

SOUTHEAST 2020 STRATEGIC PLAN SUMMARY

In June 2017, Southeast Conference updated the Southeast Alaska 2020 Economic Plan, a five-year strategic plan for the region. The membership worked together to develop an overall vision statement, 46 objectives, and 7 priority objectives, along with regional and industry specific SWOT analyses. More than 400 people representing small businesses, tribes, Native organizations, municipalities, and nonprofits were involved in various elements of the planning process. The Plan's objectives are listed below.

Transportation

- ★ **Priority** Minimize Impacts of Budget Cuts to AMHS and Develop Sustainable Operational Model.
- Road Development.
- Move Freight to and from Markets More Efficiently.
- Ensure the Stability of Regional Transportation Services Outside of AMHS.



Visitor Industry

- ★ **Priority** Market Southeast Alaska to Attract More Visitors.
- Improve Access to Public Lands.
- Increase Flexibility in Terms of Permit Use.
- Increase Yacht and Small Cruise Ship Visitations.
- Improve Communications Infrastructure.
- Advocate for Funding to Maintain Existing Recreational Infrastructure.
- Grow Cultural and Arts Tourism.



Energy

- ★ **Priority** Promote Priorities Of The Regional Energy Plan Including Infrastructure and Diesel Displacement
- Support Community Efforts to Create Sustainable Power Systems That Provide Affordable/Renewable Energy.
- Complete Regional Hydrosite Evaluation for Southeast Alaska.



Timber Industry

- ★ **Priority** Provide an Adequate, Economic and Dependable Supply of Timber from the Tongass National Forest to Regional Timber Operators.
- Stabilize the Regional Timber Industry.
- Work with USFS to Direct Federal Contracts Toward Locally-Owned Businesses.
- Support Small-Scale Manufacturing of Wood Products in Southeast Alaska.
- Continue Old-Growth Harvests Until Young-Growth Supply is Adequate.
- Community-Based Workforce Development.
- Update Young Growth Inventory.



Maritime

Maritime Industrial Support

- ★ **Priority** Maritime Industrial Support Sector Talent Pipeline: Maritime Workforce Development Plan.
- Continue to Grow the Regional Maritime Sector.
- Increase Access to Capital for the Regional Maritime Industrial Support Sector.
- Support Capital Investments in Expanded Marine Industry Support Infrastructure.
- Harbor Improvements.
- Examine Arctic Exploration Opportunities That the Region as a Whole Can Provide.



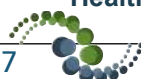
Seafood Industry

- ★ **Priority** Mariculture Development.
- ★ **Priority** Full Utilization and Ocean Product Development.
- Increase Energy Efficiency and Reduce Energy Costs.
- Regional Seafood Processing.
- Seafood Markets.
- Sea Otter Utilization and Sustainable Shellfish.
- Maintain Stable Regulatory Regime.
- Seafood Workforce Development.



Other Objectives

- Housing:** Support Housing Development.
- Food Security:** Increase Production, Accessibility, and Demand of Local Foods.
- Communications:** Improved Access to Telemedicine in Southeast Alaska.
- Marketing:** Market Southeast Alaska as a Region.
- Solid Waste:** Regional Solid Waste Disposal.
- Education:** Partner with University & K-12 to Meet Workforce Needs
- Arts:** Increase Recognition of Southeast Alaska's Thriving Arts Economy.
- Mining:** Minerals & Mining Workforce Development.
- Research:** Attract Science and Research Jobs to Southeast Alaska.
- Cultural Wellness:** Support Activities and Infrastructure That Promote Cultural Wellness
- Healthcare:** Meet Regional Needs.



Marine Industry Support Sector Priority Objective

★ Priority Objective #1 Implement the Alaska Maritime Workforce Development Plan and Create a Maritime Industrial Support Sector Talent Pipeline

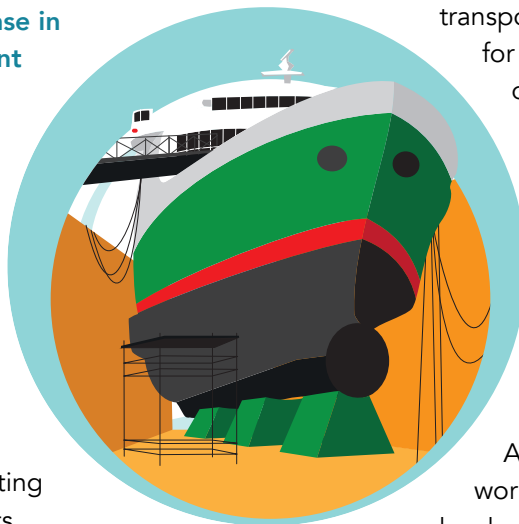
Support implementation of the Alaska Maritime Workforce Development Plan through focusing on the Southeast Alaska elements of that plan. Establish an innovative regional public-private-philanthropic “Workforce Investment System” to develop local capacity to meet the needs for the growing Maritime Industry Support Sector. Utilize a coordinated workforce development approach to create a standard of achievement. Develop a delivery system with industry-trained technical advisors located throughout the region.

Other Marine Industry Support Sector Objectives

Objective #2 Continue to Grow Regional Maritime Sector with an Increase in Maritime Industrial Employment Opportunities.

Advocate for policies that lead to more homeporting of vessels in Southeast Alaska. Market Southeast Alaska as a base for offshore oil and gas support vessels, as well as to fishing boats that work in the region each summer but do not stay here. Create marketing information regarding homeporting information for commercial fleets.

Develop sector specific information for those looking for a place to homeport. About 95% of maritime businesses that operate in Southeast Alaska are based out of state in Puget Sound. Make Southeast Alaska a desirable place for these boats to stay. Examine Arctic exploration opportunities that the region as a whole can provide (considering the fact that Shell transported their rig all the way to the Port of Seattle). What infrastructure and expertise is needed in the region to be able to provide those needs?



Objective #3 Increase Access to Capital for the Regional Maritime Industrial Support Sector.

Financing can be difficult, especially for fishermen with older vessels. Work with banks to put finance packages in place to allow fishermen to be successful. Allow fishermen to service their debt and get older boats serviced/financed so that we can take care of our aging fleet.

Objective #4: Support Capital Investments in New/Expanded Marine Industry Support Infrastructure Throughout the Region

Existing infrastructure varies from non-existent to outdated. Investment in expanded infrastructure will make sector more efficient and better able to work on modern vessels.

Objective #5: Regional Vessel Repair.

Increase vessel repairs and maintenance completed within the region, which reduces economic leakage.

Objective #6: Harbor Improvements.

Improve local harbors so that they can meet transportation needs. Continue to advocate for port and harbor infrastructure funding opportunities. Port and harbor infrastructure needs are numerous and vary from aging facilities to inadequate capacity to communities with little or no port and harbor infrastructure.

Objective #7: Examine Arctic exploration opportunities that the region as a whole can provide.

Alaska is an “Arctic” state, and the world is looking to the arctic as a developing opportunity. What is it that Southeast has now, what is needed, and how can we provide those needs as a region?

Seafood Priority Objective

★ Priority Objective #1: Mariculture Development.

Support the development of the mariculture industry, including production enhancement, aquatic farming and restoration of invertebrates and aquatic plants. Support the Governor's Alaska Mariculture Task Force. Increase shellfish production and the number of species from aquatic farms. Increase number of mariculture operations. Financially stabilize OceansAlaska to increase seed production, quality and species. Support increased capacity for shellfish safety testing in the SE region.

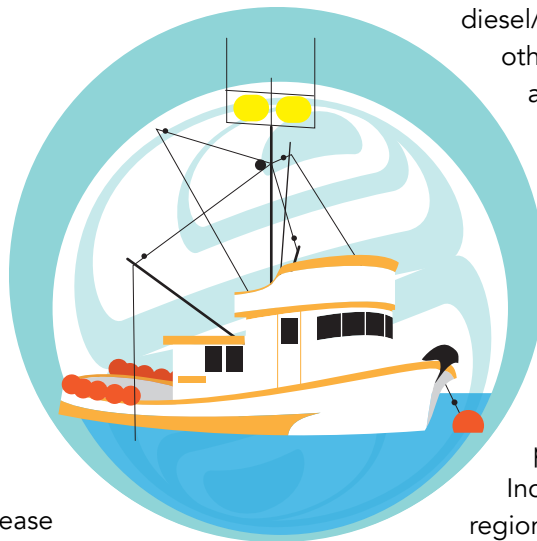
★ Objective 2: Full Resource Utilization & Ocean Product Development.

Increase total revenue from existing commercial fisheries in the region by developing new, higher value products and markets from parts of the fish that are currently either thrown away or that go to lower relative value markets. Work with seafood processors to develop new products and identify businesses or entrepreneurs not currently in the seafood industry who can contribute to this effort. Collaboration with private, state, federal and university researchers needs to be encouraged to identify and accelerate opportunities for commercialization of improved or new products. Support the development of new specialty products that utilize 100% of harvested seafood resources in order to create value-added products with the same resource, reduce discharge into waterways, and provide additional economic benefits to local economies.

Other Seafood Objectives:

Objective 3: Increase Energy Efficiency and Reduce Energy Costs.

Support programs that aim to increase energy efficiency of vessels and processing plants. Reduction of reliance on diesel for both boats and processing plants. Move commercial fishing fleet away from



diesel dependency using concepts such as diesel/electric hybrid vessels, hydrogen, or other energy alternatives. Find alternatives to reduce use of diesel for fish plants and cold storage facilities that could include increased energy efficiency or hydropower.

Objective 4: Regional Seafood Processing.

Support continued and increased processing / manufacturing within region. Increase the number of firms producing high-value products.

Increase value-added activities in the region and to improve product quality.

Support development of necessary infrastructure for these activities. Update processing plants and update/improve transportation routes to get products to market. Make it cheaper, faster, and fresher.

Objective 5: Seafood Markets.

Support ASMI's work to market Alaska Seafood. Support the expansion of markets both domestically and worldwide. Support integration of industry's efforts to develop new products and ASMI's efforts to develop new markets. Support diversification of roe markets.

Objective 6: Sea Otter Utilization & Sustainable Shellfish.

Support development of new products and markets for otter products. Support sea otter garment making businesses and strategies for increasing value of these products.

Objective 7: Maintain Stable Regulatory Regime.

Support state regulatory stability. Protect commercial fisheries by advocating for stable regulatory regimes at state and federal levels and educating policy makers. Retain access to resources.

Objective 8: Seafood Workforce Development.

Engage in workforce development efforts to attract young Southeast Alaskans to participate in the seafood economy. The absence of young Southeast Alaskan fishermen is compounded by the rise in nonresident permit ownership in local fisheries.

Note: Detailed steps and evaluation framework for priority objectives are at the end of this section.