outlines the city's projected priorities for funding and other city resources.

Projects and strategies for development are developed using input from city staff, proposals from the private sector, infrastructure needs, community input, planning commission and city council discussion, and general direction from the city's comprehensive plan.

The CEDS committee is an opportunity for local community representatives to participate in that process. The CEDS committee has broad representation and will submit concrete strategies and project priorities to the council to use when considering the annual CIP resolution.

Once projects are determined as a priority for the city there are a number of ways that projects move forward. Many projects are funded using grants or low interest loans from government entities. Some projects are funded locally through bonding, use of general fund revenues, or use of capital project reserve funds established in the budget.

As funding and opportunity come available the city has clear direction on the priority of projects to work on each year.

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CEDS in relationship to the City’s Comprehensive Plan

The city’s comprehensive plan is the overarching strategic document for the City of Craig and discusses a number of issues, including Craig’s economy. Section 4.0 of the 2017 Craig Comprehensive plan discusses Craig’s economy and outlines the general economic goals and strategies for the city.

As the CEDS committee discusses strategies, projects, and priorities it keeps the comprehensive plan in mind and works to show a direct link to comprehensive goals and strategies for all priorities listed in the CEDS report.

Strategy E.2 directly calls for the formation of the annual CEDS committee and the completion of an annual report that becomes part of the city’s comprehensive plan as Annex D.

Following is an excerpt containing the Economy section of the 2017 Comprehensive Plan. Additional information about Craig’s economy and history can be found in Section 2 of the 2017 Comprehensive Plan which is available on the city web site at www.craigak.com under the key documents directory.

4.0 Economy

Issues

Craig supports moderate economic development. Most existing infrastructure adequately serves the existing and future needs of businesses — especially with regards to sewer, telephone, electricity, and roads. With the addition of Silver Bay Seafoods in 2009 the city is near maximum capacity for water treatment and distribution, especially in the summer months. Increasing water capacity should be considered as economic development proceeds in Craig. Projects like the False Island development, JT Brown Industrial Park, and currently, the Craig Cannery site are important economic development efforts supported by the community. These developments help diversify the local economy, create long-term, year-round jobs and open up more lands for mixed uses in Craig.

Craig’s economy took a sharp downturn with the collapse of the timber industry, cancellation of long term timber contracts and the closing of a regional pulp mill in the late 1990’s. Since 2001 the economy has been fairly stable with some recovered growth. Capitalizing on its place as a center of government and economic activity on Prince of Wales Island to ensure that it remains stable, while continuing to grow a diversified economy, will be the focus during the next 20 years. Craig has seen an increase to value added processing in the fishing industry and growth in the tourism industry. The tourism industry is generally viewed as desirable provided it is compatible with the local lifestyle and does not negatively impact the quality of life valued by Craig residents. Supporting the continued growth of existing businesses will also be important; newer is not always better. Many of the existing local businesses have great opportunity to expand and contribute to Craig’s economy. Supporting their growth could be as important as seeking new developments.

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Economy Goal Statements (E)

- Goal E1.1** Encourage a diverse economy that provides long-term, year-round employment for local residents compatible with the local lifestyle.
- Goal E1.2** Keep the cost of doing (private and public) business low by concentrating on reliable and efficient marine and air transport access and facilities, efficient local traffic circulation and delivery of goods, and keeping energy and utilities costs as low as possible.
- Goal E1.3** Promote private and governmental cooperation and coordination in developing small businesses and enterprises and in attracting and locating new industry that benefits Craig.
- Goal E1.4** Encourage development that capitalizes on Craig's economy and strategic location on Prince of Wales Island and in Southeast Alaska.
- Goal E1.5** Encourage development of value-added industries.
- Goal E1.6** Work with local businesses to promote hazard mitigation, emergency preparedness, and continuity of operations planning and development.
- Goal E1.7** Promote improved quality of life for Craig residents in all aspects (health, recreation, and other socioeconomic activities) to encourage business location and growth in Craig.

Economic Strategies (E)

- Strategy E1** Use the land use codes and plan policies to protect existing and planned commercial and industrial areas from intrusion by incompatible land uses.
- Strategy E2** Support community economic development planning efforts such as the Community Economic Development Strategy (CEDS) Committee. This committee should meet at least annually and provide a report to the city council. The CEDS report should outline priority projects and strategies that are incorporated into the comprehensive plan by reference.
- Strategy E3** Support educational and occupational training programs and when appropriate, make city resources available for these programs.
- Strategy E4** Provide adequate industrially zoned upland and tideland at North Cove, False Island, Craig Cannery site, Craig Fisheries, and on the western and southwestern shore of Crab Bay to allow for expansion of marine related industries.
- Strategy E5** Zone tidelands seaward of commercial and industrial uplands to allow for commercial and industrial uses, except where otherwise noted in this plan.

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Strategy E6 Encourage and/or partner with private industry to promote increased suitable tourist activities.

Strategy E7 Encourage and support existing business and industries in Craig.

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Economic Indicators

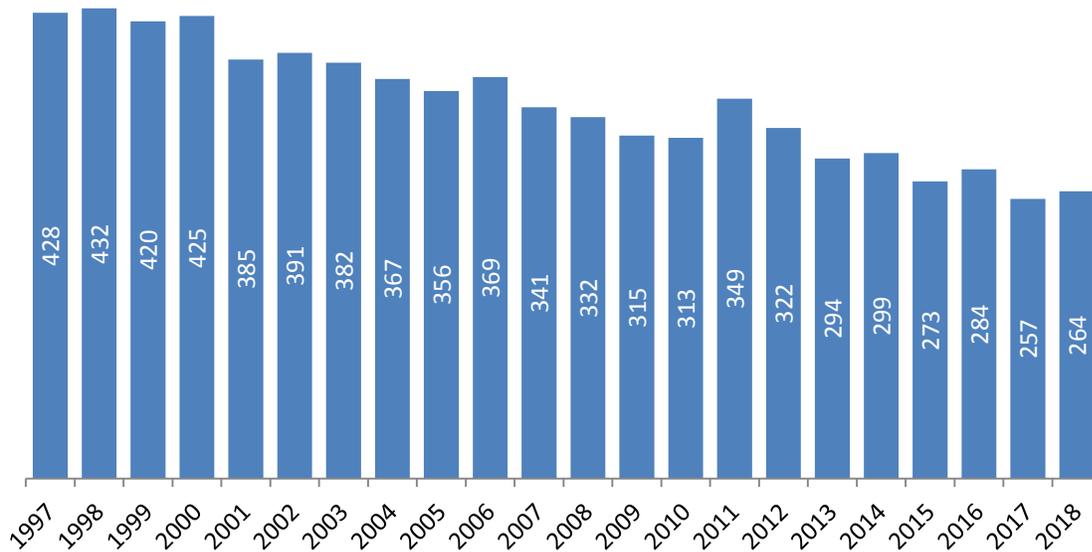
While raw data doesn't always tell the full story, it is helpful to see what some of the recent historical trends are for some economic indicators. This section does not provide an analysis or projections for most data but makes some key indicators available for review. A more detailed set of data is available in Section 2 of the 2017 Craig Comprehensive Plan.

Historic Population Craig, Alaska 1970 - 2018

1970	1980	1990	1999	2000	2005	2010	2013	2014	2015	2016	2017	2018
272	587	1,260	2,136	1,397	1,146	1,201	1,197	1,205	1,181	1,102	1,189	1,195

Sources: Alaska Department of Labor, U.S. Census Bureau, City of Craig Planning Department

Annual Average Enrollment City of Craig Schools Craig, Alaska 1997-2018



Source: Craig City School District, 2018.

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Total Value of Fish Catch (\$) Craig, Alaska

	Crab	Halibut	Herring	Other Groundfish	Other Shellfish	Sablefish	Salmon	Total
2005	**	914,216*	79,560*	0	980,145*	157,753	2,049,889*	4,958,375*
2006	60,725*	1,224,968*	93,783	0	1,013,574*	293,303	3,039,312*	5,711,628*
2007	199,194*	1,054,317*	190,978*	0	1,035,538*	112,867	3,422,166*	6,111,224*
2008	**	837,361	1,083,023*	44,465*	896,798*	**	4,631,358*	7,824,845*
2009	118,565*	516,917	404,796*	**	1,220,789	**	3,064,316*	5,773,321*
2010	100,658*	714,287	144,200*	**	453,329*	**	4,478,265*	7,409,382*
2011	180,457*	448,449	202,570*	87,266	628,703*	**	6,166,110*	8,930,747*
2012	84,688*	455,486	524,243*	**	799,740*	**	5,769,144*	8,915,881*
2013	100,393*	440,443	647,889*	**	710,016*	**	7,981,954*	10,941,130*
2014	**	615,908	997,237*	**	511,940*	**	6,536,329*	9,866,437*
2015	**	631,064	304,837*	**	639,404*	**	4,691,255*	7,387,228*
2016	**	711,515	414,409	**	1,514,799	**	6,656,833*	9,785,508*
2017	**	738,264	112,538	**	790,040*	**	7,528,162*	10,364,942*

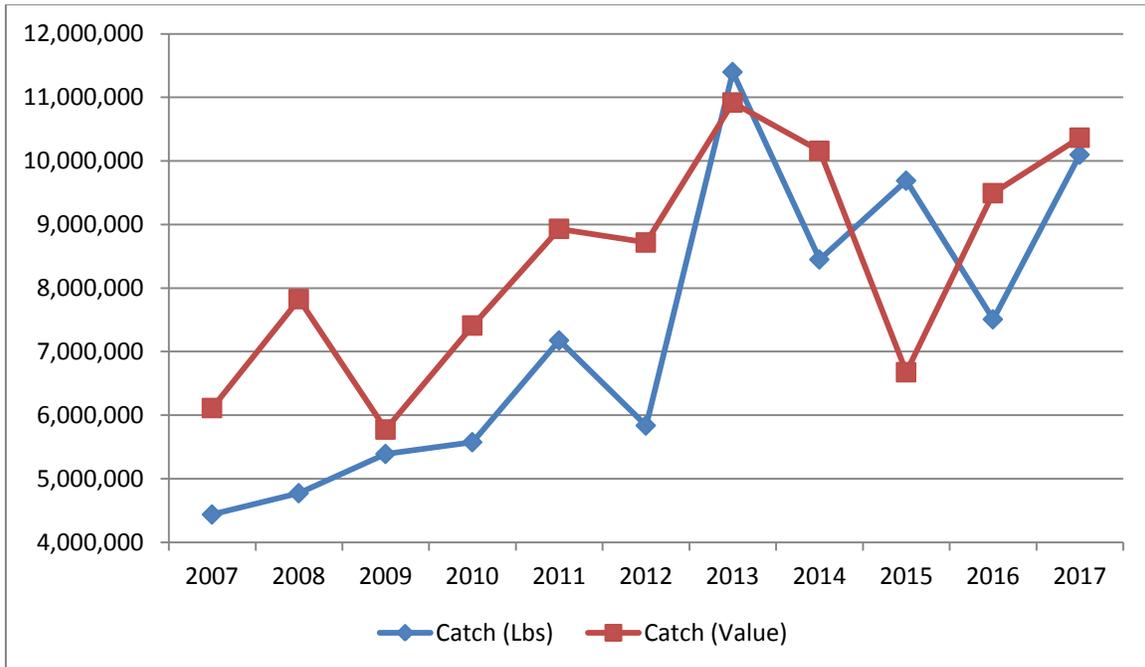
Source: Alaska Department of Fish and Game, Commercial Fisheries Entry Commission

NOTE: Fisheries data is masked based on the number of permits and fishermen for each species. Most data shown above is partial because much of the data is masked.

*Some fishery codes within the species are masked, total value is partial due to masked data.

**All fishery codes within the species are masked; no data is available for that species for that year.

Fisheries Catch and Value Data 2007-2017



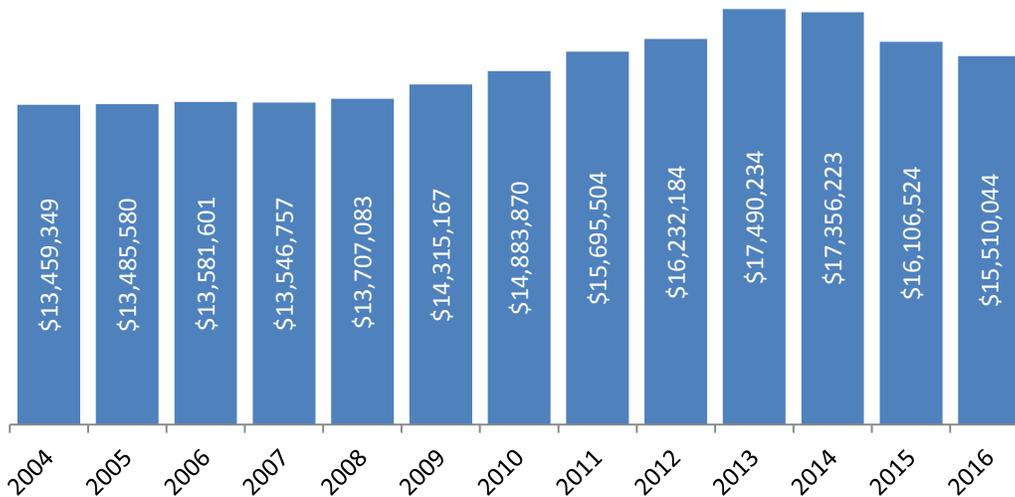
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Sport Fish Angler Fishing Days Prince of Wales Island, Alaska 2004-2014

Year	Saltwater		Freshwater	
	Angler Days Fished – Non-Alaska Residents	Angler Days Fished – Alaska Residents	Angler Days Fished – Non-Alaska Residents	Angler Days Fished – Alaska Residents
2004	40,858	16,770	11,463	3,969
2005	52,135	16,333	10,100	3,527
2006	46,460	11,828	10,820	5,161
2007	49,444	13,666	10,968	6,124
2008	46,921	18,023	11,098	7,092
2009	38,246	10,829	9,836	4,124
2010	37,547	14,019	10,529	4,355
2011	47,728	17,106	16,193	4,668
2012	51,349	14,751	14,495	5,660
2013	50,369	17,307	9,017	4,725
2014	53,039	15,372	13,300	7,464

Source: Alaska Department of Fish and Game

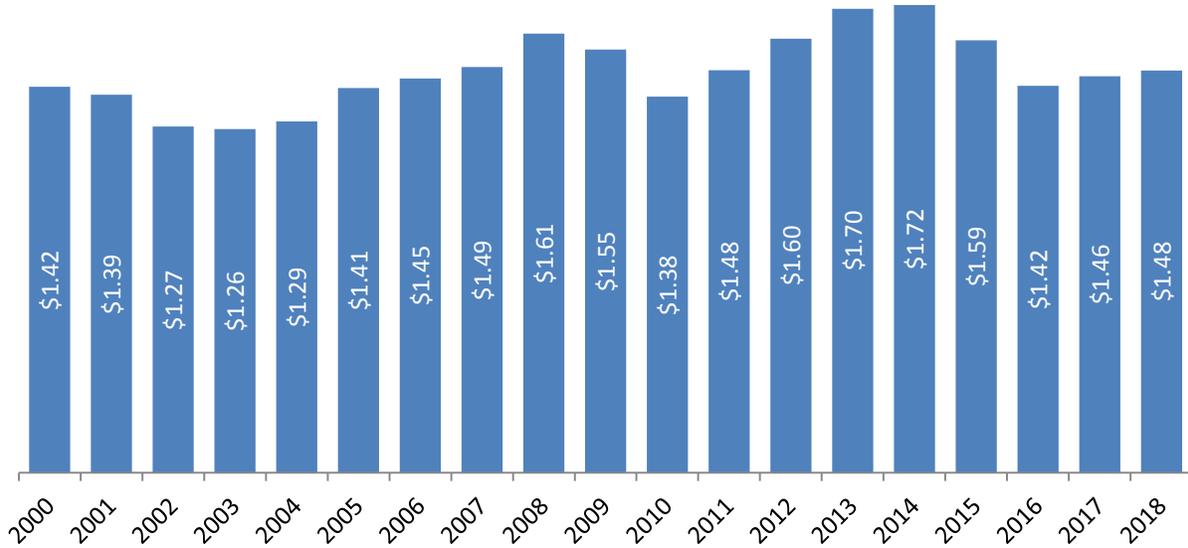
Total Resident Wages Craig, Alaska 2004 – 2016



Source: Alaska Department of Labor, Research & Analysis, Alaska Local and Regional Information Database (ALARI)

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**Craig Sales Tax
(Shown in Million of \$)
2000-2018**



**Real Property Assessed Values (In Thousands of \$)
Craig, Alaska
2010-2018**

	2010	2011	2012	2013	2014	2015	2016	2017	2018
Total	87,300	84,700	86,000	89,400	99,500	106,000	109,000	110,740	115,877

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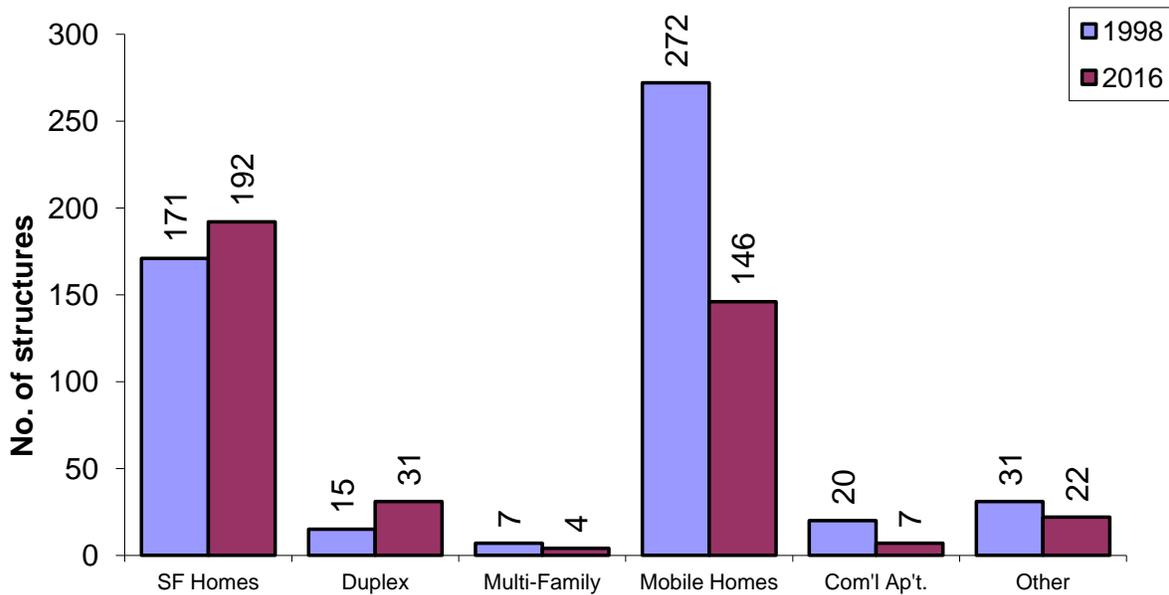
Housing Vacancy Rates 2000 and 2010

	2000		2010	
	Homeowner Vacancy Rate	Rental Vacancy Rate	Homeowner Vacancy Rate	Rental Vacancy Rate
Craig	1.7%	10.0%	1.3%	6.9%
Alaska	1.9%	7.8%	1.7%	6.6%
Prince of Wales ¹	4.5%	10.9%	1.8%	13.3%

Source: 2000 and 2010 Decennial Census Data

¹Prince of Wales Subarea

Aggregate Housing Types: 1998 and 2016



Local harbor slips and moorage

Facility	Number of Slips	Feet of transient moorage
North Cove Harbor	102	700
South Cove Harbor	120	125
City Dock	0	350
False Is. Dock	0	223
Total	222	1,398

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Strengths, Weaknesses, Opportunities, and Threats (SWOT)

The committee discussed strengths, weaknesses, opportunities, and threats to Craig's economy both through surveys prior to committee meetings and during committee meetings. The SWOT surveys were also made available to the general public.

Strengths – what are some of the things that the community is doing well or can use in order to encourage and support economic development? What are some of the economic sectors that exist that can be enhanced?

- Small Town Feel/Sense of Community
- Access to natural resources
- Being a hub for other communities
- Access to harbors
- Access to outdoors
- Citizen involvement in creating public attractions
- Local businesses have a sense of community
- City staff, services and infrastructure
- Community culture among businesses
- Stable and safe community
- Tourism activities and focus
- Local government is responsive, reliable, not over restrictive, fiscally responsible and pro-business

Weaknesses – what are some of the things that the community is not doing in order to encourage and support economic development? What are some of the things that the community does or community conditions that discourages development?

- High business operational costs
- High cost of travel
- High drug and alcohol abuse rate
- Retail competition from online sources
- Lack of available land for development
- Lack of or high cost of housing
- Lack of skilled employees/difficult to retain
- High prices and limited selection of goods
- Slow and Expensive Internet
- High energy/utility cost

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Opportunities – what are some of the things that are not being done, or used, but can be if the community takes advantages of some of its strengths or overcomes some of its weaknesses? What are some of the emerging or future opportunities for economic development?

- Support development of more small businesses
- Encourage and develop local tourism (DIY style)
- Figure out how to decrease the cost of getting goods to the island
- Improve internet service
- Maintain, expand and promote outdoor recreational opportunities and facilities
- Promote and expand use of voc tec center
- Workforce development and retention
- Expand public parking
- Support and expand boat maintenance/repair options available
- Development of Cannery Site into multi-use tourist type businesses and community meeting space
- Maintain small town/community feel

Threats – What are some of the things (potential future conditions or events) that threaten future economic development in the community/region?

- Cost of shipping and transportation
- Lack of skilled/qualified work force
- State budget shortages and resulting shortages to community
- Future access to island
- Reduction or total shutdown on resource extraction due to regulation or declining resources
- Declining economy
- Cost of utilities
- Crime associated with drug activity
- Drug use
- Declining city revenue and loss of non-essential services due to loss of city businesses

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Recommended Strategies and Projects

The 2019 CEDS Committee developed 11 general strategies for economic development in Craig. Many of the general strategies also identify specific projects to accomplish that general strategy. Projects recommended by the committee can be direct (things that the city should do to provide a service or facility), indirect (things the city should do to supplement a service or facility), or support (supporting particular industry sectors or development).

Examples of direct projects include the ice house and boat haul out trailer. Direct projects are capital projects where the city is the service provider, has made a significant financial contribution, or assumes operations.

Indirect strategies and projects include things like land sales, leases, and access permits to make land available for economic development.

Support strategies and projects include things like supporting or opposing legislation or rulemaking in the fishing industry.

The 2019 CEDS Strategy Priority List

1	Maintain, Upgrade and Expand Harbor Facilities in Craig <ul style="list-style-type: none">• Convert Ice House to Salt Water Cooling System*• Development of Cannery Site Property and Harbor Construction*• Harbor Improvements (existing harbors)
2	Support Industry Sectors and Businesses Important to Craig <ul style="list-style-type: none">• Fishing Industry Value Added Input and Support• Marine Trades/Industry Input and Support• Expand Small Business Opportunities• Eco Tourism Development and Support• Support and Encourage Expanded Internet/Fiber Optic Connection• Timber and Value Added Processing Input and Support• Community Quota Entity Share Purchase*• Upgrade and Expand Boat Launch Area at Industrial Park*
3	Maintain and Expand Infrastructure <ul style="list-style-type: none">• Water System Upgrades*• Wastewater Collection System (Lift Station Replacement)*• Heavy Equipment Replacement (Garbage Truck)*• Port St. Nicholas Road Upgrade• Street Improvements• Float Plane Terminal Access and Parking*• Bridge Structures Inspection and Upgrade*• Asphalt Surfacing (Parking Lots, etc.)*

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4	<p>Maintain, Upgrade and Expand Public Facilities in Craig</p> <ul style="list-style-type: none"> • Craig Public Safety Building (Police, Jail, etc.)* • Firehall/EMS Building Construction* • Library Expansion Planning and Design • Animal Control/Shelter • Expand Emergency Planning and Preparedness • Prince of Wales Emergency Resources (POWER) Building Renovation/Construction*
5	<p>Support Behavioral Health Services and Substance Abuse Treatment on Prince of Wales</p>
6	<p>Maintain, Upgrade, and Expand Recreation in Craig</p> <ul style="list-style-type: none"> • Aquatic Center Repairs, Upgrade and Expansion* • Upgrade Bicycle and Pedestrian Improvements (walking trails and sidewalks) • Indoor/Outdoor Recreational Facilities • Craig – Klawock Separated Bike Trail* • Maintain and Repair Existing Parks (including tiny parks) • Skateboard Park*
7	<p>Improve and Expand Recycling and Solid Waste Management (Cleaner and Greener Community)</p>
8	<p>Support Development of Increased Residential Development</p> <ul style="list-style-type: none"> • Affordable Housing • Assisted Living/Pioneer Home • Residential Land Availability
9	<p>Support Island Wide Economic Planning and Development</p> <ul style="list-style-type: none"> • Complete Phase II Improvements in Klawock Airport Master Plan* • Island Wide Electrical Intertie • Island Wide Transportation System • Island Wide Recreational Facilities
10	<p>Support Craig City School District Capital Projects</p>
11	<p>Support and Develop Alternative Energy Resources</p> <ul style="list-style-type: none"> • Micro Hydro Generator at Water Treatment Plant* • Connect Craig Tribal Hall to Wood Boiler*

*Denotes Projects that were contained on the 2019 Capital Improvements Project Resolution

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Strategy/Project Descriptions

1. **Maintain, upgrade and expand harbor facilities in Craig.** Access to marine waters is important to Craig's economy both for quality of life (recreation, subsistence) and economic purposes (tourism, commercial fishing, charter fishing, etc.). Craig's harbors, boat launches, and other marine facilities play an integral role in this access. The city should work to both maintain existing harbors and expand harbor access and capacity in order to facilitate economic growth related to marine industries and to continue to make marine access an important and attractive part of living in Craig. Identified projects under this strategy include:
 - a. **Convert ice house to salt water cooling.** This project includes conversion of the city owned and operated ice plant to a salt water cooling system making it more reliable and energy efficient. The ice plant is used throughout the year to provide support to commercial, charter, and recreational fishing.
 - b. **Development of Cannery Site property and harbor construction.** The city has been working with the US Army Corps of Engineers (USACE) since 2000 on the development of a new harbor at the Craig Cannery Site. The city has completed feasibility and environmental studies and is currently working with the USACE on the design of the navigation improvements (breakwaters, harbor basin) and the local support facilities (docks, piers, harbor support facilities, utilities, etc.) for a new 10.1 acre harbor that will contain approximately 145 slips. The project also includes development of the remainder of the upland property to allow for harbor support facilities, city owned facilities, roads, utilities, and privately developed parcels. The city has started a public process to discuss the upland development.
 - c. **Harbor improvements (existing harbors).** The city maintains three existing harbors (North Cove, South Cove, City Dock) that were previously state built and owned harbors but were transferred to the city's ownership. All existing harbors are aging and in need of utility improvements, reconstruction of sections of the float system, replanking, and a number of other maintenance and improvement items. Currently the city is working to replace shackles and chain on the floating breakwater in North Cove, replace electrical pedestals, upgrade the water system, upgrade lighting, and performs other maintenance related projects as resources allow. The city should continue to make maintenance and upgrade of existing harbors a priority.
2. **Support Industry Sectors and Businesses Important to Craig.** There are a number of existing and emerging business sectors in Craig. It is important that city staff stay current on issues related to these industry sectors and provide support when needed. Support may include access grants or other funding; commenting on rulemaking; participating in litigation; and other support as needed. Some specific projects/strategies identified under this strategy include:
 - a. **Fishing industry value added input and support.** Commercial, sport, and charter fishing are important aspects to Craig's economy. Resource availability, allocation, regulation, and potential fisheries changes greatly affect Craig. The city should support a balanced approach that maximizes access to fishing resources and encourages local development and processing that adds value to the raw resource.

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- b. **Marine trades/industry and support.** Fishing and access to the marine waters has always been important to Craig but there has historically been limited repair, maintenance, storage, and other support for marine vessels in Craig. With the development of the JT Brown Industrial Park in the late '90s there is more opportunity for this type of industry. The industrial park now has a marine transmission repair provider, public boat work yard, boat storage, washdown, and other services. But, there is room for more boat maintenance, repair, and building services in Craig. The city should support development of marine trades and industry to make Craig not just a fishing destination, but a regional center of vessel repair, maintenance, and storage.
- c. **Expand small business opportunities.** A large portion of Craig's local economy includes small businesses located in Craig that serve its residents, Prince of Wales Island, visitors, and the larger regional economy. Currently the city provides support for all businesses through infrastructure, "tax free" day, leases, access permits, small business education (through the library), and other services. The city should continue to look for opportunities to make Craig an inviting place for small businesses to locate and operate.
- d. **Eco Tourism Development and Support.** Historically, Craig has been a tourism destination related to access to the Tongass National Forest and area waters for resource use (i.e. sport fishing) but there is a growing trend for tourism related to access to marine and forest resources not related to resource extraction (wildlife viewing, etc.) The city should look for opportunities to expand Craig's place as a base for tourism related to these types of uses.
- e. **Support and encourage expanded internet/fiber optic connection.** In today's economy access to high speed, reliable access to the internet is critical. Craig has traditionally had limited options and internet speeds and bandwidth have been an impediment to some development. The local internet provider has been working for several years to install fiber optic cable within the local system to increase speeds and bandwidth. A number of carriers have looked at Prince of Wales to determine if it was economically viable to land an undersea fiber optic cable on the island to increase service. Cellular access in Craig has been better than other areas of the island, but is still limited. The city should keep current on issues regarding internet and cellular access to the island (and Craig) and should support efforts to increase speed and bandwidth at reasonable costs.
- f. **Timber and value added processing input and support.** Historically, timber has been a primary economic driver on Prince of Wales. While large scale logging contracts were cancelled prior to 2000, the operation of the Viking Lumber mill in Klawock and local value added industries have continued to be an important part of the local economy. The city should encourage and support balanced timber harvest and businesses that add value to wood products.
- g. **Community Quota Entity (CQE) share purchase.** In 2004 the National Marine Fisheries Services approved the CQE system which allowed small coastal communities in Alaska who had historic participation in halibut and sablefish fisheries to purchase, hold, and lease individual fishing quota (IFQ) shares. The intent of the program was to maintain IFQ in communities for use by local fishermen and stop some of the outmigration of

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time spent on garbage collection. There is no backup automated truck and the current vehicle is about five years old. The city is working on purchasing a replacement for the current vehicle which will allow the current truck to be placed in a “backup” status. The city should continue to rotate new vehicles in as the current vehicles age.

- d. **Port St. Nicholas Road upgrade.** The Craig Tribal Association has been working on improvements to the Port St. Nicholas road over the past several years. The city owns the road easement/right-of-way and maintains the road. There are still large sections of the road that should be paved. CTA is working to secure funding for this work. The city should continue to support CTA’s work on this road.
 - e. **Street Improvements.** Over the past several years the city has used a variety of funding sources to pave most streets in town. There are some short, lower priority sections of city owned streets that have not been paved. As funding becomes available the city will work to complete paving of all city streets.
 - f. **Float plane terminal access and parking.** The city has looked at a number of alternative access points for the float plane terminal over the years in order to avoid some of the narrow streets/sharp corners that currently access the terminal. The city will continue to look at whether or not this is necessary and feasible. In addition the current terminal parking is insufficient for the building and its uses. The city will continue to watch this need and work to develop additional parking if the opportunity arises.
 - g. **Bridge structures inspection and upgrade.** The city owns and maintains three bridge structures: one on the Port St. Nicholas Road which was replaced as part of CTA’s road improvements (item d above), one on the access road to the dam at North Fork Lake (was inspected in recent years), and the bridge between the JT Brown Industrial Park and False Island. The city should continue to monitor the condition of these bridges and plan for repairs, upgrades, and replacement as needed.
 - h. **Asphalt surfacing (parking lots, etc.).** As part of the street improvement project described in item e above, the city has been working to hard surface city owned parking lots and other facilities. This improves drainage and reduces maintenance. The city will continue to look for opportunities to pave the city hall parking lot, float plane terminal parking lot, and other public parking lots.
4. **Maintain, Upgrade, and Expand Public Facilities in Craig.** The city owns and operates public facilities and buildings for a number of municipal purposes. Many buildings need major maintenance or uses have outgrown their current buildings. The city works to ensure proper maintenance of buildings, and where necessary, to plan for expansion or construction of new facilities to allow for adequate services. Specific projects under this strategy include:
- a. **Craig public safety building (police, jail, etc.).** The city currently operates the police department, DMV, dispatch center, and contract jail from one facility. The facility is undersized for all of the uses and upgrades to keep up with communications equipment, police services, and necessary jail improvements. In addition there are other public safety entities (i.e. Alaska State Troopers and Alaska Court System) that have facilities that are not co-located with Craig public safety. This causes duplication of equipment, higher manpower demands, and general inefficiencies in operations. The city is

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considering construction of a new facility that would house the Craig Police Department, DMV, jail, and dispatch center with room for growth and would include potential space for other agencies in order to create efficiencies or add services.

- b. Firehall/EMS building construction.** The current firehall is undersized and is not able to house existing fire/EMS vehicles and equipment. With the help of an architectural firm the city has completed design and specifications for a new firehall to be located on Cold Storage Road. The new facility will include room for existing fire/EMS vehicles and equipment with significant room for expansion; upgraded training room; backup power; and facility improvements like an exhaust extrication system to make operations safer. The new firehall would also be more centrally located near major streets with easier access to all areas of town. The city will continue to look for construction funding for this project.
 - c. Library expansion planning and design.** The city currently operates a public library. Public demand for services is greater than the facility can support and staff has been looking at ways to expand the current facility or to construct a new facility to meet public service demands and allow room for expansion. The city will continue to work on this project.
 - d. Animal control shelter.** Historically animal control services have been performed by the Craig Police Department in addition to their other duties. In 2017 the city entered into an agreement with the Prince of Wales Animal Welfare Society (PAWS) to operate the facility. PAWS has identified a number of potential upgrades to the current facility but is limited by size with little room for expansion. The city and PAWS should continue to work together to identify and make improvements to the existing facility and should consider inclusion of a new animal control facility if a new public safety building is constructed (item a above).
 - e. Prince of Wales Emergency Resources (POWER) building renovation/construction.** POWER currently operates a thrift store, food bank, and offices that provide other emergency assistance out of a city owned building that was constructed in the 1930s. The building is serviceable but maintaining it to current standards is difficult. In addition there are major maintenance items that need to be completed including a new roof. The city and POWER should continue to work together to determine whether renovation or a new facility are required to meet the city's needs. The city and POWER should continue to work together to maintain the current facility in a safe and serviceable condition and to plan for expanded or new facilities in the future.
5. **Support Behavioral Health Services and Substance Abuse Treatment on Prince of Wales.** With the closure of Communities Organized for Health Options (COHO) in the mid 2000's much of the mental health and substance abuse treatment options for Craig went away. In the aftermath of COHO's closure, existing healthcare providers increased their services and new providers began offering services. The city should continue to support efforts by providers and the Prince of Wales Health Network to ensure that adequate mental health and substance abuse treatment programs are available.

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6. **Maintain, Upgrade, and Expand Recreation in Craig.** Recreation is an important aspect to the quality of life in Craig and both indoor and outdoor recreation opportunities factor into being able to recruit and retain employees in Craig. The city should continue to support recreation activities and opportunities. Specific recreation projects include:
- a. **Aquatic Center Repairs, Upgrade, and Expansion.** The Craig Aquatic Center is over 20 years old and is used by all school districts, Craig residents, visitors, and island residents and is home to the Craig Waverunners Swim Club. The center offers swim lessons, open swims, a whirlpool, sauna, kiddie pool, health activities, a fitness center, and a myriad of other programs to promote health and recreation in Craig. The building recently had the roof and most mechanical systems (heating and air handling) replaced. There are a number of other projects identified for improvements, maintenance, or repair at the facility. The community has discussed expanding the fitness room. The city should continue to support the Aquatic Center and find ways to promote its use for recreation and fitness.
 - b. **Upgrade bicycle and pedestrian improvements (walking trails and sidewalks).** Much of Craig is connected by a network of trails, bicycle paths, sidewalks and pedestrian improvements. The Craig Tribal Association is currently working to expand the number of streets with sidewalks in the community. These improvements are heavily used by the public. The city should strive to maintain, upgrade, and expand walking trails, bicycle paths, sidewalks and other pedestrian improvements.
 - c. **Indoor/Outdoor recreational facilities.** The city maintains a number of indoor and outdoor recreation facilities. Facilities include the city gym, recreation center, ball fields, basketball courts, playground equipment, restrooms, etc. These facilities are heavily used by the public and should be maintained and improved.
 - d. **Craig-Klawock Separated Bike Path.** The current separated bike path from the Healing Heart Totem Park to the Craig High School is owned by the State of Alaska and maintained by the city. A concept has been developed for a continuation of the separated bike path from the Craig High School to Klawock.
 - e. **Maintain and repair existing parks (including tiny parks).** The city owns and maintains a number of parks and playgrounds in Craig, including several small parks located along Beach Road. The city should continue to maintain and upgrade these parks to encourage maximum use by the public.
 - f. **Skateboard Park.** During deliberation of the 2019 Capital Improvement Projects resolution by the Craig City Council the council added development of a skateboard park to the list of priorities. Staff has been working with a local resident interested in this development on planning for a new park. In February 2019 the Craig Planning Commission heard public testimony and considered a number of potential sites. Based on the public comments and planning commission discussion the commission narrowed the potential sites down to two sites with a plan to continue discussions at future planning commission meetings. Staff will continue to work on this project with local citizens and the planning commission.

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7. **Recycling and solid waste management (Cleaner and Greener Community).** Solid waste management is challenging for Craig (and most Prince of Wales communities). Most solid waste is transshipped to landfills located in the Pacific Northwest. In recent years the city has participated with a regional organization, the Southeast Alaska Solid Waste Authority (SEASWA) to handle solid waste issues. There are currently some efforts to separate recyclable materials but volumes and cost of transport have made general recycling a difficult prospect. The city should continue efforts to improve recycling, separating recyclable materials, and should continue to work with SEASWA on solid waste management issues.
8. **Support increased residential development.** Available and affordable housing is a significant limiting issue for further economic development in Craig. The CEDS committee recognized that lack of available/affordable housing inhibits employee recruitment and retention. Most lots in Craig have been developed fully. More commercial properties are seeing multi-use development with residential units being built within commercial buildings (accessory to the commercial/industrial uses). Much of the current affordable housing is contained within area trailer parks (the largest of which is Shaan-Seet Trailer Park) with most of the trailer stock dating back to the end of the large scale logging contracts on Prince of Wales in the late '90s. The city should encourage development of available land and housing stock to meet a variety of housing needs. Some of the areas of focus regarding residential development include:
 - a. **Affordable housing.** The city should encourage a good mix of affordable housing options including ownership and rentals. The city should work with local landowners, particularly trailer park owners, to develop options to replace existing housing needs currently being met by trailers.
 - b. **Assisted living/Pioneer Home.** Currently there is limited space and availability of senior housing in Craig. Existing Tlingit Haida Regional Housing Authority (THRHA) senior housing in Craig and Klawock are at capacity with waiting lists. Decennial census from 2000 and 2010 show a steady overall population but an increasing aged population in Craig. The city should work with regional housing authorities and other agencies to increase the amount of senior housing available to Craig residents.
 - c. **Residential land availability.** One of the limiting factors for housing availability in Craig is limited undeveloped residential land. In 2013 and 2017 the city developed about 20 city owned lots for sale to the public. Nearly all lots have been sold and many have been developed. With these sales the city has exhausted its supply of city owned residential land. The city should work with landowners and developers to increase residential land availability for the development of housing.
9. **Support island wide economic development planning and development.** Much of the economic development of Craig is dependent on development or planning in other communities. The Prince of Wales Chamber of Commerce, tribal organizations, and communities have been supporting area wide development planning (i.e. mining, tourism, etc.) for years. The city should continue to participate in these planning efforts. Some specific efforts that the city should consider important include:
 - a. **Klawock Airport Master Plan Phase II Improvements.** The Klawock Airport has a 5,000' asphalt runway, aprons, and limited lease areas for air carriers and support. Over the

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past several years multiple air carriers have added service to the airport. Scheduled air service now serves Ketchikan, Sitka, and Juneau. The state has expanded the lease areas to allow offices and limited parking for most of the scheduled carriers. The 2007 Klawock Airport Master Plan includes expansion of lease lots, development of a parallel taxiway, instrument navigation improvements, expansion of the apron, and other improvements that will expand the usability and capacity of the airport. The city should support Alaska DOT&PF, FAA, and local efforts to make these improvements to the airport.

- b. Island wide electrical intertie.** Power generation on Prince of Wales is a mix of diesel generators and hydro-electric. Most communities, including Craig, are tied into the system. The city should support efforts to develop additional economically feasible power generation projects and ensure that all communities on Prince of Wales are tied into the electrical grid.
- c. Island wide transportation system.** There has been ongoing discussion for several years about developing public transportation across the island. In recent years several of the tribes (including the Craig Tribal Association) have procured busses and have been operating transportation to and from their communities. The city should continue to support efforts to develop and operate transportation options around the island.
- d. Island wide recreational facilities.** The city has recognized the importance of recreation and other quality of life issues to economic development in Craig. The Prince of Wales Chamber of Commerce has done significant tourism development planning over the past few years. The US Forest Service maintains a wide variety of cabins, trails, and recreation sites on Prince of Wales. Sealaska Corporation has been increasing their trail development on corporation lands. The city should continue to support and encourage development of island wide recreational facilities that attract tourists and increase the quality of life.

10. Support Craig City School District capital projects. The Craig City School District annually develops a list of capital projects for the school district. The city should continue to support projects identified by the school district as priorities. 2018/2019 projects identified by the school district include:

- a. Craig High School Biomass Boiler.** Install a biomass fueled heating system to augment the fuel oil boilers already in the school.
- b. CCSD School Security Improvements.** Improve CCSD's building security by installing electronic key card systems at all front and rear entrances at all campuses. Upgrade video surveillance camera systems. Install PA system to improve security communication.
- c. Craig High School HVAC Controls Upgrades.** Replace the mechanical controls systems which are not functioning as designed. Ensure that mechanical controls will operate with the new woody biomass boiler system.
- d. Craig Elementary School Boiler Replacement.** Install two new propane boilers and propane tank.

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- e. **Craig Middle School Gym Roof Replacement.** Replace 10,575 square feet of the metal roofing, flashing, gutters, downspouts, drains, and metal fascia over the Middle School gym. Add insulation and truss space ventilation.
- f. **Craig High School Flooring Replacement.** Replace carpeting that has exceeded its useful life span.
- g. **District Bus Barn Construction.** Construct storage building for district busses and vehicles.

11. Support and develop alternative energy resources. The city recognizes that high energy costs (heating, electricity, etc.) are an impediment to economic development and impact the quality of life in Craig. The city has worked over the years to support development of alternative energy projects to offset city costs for maintaining facilities and providing services. Projects like the woody biomass boiler used to heat the aquatic center and middle/elementary school are a prime example. The city should continue to look for and support development of alternative energy opportunities. Some of the alternative energy items currently being considered by the city include:

- a. **Micro Hydro generator at water treatment plant.** In 2015 the city updated its water and wastewater utility master plans. These plans outline upgrades and major maintenance to the system over the next 10 – 20 years. One of the items included in the water master plan was the construction and installation of a micro-hydro electric generator in line with the raw water transmission line from North Fork Lake to the city's water treatment plant. The generator would take advantage of the existing raw water transmission to generate between 40 kWh and 85 kWh which would be used to offset electrical needs at the water treatment plant and nearby hatchery building located adjacent to the water treatment plant. The city should continue investigation and construction of this improvement.
- b. **Connect Craig Tribal hall to wood boiler.** The city constructed and began operations of a 4 million BTU/hour woody biomass boiler and hydronic heating system to heat the city's aquatic center and nearby middle/elementary school campus. Until the last couple of years the heating capacity of the plant has been at maximum, with a large portion of the heat generated used to dry wood chips used as fuel. The boiler burns about 750 tons of wood chips per year. More recently the city acquired drying equipment that it leases to Viking Lumber (source of the wood chips). As part of the lease agreement Viking dries the chips prior to delivery to the city's boiler, freeing up heating capacity at the plant. In addition, Viking uses the drying equipment to dry material for compressed woody biomass bricks that can be used in lieu of firewood. The city has long looked at ways to use excess heating capacity of the boiler if it was available. One of the options that have been discussed includes adding a hydronic loop to the Craig Tribal Association hall to supplement or reduce diesel fuel use. During the last round of improvements to the state highway culverts were installed to facilitate supply and return lines for the system. The city should continue discussion with the Craig Tribal Association to determine interest and feasibility in connecting this facility to the woody biomass boiler system.

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