APPENDIX A: THE BRISTOL BAY REGION

Regional information compiled by Northern Economics, Inc.

The Bristol Bay Region

Bristol Bay is a world unto itself—a stunning landscape of mountains, lakes and rivers. Within the region are five national parks and wildlife refuges, designated wilderness areas, as well as a number of state parks and state wildlife protection areas. Bristol Bay is known for its abundant fish and wildlife, including salmon, bear, moose, caribou, walrus, and whales. Recreational fishing and hunting draw many people to the region in the summer and fall.

Aleut, Alutiq, Athabascan, and Yup’ik cultures are all represented in Bristol Bay. Traditional practices, languages, crafts, languages, and subsistence lifestyles continue to be a strong part of community life. The region also continues to be influenced by Russian culture, and Russian Orthodox churches are present in many communities. Bristol Bay’s rivers and streams support the world’s largest red salmon run, and the commercial salmon industry has been a dominate influence on local culture and economy.
Regional Economic Conditions

For over a century, Bristol Bay and Alaska’s wild salmon industry dominated world salmon markets. Beginning in the mid-1990s, reduced runs and competition from farmed salmon have combined to dramatically reduce earnings from the salmon industry. As a result, the entire Bristol Bay economy has experienced severe disruption. In three out of the last five years, the Bristol Bay area has been declared an economic disaster area. In 1997 and 1998, both the state and federal governments declared the area an economic disaster because of failed salmon returns. Then in 2001, the region was declared a State economic disaster because of not only low salmon returns but weak salmon prices. The list below summarizes the current conditions of the regional economy:

- In smaller Bristol Bay villages, there are few cash jobs, and only a handful of year round jobs with a growing demand for cash services (public services, private goods)
- Substantial reliance on government programs (social services, public works)
- Subsistence activities remain strong
- An economy in transition: from resource based (fishing, subsistence), to service based (tourism, government services). Skills needed to succeed in these two sectors are quite different.
- Lack of entrepreneurial models and experiences
- Of the jobs available in the region, relatively few are taken by local residents, due to conflicts with other activities, or lack of training. This is particularly true regarding tourism related jobs.
- With declines in traditional economic sectors, support is growing in the region to explore the area’s potential for oil and gas and for mining, as well as to encourage new approaches to commercial fishing and tourism.

Regional Social Conditions

The list below summarizes characteristics of the region’s social setting:

- Close family ties, access to subsistence resources and other dimensions of village life are strong attractions; at the same time, like all of rural Alaska, Bristol Bay communities have high levels substance abuse, suicide, accidental death, and domestic violence.
- The lack of jobs and business opportunities mean a large percentage of young people leave the region to pursue educational opportunities and find a way to support themselves and their families.
- Deep ties to the land and traditional cultural values, but weakening as generations go by.
- “Two worlds problem”—again, like all of rural Alaska—there is frequently a gap between the expectations of villages and those of the world outside. Deep cultural differences, due to a very rapid shift over the last hundred years from traditional subsistence lifestyles to a cash economy, set up divisions between generations within the village, and create challenges for community development.
Regional Resilience
A resilient community has the ability and the resources to adapt to changing circumstances. Resiliency is influenced by the natural environment, attitudes towards change, community cohesiveness, cooperative problem solving, leadership resources, available infrastructure, human resources, and economic structure and diversity.

Despite the challenges, Bristol Bay continues to be home to a resilient culture and the residence of many talented and energetic people who have great affection for their land and who have prospered in this area for generations.

Regional Population
Dillingham is the largest community with an estimated population in July 2003 of 2,373. Only eight of the Bristol Bay communities have an estimated population of 200 residents or more. Twelve Bristol Bay communities have been classified as “distressed” according to criteria set by the Denali Commission. The percent part or all Alaska Native ranges from a low of 30.1 percent in King Salmon to a high of 96 percent in New Stuyahok. Median household incomes range from a low of $19,583 in Kokhanok to a high of $92,297 in Chignik Lagoon. According to Census 2000 the percent of individuals 16 years and older that are working ranges from a high of 73.8 percent in Egegik to a low of 28.4 in Iliamna. Across Alaska as whole, 71.3 percent of individuals 16 years or older participate in the workforce.

Population estimates for June 30, 2003 show that the population of the region is centered in the community of Dillingham, which has an estimated population of 2,373 (DCED 2004). As of June 30, 2003, the Dillingham Census Area has an estimated population of 4,912, the Bristol Bay Borough estimated population was 1,105, and Lake and Peninsula Borough’s population was estimated to be 1,628. Net migration is the net effect of in-migration and out-migration on an area’s population in a given time period, expressed as an increase or decrease. All three areas lost population in terms of net migration between April 1, 2000 and June 30, 2003. The Dillingham Census Area, Bristol Bay Borough, and Lake and Peninsula Borough lost 184, 205, and 213 residents, respectively.
Regional Income

Decrease in Personal per Capita Income

Per capita personal income is a measure of economic well-being. The amount of goods and services that people can afford is directly related to their personal income. At one time Bristol Bay Borough’s personal per capita income was more than twice as high as the U.S. personal per capita income. However, the gap between the Bristol Bay Borough and the U.S. has closed. Furthermore, the Dillingham Census Area and the Lake and Peninsula Borough have not been able to keep pace with either the U.S. or Alaska.

In 2002, the per capita person income (PCPI) for Alaska was $32,899. Alaska ranked 12th in the U.S. and was 106 percent of the PCPI national average. This compared to the Bristol Bay Borough which had a PCPI of $39,474, ranked second in the State. This PCI was 128 percent of the national average. This compared to the Dillingham Census area which had a 2002 per capita personal income of $27,323 placing it 17th in the state. Dillingham’s Census Area’s PCPI was 88 percent of the national average of $30,906 and reflected an increase of 1.2 percent over 2001.

In contrast, in 2002 in the Lake and Penn Borough in 2002, the PCPI was $21,783 which ranks Lake and Peninsula Borough as 25th of the 27 boroughs or census areas in Alaska. The PCPI was 70 percent of the national average and 66 percent of the state average. The 2002 PCPI reflected an increase of 2.9 percent over 2001.

Components of Personal Income

Personal income has three components: earnings; dividends, interest and rent; and transfer payments. Earnings as a component of total personal income for the State of Alaska accounted for 68.2 percent of total personal income (Table 3). In 2002 in Bristol Bay Borough, earnings accounted for 66.4 percent of total income. In 1992, earnings in Bristol Bay Borough accounted for 81.8 percent of total earnings. Earnings in 2002 in Dillingham Census Area accounted for 69.0 of total personal earnings, while in Lake and Peninsula Borough, they accounted for only 58.3 percent. In 1992, earnings accounted for 71.8 percent.

Transfer payments are income payments by government and businesses to individuals and nonprofit institutions for which no current services are performed. Transfer payments include retirement and disability insurance benefit payments, medical benefit such as Medicare and Medicaid, income maintenance benefits, unemployment insurance benefit payments, veterans benefit payments, and federal education and training benefits. Transfer payments in 2002 accounted for approximately 16 percent of total personal income for the State of Alaska. In contrast to the state, transfer payments accounted for a greater percentage of per capita personal income for the Bristol Bay region (Bristol Bay Borough: 16.9 percent; Dillingham Census Area: 20.2 percent; Lake and Peninsula Borough: 27.8 percent).
Appendix A: The Bristol Bay Region

Regional Subsistence and the Village Economy

In addition to its cultural significance, subsistence is the foundation of many village economies, because there are few opportunities in some villages to earn cash. Subsistence offsets the high cost of living in villages within the Bristol Bay region. One of the paradoxes of subsistence is that today cash is needed to engage in a subsistence lifestyle. According to a 1999 report by the National Resource Council (NRC) on CDQ communities, a household income of at least $20,000 to $25,000 per year is needed to engage in subsistence.

The NRC report points out that the subsistence economy today runs on snow machines, motorized aluminum fishing vessels, four wheel all terrain vehicles, manufactured fishing and hunting gear, fossil fuels, camping equipment, imported cold weather clothing, and even airplanes. According to the NRC, integration of cultural traditions with modern technologies and goods is taking place in some Western Alaska communities. Changes in lifestyle including settlement patterns in the villages, improved safety, and health, the availability of technology, and the desire for other market goods that reduce the time available for subsistence activities have contributed to the increasing importance of cash for participating in subsistence lifestyle.

In order to maintain a subsistence lifestyle, numerous activities and sources of income are combined: commercial fishing and hunting, making of crafts, dividends from Native corporations and the Alaska Permanent Fund, participation in the National Guard, state construction projects, loans from government agencies and fiscal institutions, firefighting, and transfer payments from Aid to Families with Dependent Children. In many Alaska communities the Alaska Permanent Dividend Fund is the most dominant and fastest growing transfer payment. In some villages, the Permanent Fund can exceed 20 percent of the total income from

<table>
<thead>
<tr>
<th>Place</th>
<th>Per Capita Personal Income ($)</th>
<th>Total Personal Income ($1,000s)</th>
<th>Components of Total Personal Income</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Rank</td>
<td>Rank</td>
<td>Dividends, Interest, and Rent (%)</td>
</tr>
<tr>
<td>Alaska</td>
<td>32,799</td>
<td>21,040,260</td>
<td>68.2</td>
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<tr>
<td>Bristol Bay</td>
<td>39,474</td>
<td>45,040</td>
<td>66.4</td>
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<tr>
<td>Dillingham CA</td>
<td>27,323</td>
<td>13,6042</td>
<td>69.0</td>
</tr>
<tr>
<td>Lake and Peninsula</td>
<td>21,783</td>
<td>34,569</td>
<td>58.3</td>
</tr>
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</table>


Source: Values calculated by Northern Economics, Inc.
all sources. However, transfer payments like the Permanent Fund or the longevity bonus are the result of public policies which can change significantly almost over night.

The goal of an economic development strategy is to bring outside dollars into a community and then to keep those dollars circulating from one person to the next, as long as possible within the community. In Village Alaska dollars move out at almost the same rate they move in. For example, many individuals in rural Alaska have no choice but to spend their Permanent Dividend checks in hub communities like Dillingham or in Anchorage. While this may be good for Dillingham and Anchorage, it is not good for the local community.

Subsistence is an important economic activity for many households. However while subsistence may provide economic benefits, the cost of living (particularly fuel and energy costs) is still a major concern in Bristol Bay communities threatening the sustainability of communities that do not have a strong cash economy. One reason that utility costs in villages are so high is because fixed maintenance and operating costs are divided among a small group of people.

As a local economy grows and becomes more developed, there may be more opportunities to produce goods and services locally. According to the EDA, economies have two major sectors:

The **traded sector**, which is that portion of the economy such as commercial fishing and processing that competes in markets beyond the immediate area. These activities pull money into the local economy and help generate income to support the **non-traded** portion of the economy like general stores, video stores, beauty salons, snow machine repair. A problem encountered over and over again in Alaska communities is that if there are not enough jobs in the traded sector bringing money into a community, jobs do not develop in the non-traded sector. This is one reason why it is so difficult for villages that rely heavily on subsistence to develop non-traded businesses and jobs.

In a study conducted by Northern Economics, Inc. evaluating the socioeconomic impacts of the CDQ program it was found that while the number of jobs may be considered a measure of “success” of economic progress, the goal of many communities in Western Alaska may include the desire to maintain subsistence activities.

**Regional Employment**

Employment data are usually considered an important component of a regional or community profile and economic development planning. Employment data can provide the foundation of the economic analysis of your community or region. A community’s economic activity and well-being is often a function of the number and types of jobs available.

Change in the number of jobs over time is often considered a key measure of economic performance. In Alaska communities the type and availability of subsistence is also a foundation to the local economy. In many Alaska communities, however, it is not just the number and type of jobs available that is important, but also whether or not these jobs can be shared by more than one individual and whether or not the job is structured so that workers can participate in subsistence activities.
Regional Challenges

Geographically Isolated

The communities of Bristol Bay are geographically isolated. Few roads connect the major communities within the Dillingham Census Area, Bristol Bay Borough, and Lake and Peninsula Borough. Except for roads between Dillingham and Aleknagik, King Salmon and Naknek, and a bridge and road upgrade between Nondalton, Iliamna, and Newhalen, there are no other roads connecting the communities. The small size and remoteness of most Bristol Bay villages increases the cost of living and limits opportunities for market activity.

Transportation

Transportation is provided via Anchorage by frequent small commuter aircraft flights and jet flights to Dillingham and King Salmon. Travel between the communities is similarly provided by small commuter aircraft, floatplanes, snowmachine or by boat. The primary shipping method is tug and barge or small transfer vessels. Shipping is concentrated in small port facilities at Naknek and Dillingham, and the shipping season lasts about 120 days.

Federal and State Disaster Area

The Bristol Bay salmon fishery is the world’s largest wild salmon fishery, and historically it has been one of the most lucrative in terms of harvest and product value. However, in 1997 and 1998, expected runs failed to appear and, in spite of diminished supply, prices paid to harvesters fell to new lows when adjusted for inflation. Federal disaster relief funds were provided to the region in both 1997 and 1998 as ex-vessel revenues fell to less than a third of the average over the previous five years.

The severity of the Bristol Bay salmon crisis is demonstrated clearly by the decline in ex-vessel value from 1978 through 2002. Figure 4 shows that the inflation adjusted ex-vessel value has fallen from the 1980’s trends of over $200 million to less than $25 million in 2002.1

In more recent years, harvests and revenues have improved somewhat, but prices remain at historic low levels and the prospects for improved prices, due to huge increases in farmed salmon production, are slim. Lack of economic growth, out-migration, and the decline of traditional fishing related resource employment resulted in hardships for many families in Bristol Bay communities. Remote rural communities are in a constant state of flux. Political and programmatic boundaries seldom coincide with economic boundaries. Workers, businesses, and consumers readily move across jurisdictions taking their economic impacts with them. This situation is particularly true of the Bristol Bay area where economic conditions and forces move resident and non-resident workers across political boundaries.

Decline in Local Tax Revenues

As shown in Figure 4, the landed ex-vessel value of landings has declined almost 90 percent. Since some boroughs earn approximately 3 percent of ex-vessel value in fish taxes, community revenues have similarly fallen. In Bristol Bay Borough, for example, budget reserves earned from fish taxes have fallen from $27 million in 1998 to just $3 million in 2001 (pers. comm., George

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Castenada). If this trend continues, community governments in the Bristol Bay Region may face bankruptcy in the coming years. In a Northern Economics study of the salmon disasters in 1997 and 1998, borough managers reported significant impacts related to or caused by the declines in local revenues, including declines in programs and in basic services such as public safety, emergency medical services, roads, and docks supported by the boroughs. In addition, business owners reported that demand for goods has decreased, and the viability and competitiveness of small local businesses is in question.

In addition to borough fish taxes, some Bristol Bay communities such as Chignik Bay, Pilot Point, and Egegik have a city raw fish or salmon and other seafood landing tax. Tribal governments have a somewhat more guaranteed funding stream from the United States Bureau of Indian Affairs. As local tax revenues decline, tribal entities become more important as governing entities and service providers. The role of tribal entities in local economic development is vital.

**High Cost of Fuel and Energy**

Local economies in rural Alaska have also been hard hit by the rising costs of fuel and electricity, and by the State of Alaska budget shortfall. All of these factors affect the health and well-being and economic survival of rural Alaska communities and residents.

**Regional Opportunities**

**Elements of Change**

In Fall 2003, Bristol Bay sponsored a planning summit focused on “Managing Change.” The purpose of the collaborative planning summit was to include Bristol Bay communities in a discussion of economic forces in the region and to anticipate the benefits and impacts of regional change so communities could adapt to these changes. Several economic development opportunities in the Bristol Bay region were identified:

- Changes in the fishing economy and potential of restructuring of the Bristol Bay fishery
- Proposed development of on/offshore oil and gas
- Copper and hard rock mining
- Infrastructure development
- Sport fishing, hunting, tourism, and eco-tourism

In order for residents to respond to these changes, the summit emphasized the need for regional and local economic development plans. These plans need to address the following diversification strategies:

- Create more competitive businesses
- Diversify the economic base with local businesses that create new wealth or retain wealth in the community
- Provide work force retraining/relocation assistance
- Promote lower-cost energy
Promote affordable, sustainable infrastructure.

**Workforce Education and Training**

Workforce education and training is one of the foundations of both regional and local economic development. It may be important to include a project related to workforce training in a community and economic development action plan. In light of the Bristol Bay region’s distressed fishing economy, a growing number of local fishermen want to be trained for alternatives jobs. In 2001, a job training survey of Western Alaska fishers was conducted by the DCED as part of an EDA grant. The survey serves as the basis for planning and developing job training programs. There was an unexpectedly high level of interest in job training, and many respondents indicated interest in new kinds of employment, to replace or supplement current employment in commercial fishing.

The most popular training choices were construction work and mechanics. These were followed by training in computers, electrical skills, transportation, building maintenance, office administration, metal work, and accounting. Job training opportunities for displaced fishers and other residents are available through the Bristol Bay Campus of the College of Rural Alaska/University of Alaska Fairbanks.

The Bristol Bay Campus partners with the new Southwest Alaska Vocational/Technical Education Center (SAVEC) in King Salmon. This training facility, which was renovated by the Bristol Bay Housing Authority in 1998-2001, provides class offerings ranging from building construction trades to information technology. SAVEC is expected to play a major role in training area villagers for jobs in mining exploration, according to the BBNA CEDS (2004).

**Restructuring of Bristol Bay Fishery**

Over the last decade, a fundamental shift has occurred in the economics of the Bristol Bay salmon fishery. It no longer appears that prices paid to harvesters move up or down with changes in quantity fished to the same degree as in prior years. If the salmon industry undergoes significant changes, then it is inevitable that associated communities will also experience significant changes. If for example, the number of active participants in the salmon fishery decreases from 50 percent of the adult population of a community to 10 percent and no other jobs fill the void, then there is a significant likelihood that population will decrease as unemployed fishers leave to search out gainful employment elsewhere.

The decline in population will be felt not only as fishers leave, but will be magnified as underemployed workers in service sectors and government sectors also leave the community. These long run impacts are likely to be manifested over a period of several years and can result in dramatic changes in the continued viability of the community, particularly for those communities in more remote areas.

Alaska Natives in the region possess a wealth of knowledge and skills as fish harvesters. These traditional skills in the subsistence economy, however, may not provide the financial resources and entrepreneurship to compete on an equal footing with participants whose experience is in market based economies. An organization such as Alaska Growth Capital, a community development finance institution, can help provide access to capital for local participation in a market-based economy.
In the years to come, Alaska salmon fisheries, especially Bristol Bay fisheries, face their greatest challenge—to remain viable in a global marketplace dominated by low-cost farmed fish. The prolific increases on world markets of farmed salmon from Norway, Chile, and Canada have been well-documented, as has the downward trend in salmon prices resulting from the increase in supply.

As shown in Figure 5, when quantities fell in the mid-1980s, ex-vessel prices paid to harvesters jumped significantly. When big production increases occurred in 1989 through 1996, prices dropped to low levels. However, in 1997 when production plummeted, prices barely moved. While prices jumped in 1998, the increase was relatively small. The production decrease in 2000 and 2001 were accompanied by even lower prices. After adjusting for inflation, ex-vessel prices for Bristol Bay sockeye salmon have declined from a peak in 1989 of $2.55/pound to just $0.41 in 2001.

In the last year or two, the market has shown some renewed interest in wild salmon. However, there is no guarantee that this interest will extend to all Bristol Bay products or producers. Early reports indicate that the base price in 2004 is $0.40, with bonuses being paid for iced fish. The fishery still faces extraordinary challenges on the most basic levels.

These impacts add to concerns expressed by local fishers that the structure of the fishery (based on regulations and recent values) favors newer and more modern vessels, and therefore non-residents with greater access to capital. Further, most processing jobs associated with the short, intense sockeye season are of little benefit to the local economy. Currently most of the processing labor used in the regional fishery is done by non-Alaska residents who are provided transportation to and from the processing facility as well as room and board at the plant. When local residents do choose to work at processing facilities, they most often live and eat away from the plant. In general, the overall compensation package for residents is not enough to attract them into the processing work force—they believe they are better off free to participate in subsistence and other activities than working long hours for relatively low wages at the plant.

An additional structural challenge facing the Bristol Bay salmon fishery is Alaska’s salmon allocation system, which has promoted “a race for fish.” The system forces the fishing fleet into shorter seasons that target only the most profitable and highest volume species. Under this system, the successful commercial fishers and fish processors have tended to be those with the greatest financial resources, whose traditions and histories are based on market economies rather than subsistence economies.

While limited-access programs did limit the number of vessels and set nets that could participate in the salmon fisheries, more licenses have been issued than are actually necessary to harvest the available fish, even in years of abundance. Therefore, while the number of participants is limited, the race still exists, the field is still too crowded to provide all participants adequate incomes, and the winners remain those with the fastest and best vessels and equipment.

As with commercial fish harvesting, the fish processing industry requires a great deal of capital. The processor that is able to purchase and process the most fish during the short seasons is likely to generate the greatest profit. In order to process greater shares of the harvest, processors developed multiple processing facilities and use large vessels (tenders) to purchase fish on the grounds and bring them to their plants. If all other factors are equal, the processor with greater access to capital will generally be able to secure a larger portion of the processing market.
Exacerbating these conditions is the high cost of production at fish processing facilities in the Bristol Bay region, which leads many facilities to minimize the processing steps they undertake in the primary production process, and which contributes to decisions to forego processing of lower value species. Production costs in the region are relatively high compared with the production costs in Southcentral and Southeast Alaska and in the Lower 48 states. The higher production costs are caused primarily by the high cost of energy in the region and the high cost of transporting final products and production inputs, such as labor and packaging materials.

The relatively high production costs, reliance on outside labor and capital, local dependence on fishery revenue, declining projected future run size, and an expanding world supply of farmed salmon seriously threaten the continued economic viability of the Bristol Bay salmon fishery under present management structures.

Proposed Development of On/Offshore Oil and Gas

As a result of the downturn in the fishing industry, some organizations in the Bristol Bay region are supporting opening the area to oil and gas development. No wells have been drilled in the Bristol Bay area since the mid-1980s, and no oil or gas has been produced there. However, in 1995, the U.S. Geological Survey estimated that the Alaska Peninsula had a 1-in-20 chance of containing 447 million barrels of oil and 1.4 trillion cubic feet of gas. Legislation was passed by the Alaska State Legislature so the State can offer Bristol Bay oil and gas leases in October 2005. According to the preliminary findings, the State of Alaska is offering an exploration license within the Bristol Bay basin for approximately 737,000 acres made up of both state-owned and Native-owned lands. The State is proposing to amend the September 1996 decision that closed “all submerged land” in and around Bristol Bay, from Ugashik Bay north to the western boundary of Kulukak Bay. The decision would be amended to allow exploration licensing within Nushagak Bay, but with the stipulation that exploratory drilling can only be carried out directionally from onshore locations.

Exploration licenses have a term of 10 years and can range from 10,000 to 500,000 acres.

Pebble Copper

Large scale mining can have significant economic, social and environmental impacts at the regional and local level, according to case studies by the World Bank. At a local level, a mine has the potential to benefit the local population through creating direct and indirect employment, skills transfer, enhancing the capacity of health and education services, improved infrastructure, and small and medium business opportunities. In January 2004, Northern Dynasty Minerals Ltd. announced that the Pebble gold-copper minerals deposit near Lake Illiamna has estimated gold resources of 26.5 million ounces and an estimated copper resource of 16.5 billion pounds. Northern Dynasty has a 100 percent interest in the Pebble resource lands. These new estimates make Pebble the largest gold resource in North American and the second largest copper deposit.

It is estimated that the project will require 1,200 to 2,000 workers during construction and 600 to 1,000 in production. Although the project is on state lands, BBNC owns mineral lands near the upcoming development site. Past exploration work by Tech Cominco and Northern Dynasty

has sparked a claim staking rush in the area. According to Petroleum News, geologists believe that Pebble is just one resource in a much larger porphyry system. As a result, over 500 square miles of land has been staked in the area around the Pebble resource. The community of Iliamna is located about 15 miles south of the project. Iliamna has an airport with two paved runways, 4,800-foot and 5,080-foot.

The State of Alaska Department of Transportation and Public Facilities (DOT&DP) has a contract with Peratrovich, Nottingham and Drage (PN&D), an Anchorage engineering consulting firm, to survey possible road routes and port sites for a potential road from the Pebble deposit to Cook Inlet. PN&D is also taking into the potential energy needs of the mine in its transportation analysis which could require between 100 megawatts and 150 megawatts of power.

The ore will either be trucked to the port or transported through a slurry pipeline. According to an article in Canadian Mining News, Northern Dynasty has committed $15 to $20 million this year for the collection of engineering and environmental data for completion of a Bankable Feasibility Study as well as submission of a federal Environmental Impact Study.

**Infrastructure Development**

One of the pillars of economic development is improvements to infrastructure. Infrastructure includes transportation improvements—road construction, trails, port and harbor development, boat storage and dock facilities, airport improvements—sewer and water system upgrades, and power system improvements.

Infrastructure development projects present opportunities for regional collaboration on funding strategies and local employment opportunities. Villages can contract to do their own new road construction and train and use their own residents for operation and maintenance of village utilities.

In a July 2004 inventory of community development priorities for Bristol Bay communities, completed by Bristol Bay Native Association, airport and road upgrades and construction ranked highest in the transportation category. Airport projects called for new runway or upgrade and/or resurfacing of existing runways, construction of crosswind runways, and/or relighting existing runways. Some villages reported new road construction and upgrades to existing roads.

Port and harbor improvements ranked second with projects ranging from new dock construction, existing harbor dredging and seaplane dock construction. Heavy equipment purchase needs included snow removal equipment, cats, graders, and fuel trucks. Water and sewer projects are the most common type of community utility projects, with 18 of 31 villages currently planning some form of water or sewer initiative. Water and sewer project needs included redeveloping existing wells, installation of water and sewer service lines, water treatment improvements, lagoon containment improvements and expansion, water source studies, evaluation and testing of existing resource, and sanitation feasibility studies. Power generation is also a priority including alternative energy production.

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5 Ibid
**Sport Fishing, Hunting, Tourism and Eco-tourism**

Tourism offers Bristol Bay a growing avenue for economic development. The region has abundant tourism resources, spectacular landscapes, a fascinating and complex history, three distinct Native cultural traditions, volcanoes, unspoiled wilderness, and a diverse set of State and National Parks and Refuges. In addition to 7,500 residents, Bristol Bay is home to abundant wildlife—225,000,000 salmon, 25,000 walrus and 10,000 brown bears plus fresh water seals, beluga whales, ospreys, eagles and many other species.

The challenge for Bristol Bay has been the fact that few local residents and local communities have been the beneficiaries of tourism growth. This is beginning to change. Village corporations have begun to lease land for fishing and hunting camps and lodges. In villages like Togiak, the community is working with a local lodge to offer village tours, which has increased craft sales. Several enterprising individuals have begun tourism businesses, including B&B’s, a flight service, and a Dillingham-based saltwater sport fishing charter service. The Nushagak cooperative river management program, carried out by the Nushagak river villages, is a great success, creating local jobs, revenue to the corporations and helping to reduce conflicts between sport fishing, subsistence, and local life.

Several exciting new initiatives are now underway to continue the expansion of local benefits from tourism. One is a plan for better cooperative marketing and tours. If villages and village tourism businesses cooperate in packaging and marketing their products, the regional tourist market expands and provides additional jobs and income. Bristol Bay Native Corporation is helping with this tourism initiative, working through the Bristol Bay Visitors Council (BBVC). Partners include BBVC members such as Bristol Bay Native Association, as well as two local Chambers of Commerce, villages, tourism businesses and the Nushagak-Mulchatna Land Trust. Outcomes include a “branding program” to promote tourism as well as local arts and crafts and commercial fish, and plans to develop tour packages linked to local, village based and businesses.

Another set of ongoing tourism-based projects are two cultural and visitor centers. One is planned in Dillingham. This project—to be called the Harvey Samuelson Community Center—is being developed in partnership with the Choggiung Corporation, the Curyung Tribe, the City of Dillingham, and the Boys and Girls Club. It will include a visitor information center, the Sam Fox museum, an arts and crafts store, community meeting space, and in a separate wing, a youth center. The facility will serve as both a destination and a gateway to activities in surrounding villages, and will give visitors new reasons to spend time and money in Bristol Bay.

The second facility, at the Iliamna airport, is being developed by the Nilavenna Tribal Consortium in partnership with the National Park Service and BBVC. This 2,500 square-foot facility will include space for visitor information, cultural and natural history displays, and distance learning center and community meeting space. According to ADF&G figures, the Mulchatna River and Lower Talarik Creek support more than 3,000 and 1,000 angler days per year. Many of these days are high-value days associated with non-resident tourism. The Mulchatna caribou herd is renowned for its productivity and the number of “trophy” class animals. Hunting pressure has nearly tripled in the past decade from 1,400 hunters annually to more than 4,000 hunters annually in some years.

Appendix A: The Bristol Bay Region
APPENDIX B: BUSINESS RESOURCES

BRISTOL BAY AREA & STATEWIDE
ECONOMIC DEVELOPMENT RESOURCES

Compiled By: Agnew::Beck Consulting, LLC

November 2004
**SMALL BUSINESS DEVELOPMENT RESOURCES**

**Bristol Bay Economic Development Corporation**
BBEDC is the designated entity for the Community Development Quota program established through the Magnuson-Stevens Act. BBEDC invests a portion of the proceeds from the off-shore fishery to develop the communities of Bristol Bay, by investing in fishery related businesses and investments. With an eye towards self-sustaining projects, BBEDC funds local infrastructure development projects.

**Bristol Bay Native Corporation**
BBNC actively supports the development of the region’s natural and human resources through education, employment and land management. BBNC is currently involved in promoting oil & mining development on its lands. BBNC has assisted Alaska Native shareholders with completing Bachelor’s and Master’s Degrees in Business Administration while employed by BBNC. BBNC continues to sponsor the “Training Without Walls” for village leaders from the region: a two-year training program that focuses on business practices and development.

**Dillingham Chamber of Commerce**
As in many communities, the Dillingham Chamber was incorporated to help provide economic growth and stability in the area, with particular focus on tourism. The Chamber actively promotes tourism, arts and crafts and other business opportunities in the region, and is increasingly an advocate for cooperative marketing. As an organization that receives much of its funding directly from its business membership, the Chamber places particular emphasis on services to individual existing or prospective entrepreneurs.

**Lake & Peninsula Business Development Center**
The Lake and Peninsula Borough is the local government entity for the eastern half of Bristol Bay. The Borough is predominately rural and contains seventeen communities, six of which are incorporated as second-class cities. Village or Tribal Councils govern the remaining eleven communities. The Borough currently exercises limited powers which include public schools, area-wide planning and land use regulation, technical assistance on government and economic development, and assistance on capital and infrastructure development. Lake & Pen has its own active economic development program, including an approved Comprehensive Economic Development Strategy. The Borough is a strong advocate of private sector development.
Nunamta Aulukestai, “Caretakers of Our Land”
The Nunamta Aulukestai “Caretakers” group was formed to help six villages along the Nushagak River work on issues of common interest, particularly land management, subsistence and tourism. Of particular interest to the group is establishing wildlife-based tourism, arts and craft sales, village tours and other forms of non-consumptive tourism.

Nushagak-Mulchatna / Wood-Tikchik Land Trust
The Nushagak-Mulchatna/Wood-Tikchik Land Trust is dedicated to the preservation and protection of salmon and wildlife habitat of the Nushagak Bay watersheds located in the remote Bristol Bay region of southwest Alaska, including the Wood/Tikchik State Park and the Togiak National Wildlife Refuge. Of particular interest to the group is establishing tourism in a manner that creates sustainable, low impact, locally beneficial businesses, “so local people won’t have to sell land to pay their bills.”

Nushagak-Mulchatna Watershed Council
The mission of the Watershed Council is to be an advocate for the continued health of the river systems that support commercial fishing, subsistence, tourism and other activities key to life in Bristol Bay. Like several of the tourism-related groups also involved in this project, the Watershed Council wants to see economic development take place, but wants this development to capitalize on the unique natural qualities of the area, and create economic incentives for continued protection of watershed resources.

State of Alaska, Department of Commerce, Community & Economic Development, Office of Economic Development
The Department of Commerce, Community and Economic Development (DCCED) is an active advocate of entrepreneurship in Alaska. DCCED recognizes the need to establish a much stronger private sector, particularly in rural parts of the state, and is focused on programs that help individual entrepreneurs gain the skills and support systems they need for success. DCCED manages the mini grant and other various grant programs for communities, and provides direct training to local governments in planning, budgets, and (for lack of a better word) lawmaking. We also have the Division of Investments which has the Rural Development Initiative Fund as well as other funds. Their website is: http://www.dced.state.ak.us/investments/rdif.cfml

University of Alaska - Fairbanks, Bristol Bay Campus
The Bristol Bay campus provides on-site post-secondary instruction (in Dillingham) and distance learning opportunities in regional villages. The BB Campus currently offers as Associate’s Degree in Applied Business – Entrepreneurship, as well as seven other areas of business education.
University of Alaska Small Business Development Center
The Alaska Small Business Development Center helps Alaskan Businesses to begin, prosper, and grow. Through one-on-one counseling, informational seminars, resource referral and affiliate programs, the ASBDC uses its knowledge base to contribute to the success of entrepreneurs within the state. ASBDC offers direct services in seven state locations. ABSDC has planned to open a Bristol Bay office for some time, however, due to funding constraints for start-up expenses, this has not been possible.

State of Alaska, Dept of Commerce, Div. of Community & Economic Dev.
PUBLICATIONS: Available on their website at:  http://www.commerce.state.ak.us/dca/smallbus/publications.htm
- Starting a Small Business
- Business Basics

Economic Development Resource Guide
Available on their website at:  http://www.dced.state.ak.us/dca/edrg/EDRG.htm

State of Alaska, Dept of Commerce, Div. of Community & Economic Dev.
PROGRAMS:
- Made In Alaska
- Alaska Product Preference
- ARDOR

Information about these programs is on their website at:  http://www.commerce.state.ak.us/dca/smallbus/programs.htm
Business Start-Up and Economic Development – STATEWIDE RESOURCES*

Administration for Native Americans Grants
Alaska Growth Capital
Alaska InvestNet
Alaska Native/Native Hawaiian Institutions Assisting Communities
Alaska Regional Development Organizations (ARDOR)
Alaska Rural Development Council
Alaska State Office of Tourism
Alaska Village Initiatives, Inc.
Americorps VISTA
Business & Export Loan Guarantee Program
Business & Industry Guaranteed Loans
Buy Alaska Program
Center for Economic Development – University of Alaska
Child Care Resource and Referral Program
Community Outreach Partnership Centers Program
Cooperative Extension Service (UAF)
Denji Fund
Economic Development Technical Assistance (State)
Evergreen Community Development Association
Grants for Public Works and Development Facilities
Indian Loan Guaranty Program
Intermediary Relending Program
Loan Assumption Programs
Loan Participation Program
Mini-Grants Assistance Program
Northwest Trade Adjustment Assistance Center
Planning and Development (TCC)
Private Lands Wildlife Management
Resource Conservation and Development
Revolving Loan Fund (AVCP)

* List provided by the State of Alaska, Economic Development Resources Guidebook, Sept. 2004. More info. on these programs can be found in the Guidebook.
Rural Alaska Broadband Internet Access Grant Program
Rural Alaska Investment and Finance
Rural Business Opportunity Grants
Rural Development Initiative Fund
Rural Economic Development Loan Program
SBA Business Development Assistance to Small Businesses
SBA Loans for Small Businesses
Small Business Development Centers
Small Business Economic Development Revolving Loan Fund
State Training and Employment Program
Sudden & Severe Economic Dislocation Program
Support for Planning Organizations
Technology Research and Development Center
Village Wildlife Conservation Consortium
Western Alaska Community Development Quota (CDQ) Program
World Trade Center Alaska
TOURISM RESOURCES

**Alaska Alpine Adventures**
Alaska Alpine Adventures (AAA) specializes in guiding clients through Southwestern Alaska’s Lake Clark and Katmai National Parks and surrounding vicinity. Intimate, sustainable group sizes, skilled guides, quality service and a love of unique places inform all of the company’s creative itineraries. Alaska Alpine Adventures is committed to sharing educational and experiential adventures, to increasing the success and sustainability of small-operator tourism businesses, and to respecting the unique cultural and ecological resources of rural Alaska.

**Alaska Wildland Adventures**
Since 1977, Alaska Wildland Adventures operates rafting and sport fishing trips, guided hiking and natural history programs, and three custom-built, uniquely Alaskan lodges and overnight facilities. Alaska Wildland Adventures’ trips are structured in a way that provides an interactive and intimate experience for guests, and that involves a strong “ecotourism” model. Alaska Wildland Adventures developed a method for evaluating and minimizing its success as an ecotour operator – their "Greenworks Program." An award-winning concept, their Greenworks Program assesses all operations and administrative activities, and identifies steps where daily business practices can be modified to increase the sustainability of operations.

**Bristol Bay Visitor’s Council**
The mission of the Bristol Bay Visitors Council (BBVC) is to bring together the public, non-profit and private sectors on a regular basis to achieve the following: (1) To exchange information on recent and planned tourism projects and issues; (2) To work cooperatively to promote orderly tourism development in the region; (3) To promote appropriate tourism projects, working with residents, businesses and communities in the region interested in tourism growth and opportunities. Of particular interest to BBVC is expanding opportunities for locally-based entrepreneurs to start or expand tourism businesses. BBVC works towards this goal through marketing and infrastructure development, focused on wildlife-based tourism, arts and craft sales, village tours and other forms of non-consumptive tourism. A second major priority is developing cultural/visitor centers in the region’s hub communities, to give visitors more reasons to spend time and money in the region.

**Nunamta Aulukestai, “Caretakers of Our Land”**
The Nunamta Aulukestai “Caretakers” group was formed to help six villages along the Nushagak River work on issues of common interest, particularly land management, subsistence and tourism. Of particular interest to the group is establishing wildlife-based tourism, arts and craft sales, village tours and other forms of non-consumptive tourism.
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Nushagak-Mulchatna Watershed Council
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State of Alaska, Department of Commerce, Division of Community & Economic Development, Office of Economic Development
DCCED’s Office of Economic Development provides an array of support services to tourism businesses. The new, EDA-funded program, the “Alaska Rural Visitor Industry Product Development Project,” is focused on entrepreneurial skills development, training, business plan development, regional marketing plans, resident hire, and grants for infrastructure. The program began Oct 1, 2004 and runs for 18 months. Examples of the kinds of development that DCCED hopes might emerge from this effort is the retro-fitting of commercial fishing boats for sport-fishing, expansion of local businesses offering wildlife viewing tours, and village-based cultural tourism.

State of Alaska, Dept of Commerce, Div. of Community & Economic Dev.
PUBLICATION: Available on their website at: http://www.commerce.state.ak.us/dca/smallbus/publications.htm
- Small Business Quick Reference Guide – Ecotourism
Tourism – STATEWIDE RESOURCES†
Administration for Native Americans Grants
Agricultural Wholesale Market Development
Alaska Commercial Fishing and Agriculture Bank
Alaska Export Assistance Center
Alaska Grown Program
Alaska Growth Capital
Alaska InvestNet
Alaska Regional Development Organizations
Alaska Rural Development Council
Alaska Scenic Byways Program
Alaska State Office of Tourism
Americorps VISTA
Business and Export Loan Guarantee Program
Business and Industry Guaranteed Loans
Buy Alaska Program
Cooperative Extension Service (UAF)
Evergreen Community Development Association
Grants for Public Works and Development Facilities
Intermediary Relending Program
Loan Assumption Programs
Loan Participation Program
Mini-Grants Assistance Program
Planning and Development (TCC)
Private Lands Wildlife Management
Recreational Trails Grant Program
Resource Conservation and Development
Revolving Loan Fund (AVCP)
Rural Alaska Investment and Finance
Rural Business Enterprise Grants
Rural Development Initiative Fund

† List provided by the State of Alaska, Economic Development Resources Guidebook, Sept. 2004. More info. on these programs can be found in the Guidebook.
Rural Economic Development Loan Program
SBA Business Development Assistance to Small Businesses
SBA Minority Enterprise Development
Small Business Development Centers
Small Business Economic Development Revolving Loan Fund
Snowmobile Grant Program
Southeast Alaska Business Assistance Center
Southeast Alaska Revolving Loan Fund
State Training and Employment Program
Sudden and Severe Economic Dislocation Program
Village Wildlife Conservation Consortium
ARTS & CRAFTS RESOURCES

**Alaska Native Arts Foundation**
The Alaska Native Arts Foundation was formed in September 2002 to promote and celebrate the uniqueness of Alaska Native art and heritage in order to directly address challenges faced by Alaska Native people and arts. ANAF has improved the economic well-being of Alaska Native artists by providing education and training for the next generation of Alaska’s Native artists; by helping to increase general awareness of Alaska Native cultures and providing opportunities to educate the public about the diverse cultural expressions of Alaska’s indigenous peoples; and by stimulating the demand for and helping to establish fair market pricing for works of art created by Alaska Native peoples.

**Nunamta Aulukestai, "Caretakers of Our Land"**
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**State of Alaska, Dept of Commerce, Div. of Community & Economic Dev.**
*PUBLICATIONS:* Available on their website at: [http://www.commerce.state.ak.us/dca/smallbus/publications.htm](http://www.commerce.state.ak.us/dca/smallbus/publications.htm)
- Small Business Quick Reference Guide – Arts & Crafts
- A Custom Guide to Alaska Native Arts

**State of Alaska, Dept of Commerce, Div. of Community & Economic Dev.**
*PROGRAMS:*
- Made In Alaska
- Alaska Product Preference
- Alaska Regional Development Organizations (ARDOR)

*Information about these programs is on their website at:* [http://www.commerce.state.ak.us/dca/smallbus/programs.htm](http://www.commerce.state.ak.us/dca/smallbus/programs.htm)
Arts & Crafts and Native Crafts – STATEWIDE RESOURCES‡

Administration for Native Americans Grants
Alaska Commercial Fishing and Agriculture Bank
Alaska Export Assistance Center
Alaska Growth Capital
Alaska InvestNet
Alaska Regional Development Organizations (ARDORs)
Alaska State Office of Tourism
Alaska Village Initiatives, Inc.
Americorps VISTA
Artist Career Opportunity Grant
Artist / Apprentice Traditional Native Arts Grants
Business and Export Loan Guarantee Program
Business & Industry Guaranteed Loans
Buy Alaska Program
Community Arts Development Grants
Denji Fund
Grants for Public Works and Development Facilities
Indian Arts and Crafts Development
Indian Loan Guaranty Program
Intermediary Relending Program
Made in Alaska Program
Mini-Grants Assistance Program
Planning and Development (TCC)
Revolving Loan Fund (AVCP)
Rural Development Initiative Fund
Rural Economic Development Loan Program
Silver Hand Program
Small Business Development Centers
Southeast Alaska Business Assistance Center
Southeast Alaska Revolving Loan Fund

‡ List provided by the State of Alaska, Economic Development Resources Guidebook, Sept. 2004. More info. on these programs can be found in the Guidebook.
Starting a Small Business – Publications
State Training & Employment Program
Sudden & Severe Economic Dislocation Program
**FISHING-RELATED RESOURCES**

**Bristol Bay Economic Development Corporation**
BBEDC is the designated entity for the Community Development Quota program established through the Magnuson-Stevens Act. BBEDC invests a portion of the proceeds from the off-shore fishery to develop the communities of Bristol Bay, by investing in fishery related businesses and investments. With an eye towards self-sustaining projects, BBEDC funds local infrastructure development projects.

**Nushagak-Mulchatna Watershed Council**
The mission of the Watershed Council is to be an advocate for the continued health of the river systems that support commercial fishing, subsistence, tourism and other activities key to life in Bristol Bay. Like several of the tourism-related groups also involved in this project, the Watershed Council wants to see economic development take place, but wants this development to capitalize on the unique natural qualities of the area, and create economic incentives for continued protection of watershed resources.

**State of Alaska, Department of Commerce, Division of Community & Economic Development, Office of Economic Development**
In April 2003, Governor Frank Murkowski announced the Alaska Fisheries Revitalization Strategy. The Revitalization Strategy combines federal Fisheries Disaster funds authorized under Title V – Fisheries Disaster, Section 501(b) of the 2003 Federal Appropriations Bill and Southeast Sustainable Salmon Fund monies, authorized under the Pacific Coastal Salmon Recovery Fund, made available by the work of Alaska Senator Ted Stevens. The Revitalization Strategy is a multi-level, multi-year plan designed to spur increased productivity and innovation in the Alaska fishing industry by investing considerable resources into critical commercial fisheries infrastructure, capital improvement projects, quality improvements, and marketing. The program focuses on helping small, established and emerging businesses.

**State of Alaska, Dept of Commerce, Div. of Community & Econ. Dev., Office of Fisheries Development**
The Office of Fisheries Development provides assistance to entrepreneurs with fisheries related business ideas. They assist with finance procurement, business plan development, strategic alliance coordination, and venture development. The Office works to assist entrepreneurs in finding the resources they need to get a business idea off the ground.

Website:  [http://www.commerce.state.ak.us/oed/seafood/seafood.cfm](http://www.commerce.state.ak.us/oed/seafood/seafood.cfm)
Fishing-Related – STATEWIDE RESOURCES

Administration for Native Americans Grants
Alaska Commercial Fishing and Agriculture Bank
Alaska Growth Capital
Alaska InvestNet
Business and Export Loan Guarantee Program
Business and Industry Guaranteed Loans
Buy Alaska Program
Commercial Fishing Revolving Loan Program
Evergreen Community Development Association
Fisheries Enhancement Loan Program
Grants for Public Works and Development Facilities
Indian Community Development Block Grant Program
Indian Loan Guaranty Program
Intermediary Relending Program
Loan Assumption Program
Loan Participation Program
Mini-Grants Assistance Program
Northwest Trade Adjustment Assistance Center
Planning and Development (TCC)
Revolving Loan Fund (AVCP)
Rural Development Initiative Fund
Rural Economic Development Loan Program
Saltonstall-Kennedy Fisheries Research and Development Grants
Small Business Development Centers
Southeast Alaska Business Assistance Center
Southeast Alaska Revolving Loan Fund
State Training and Employment Program
Sudden and Severe Economic Dislocation Program
Western Alaska Community Development Quota (CDQ) Program
Wildlife Habitat Incentives Program

§ List provided by the State of Alaska, Economic Development Resources Guidebook, Sept. 2004. More info. on these programs can be found in the Guidebook.
FORESTRY-RELATED STATEWIDE RESOURCES**

Administration for Native Americans Grants
Agricultural Research Program – University of Alaska
Alaska Commercial Fishing and Agriculture Bank
Alaska Growth Capital
Alaska Product Preference Program
Business and Export Loan Guarantee Program
Business and Industry Guaranteed Loans
Buy Alaska Program
Conservation Technical Assistance
Cooperative Extension Service (UAF)
Farmland Protection Program
Grants for Public Works and Development Facilities
Indian Loan Guaranty Program
Intermediary Relending Program
Loan Assumption Programs
Loan Participation Program
Northwest Trade Adjustment Assistance Center
Rural Economic Development Loan Program
Small Business Development Centers
Snow Survey and Water/Climate Services Program
Soil Survey Program
Southeast Alaska Business Assistance Center
Southeast Alaska Revolving Loan Fund
State Training and Employment Program
Sudden and Severe Economic Dislocation Program
Technology Research and Development Center
Wildlife Habitat Incentives Program

** List provided by the State of Alaska, Economic Development Resources Guidebook, Sept. 2004. More info. on these programs can be found in the Guidebook.
TRAINING & TECHNICAL ASSISTANCE RESOURCES

The Foraker Group
The Foraker Group is dedicated to increasing the leadership and management skills of professionals and volunteers working in Alaska's not-for-profit and tribal organizations and strengthening the nonprofit sector as a whole in Alaska. The Foraker Group has an innovative, Alaska-grown approach in providing high-quality, cost-effective assistance to staff and boards of directors through a model of shared consultation services, board training and facilitation and a broad range of educational opportunities.

Agnew::Beck Consulting, LLC
Agnew::Beck Consulting, LLC, offers a range of community and land use planning and development services. Our clients include Alaskan communities, businesses, agencies and tribal and non-profit organizations. The firm, established in 2002, brings together the skills of Chris Beck and Thea Agnew, who together have over 30 years of professional experience. Chris has extensive experience in tourism and land use planning, urban design, community planning, and market evaluation. Thea focuses on facility development, public participation, fundraising and cultural heritage programming. Agnew::Beck specializes in crafting solutions that are sustainable, respect the unique qualities of particular places and find common ground between diverse viewpoints.
# APPENDIX C: FUNDING & TECHNICAL ASSISTANCE RESOURCES

<table>
<thead>
<tr>
<th>ORGANIZATION</th>
<th>SERVICE</th>
<th>CONTACT</th>
<th>ADDRESS</th>
<th>TELEPHONE</th>
<th>FAX</th>
<th>E-MAIL</th>
</tr>
</thead>
<tbody>
<tr>
<td>Alaska Minority Business Development Center</td>
<td>Business counseling, Nominal hourly fee based on sliding scale.</td>
<td>Lloyd Allen, Program Director Tanana Chiefs Conference, Inc.</td>
<td>122 First Avenue Suite 600 Fairbanks, AK 99701-4897</td>
<td>907 452-8251 ext. 3277 OR 800 478-6822 ext. 3277</td>
<td>907 459-3957</td>
<td><a href="mailto:lallen@tananachiefs.org">lallen@tananachiefs.org</a></td>
</tr>
<tr>
<td>Alaska Rural Development Council</td>
<td>Technical assistance in working with regulatory agencies; Community Forums</td>
<td>Chuck Akers, Executive Director</td>
<td>UAA 3211 Providence Drive, ADM #279 Anchorage, AK 99508</td>
<td>T: (907) 786-4660 F: (907) 786-4662</td>
<td>907 478-6822</td>
<td><a href="mailto:ancja@uaa.alaska.edu">ancja@uaa.alaska.edu</a></td>
</tr>
<tr>
<td>Alaska Small Business Development Center (Statewide Office)</td>
<td>Business counseling, Business training seminars, Library Resources</td>
<td>Bill Bear, Rural Director Rural Outreach</td>
<td>430 W. 7th Avenue Suite 110 Anchorage, AK 99501</td>
<td>907 274-7232 OR 800 478-7232</td>
<td>907 274-9524</td>
<td><a href="mailto:anwsbl@uaa.alaska.edu">anwsbl@uaa.alaska.edu</a></td>
</tr>
<tr>
<td>Alaska Village Initiatives</td>
<td></td>
<td>Thomas Harris, President CEO</td>
<td>1577 C Street, Suite 304 Anchorage, AK 99501</td>
<td>907 274-5400 OR 800 478-2332</td>
<td>(907) 263-9971</td>
<td><a href="mailto:avi@akvillage.com">avi@akvillage.com</a></td>
</tr>
<tr>
<td>Anchorage Convention and Visitors Bureau</td>
<td></td>
<td></td>
<td>524 W. 4th Avenue Anchorage, Alaska 99501</td>
<td>907 276-4118</td>
<td>907 278-5559</td>
<td><a href="mailto:info@anchorage.net">info@anchorage.net</a></td>
</tr>
<tr>
<td>Bristol Bay Economic Development Corporation (BBEDC)</td>
<td></td>
<td></td>
<td>PO Box 1464 Dillingham, Alaska 99576</td>
<td>907 842 4370 or 800 478 4370</td>
<td>907 842 4336</td>
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<tr>
<td>ORGANIZATION</td>
<td>SERVICE</td>
<td>CONTACT</td>
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<tr>
<td>First Alaskans Institute</td>
<td>Capacity-building of Alaska Native peoples and their communities; policy and leadership development; education</td>
<td><a href="http://www.firstalaskans.org">www.firstalaskans.org</a></td>
<td>606 E Street, Suite 200</td>
<td>907 677-1700</td>
<td>907 677-1780</td>
<td><a href="mailto:info@firstalaskans.org">info@firstalaskans.org</a></td>
</tr>
<tr>
<td>Natural Resource Conservation and Development Service</td>
<td>Assistance with conservation, development and use of natural resources.</td>
<td>Shirley Gammon, State Conservationist</td>
<td>U.S. Department of Agriculture 800 W. Evergreen, Suite 100 Palmer, AK 99645</td>
<td>907 761-7780</td>
<td>907 761-7790</td>
<td><a href="mailto:shirley.gammon@ak.usda.gov">shirley.gammon@ak.usda.gov</a></td>
</tr>
<tr>
<td>Southwest Alaska Municipal Conference</td>
<td></td>
<td>Wanetta Ayers, Executive Director</td>
<td>3300 Arctic Blvd., Ste. 203, Anchorage, AK 99503</td>
<td>907-562-7380</td>
<td>907-562-0438</td>
<td></td>
</tr>
<tr>
<td>US Small Business Administration</td>
<td></td>
<td>Susan Roggenkamp, Assistant District Director</td>
<td>222 W. 8th Ave., Suite 67 Anchorage, AK 99513-7559</td>
<td>1-800-U-ASK-SBA OR 907 271-4536 OR 800 755-7034</td>
<td>202 481-5711</td>
<td><a href="mailto:susan.roggenkamp@sba.gov">susan.roggenkamp@sba.gov</a></td>
</tr>
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## FUNDING SOURCES

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<tr>
<th>ORGANIZATION</th>
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<th>TELEPHONE</th>
<th>FAX</th>
<th>E-MAIL</th>
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<tbody>
<tr>
<td>Administration for Native Americans Grants</td>
<td>Federal Agency: provide financial assistance to tribes and ANCSA communities for projects which will provide jobs, promote economic well-being, self-sufficiency and community health.</td>
<td>P.J. Bell, ANA Project Manager</td>
<td>Native American Management Services, Inc. Administration for Native Americans, Region III 11723 Old Glenn Hwy., Suite 201 Eagle River, AK 99577</td>
<td>T: (907) 694-5711 or Toll Free: (877) 770-6230</td>
<td>907 694-5775</td>
<td><a href="mailto:director@anaalaska.org">director@anaalaska.org</a></td>
</tr>
<tr>
<td>Alaska Department of Community &amp; Economic Development (DCED)</td>
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<tr>
<td>DCED</td>
<td>Municipal &amp; regional Assistance Division (MRAD)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>DCED</td>
<td>Div. of Community &amp; Business Development Office of Tourism</td>
<td>Caryl McConkie, Development Specialist</td>
<td>P.O. Box 110809 Juneau, AK 99811</td>
<td>907 465-2012</td>
<td>907 465-3767</td>
<td><a href="mailto:caryl_mcconkie@dced.state.ak.us">caryl_mcconkie@dced.state.ak.us</a></td>
</tr>
<tr>
<td>DCED</td>
<td>Div. of Community &amp; Business Development Development Section</td>
<td>Ruth St. Amour, Development Specialist II</td>
<td>550 W. 7th Ave., Suite 1790 / Anchorage, AK 99501</td>
<td>907 269-4527</td>
<td>907 269-4539</td>
<td><a href="mailto:Ruth_St.Amour@commerce.state.ak.us">Ruth_St.Amour@commerce.state.ak.us</a></td>
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**APPENDIX C:** Funding & Technical Assistance Resources

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**APPENDIX C: Funding & Technical Assistance Resources**

<table>
<thead>
<tr>
<th><strong>DCED: Loan Assumption Programs</strong></th>
<th>Assist purchasers in the assumption of a loan of various types, including small businesses.</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>DCED: Small Business Economic Development Revolving Loan Fund</strong></td>
<td>Provides start-up and expansion capital of small businesses.</td>
</tr>
<tr>
<td><strong>DCED: Rural Development Initiative Fund Loan Program</strong></td>
<td>Small business loans to expand employment opportunities in rural Alaska.</td>
</tr>
<tr>
<td>Anchor: T: 907-269-8150 Fax: 907-269-8147</td>
<td>Juneau: T: 907-465-2510 Fax: 907-465-2103 E-mail: <a href="mailto:investments@dced.state.ak.us">investments@dced.state.ak.us</a></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>DCED: Mini-grant Assistance Program</strong></th>
<th>Economic and/or comm. development projects, including projects using natural resources.</th>
</tr>
</thead>
<tbody>
<tr>
<td><a href="http://www.dced.state.ak.us/cbd/grt/blockgrants.htm">www.dced.state.ak.us/cbd/grt/blockgrants.htm</a></td>
<td>Jo Grove, Program Coordinator</td>
</tr>
<tr>
<td>Div. of Community &amp; Business Dev.</td>
<td>209 Forty Mile Ave. Fairbanks, AK 99701-3100</td>
</tr>
<tr>
<td>907 452-4468</td>
<td>907 451-7251 <a href="mailto:Jo_Grove@dced.state.ak.us">Jo_Grove@dced.state.ak.us</a></td>
</tr>
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<thead>
<tr>
<th><strong>Alaska Growth Capital</strong></th>
<th>Provides alternative financing to Alaska businesses</th>
</tr>
</thead>
<tbody>
<tr>
<td><a href="http://www.alaskagrowth.com">www.alaskagrowth.com</a></td>
<td>Jason Evans, VP Lending</td>
</tr>
<tr>
<td>2121 Abbott Road, Suite 101</td>
<td>Anchorage, AK 99507</td>
</tr>
<tr>
<td>907-349-4904</td>
<td>907-349-4924 <a href="mailto:jevans@alaskagrowth.com">jevans@alaskagrowth.com</a></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>Alaska InvestNet</strong></th>
<th>confidential service which matches investors and entrepreneurs</th>
</tr>
</thead>
<tbody>
<tr>
<td><a href="http://www.alaskainvestnet.org">www.alaskainvestnet.org</a></td>
<td>Deborah Marshall, Director</td>
</tr>
<tr>
<td>612 W. Willoughby Ave., Suite A</td>
<td>Juneau, AK 99801-1732</td>
</tr>
<tr>
<td>907 463-3662 OR 888 393-3662</td>
<td>907 463-3929 <a href="mailto:dmarshall@jedc.org">dmarshall@jedc.org</a></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>First Nations Development Institute</strong></th>
<th>provides training, technical assistance loans and grants in economic development to tribes and ANCSA communities</th>
</tr>
</thead>
<tbody>
<tr>
<td><a href="http://www.firstnations.org">www.firstnations.org</a></td>
<td>Jeff Jeffers, Director of Grant Making</td>
</tr>
<tr>
<td>11917 Main Street Fredericksburg, VA 22408</td>
<td>540 371-5615 540 371-3505 <a href="mailto:jeffers@firstnations.org">jeffers@firstnations.org</a></td>
</tr>
<tr>
<td>United States Department of Agriculture (USDA)</td>
<td>(see below)</td>
</tr>
<tr>
<td>---------------------------------------------</td>
<td>-------------</td>
</tr>
<tr>
<td>USDA: Rural Business Enterprise Grants</td>
<td>Finance and facilitate development of small and emerging private business enterprises in rural areas</td>
</tr>
<tr>
<td>USDA: Rural Business Opportunity Grants</td>
<td>Assist with costs of providing economic planning for rural communities, technical assistance for rural businesses, or training for rural entrepreneurs or economic development officials.</td>
</tr>
<tr>
<td>USDA: Value-Added Agricultural Product Market Development Grants (VADG)</td>
<td><a href="http://www.reeusda.gov/smallfarm">http://www.reeusda.gov/smallfarm</a></td>
</tr>
</tbody>
</table>
## APPENDIX D: RESULTS FROM BUSINESS & JOBS SURVEY

### Community-Wide Businesses and Jobs Survey

<table>
<thead>
<tr>
<th>Name of Business or Organization</th>
<th>Business Type</th>
<th>Description or Type of Business</th>
<th>% of Full Time Jobs</th>
<th>% of Part Time Jobs</th>
<th>% of Month per Year in Operation</th>
<th>Year Established</th>
<th>% of Employees Who Live Local</th>
<th>% of Jobs Created Past Two Years</th>
<th>% of Jobs Expected in Five Years from Now</th>
<th>% of Non-Locals Employed</th>
<th>% of Non-Locals Trained</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trophies Only</td>
<td>LB</td>
<td>Fishing Lodge</td>
<td>0</td>
<td>3</td>
<td>4</td>
<td>1992</td>
<td>F/T</td>
<td>4 F/T</td>
<td>4 F/T</td>
<td>4 F/T</td>
<td>2 F/T</td>
</tr>
<tr>
<td>Country Time Store</td>
<td>LB</td>
<td>Small Convenience Store</td>
<td>1</td>
<td>0</td>
<td>12</td>
<td>2002</td>
<td>F/T</td>
<td>0 F/T</td>
<td>0 F/T</td>
<td>0 F/T</td>
<td>0 F/T</td>
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<tr>
<td>Ekwok Village Council</td>
<td>G</td>
<td>Tribal Affiliation</td>
<td>9</td>
<td>6</td>
<td>12</td>
<td>1993</td>
<td>F/T</td>
<td>0 F/T</td>
<td>1 F/T</td>
<td>7 F/T</td>
<td>7 F/T</td>
</tr>
<tr>
<td>The City of Ekwok</td>
<td>G</td>
<td>Municipality</td>
<td>4</td>
<td>0</td>
<td>12</td>
<td>1994</td>
<td>F/T</td>
<td>0 F/T</td>
<td>0 F/T</td>
<td>4 F/T</td>
<td>0 F/T</td>
</tr>
<tr>
<td>Mastel's Lodge</td>
<td>LB</td>
<td>Fishing Lodge</td>
<td>0</td>
<td>7</td>
<td>1</td>
<td>1992</td>
<td>F/T</td>
<td>4 F/T</td>
<td>0 F/T</td>
<td>0 F/T</td>
<td>7 F/T</td>
</tr>
<tr>
<td>Williams' Guides &amp; Kennels</td>
<td>LB</td>
<td>Fishing Lodge</td>
<td>4</td>
<td>0</td>
<td>1</td>
<td>1992</td>
<td>F/T</td>
<td>0 F/T</td>
<td>0 F/T</td>
<td>4 F/T</td>
<td>0 F/T</td>
</tr>
<tr>
<td>Williams Nelson Store</td>
<td>LB</td>
<td>Small Convenience Store</td>
<td>0</td>
<td>1</td>
<td>12</td>
<td>1960</td>
<td>F/T</td>
<td>1 F/T</td>
<td>0 F/T</td>
<td>0 F/T</td>
<td>1 F/T</td>
</tr>
<tr>
<td>Ekwok Lodge - Ekwok Natvias, Ltd - Leased out to Cunung Tribal Council</td>
<td>LB</td>
<td>Fishing Lodge</td>
<td>4</td>
<td>0</td>
<td>2</td>
<td>1998</td>
<td>F/T</td>
<td>0 F/T</td>
<td>0 F/T</td>
<td>4 F/T</td>
<td>0 F/T</td>
</tr>
<tr>
<td>Ekwok Health Clinic</td>
<td>G</td>
<td>Clinic</td>
<td>3</td>
<td>0</td>
<td>12</td>
<td>1990</td>
<td>F/T</td>
<td>0 F/T</td>
<td>1 F/T</td>
<td>3 F/T</td>
<td>0 F/T</td>
</tr>
<tr>
<td>Ekwok School - Southwest Region School District</td>
<td>G</td>
<td>Public School</td>
<td>4</td>
<td>5</td>
<td>9</td>
<td>1932</td>
<td>F/T</td>
<td>0 F/T</td>
<td>0 F/T</td>
<td>4 F/T</td>
<td>0 F/T</td>
</tr>
</tbody>
</table>

### Totals

- % of Full Time Jobs: 22
- % of Part Time Jobs: 22
- % of Month per Year in Operation: 8
- Year Established: 7
- % of Employees Who Live Local: 5
- % of Jobs Created Past Two Years: 1
- % of Jobs Expected in Five Years from Now: 5
- % of Non-Locals Employed: 23
- % of Non-Locals Trained: 24
- % of Non-Locals Trained: 2
- % of Non-Locals Trained: 7
- % of Non-Locals Trained: 4
- % of Non-Locals Trained: 2

### Types:
- G = Government Agency
- LB = Locally-Owned Business (For Profit)
- NLS = Not Local, Locally-Owned Business (For Profit)
- NP = Non-Profit Organization
- Other = Other (describe)
Most people know that the Alaska Native Claims Settlement Act paid Alaska's Native peoples 44 million acres of land and $962 million.

But what does that mean specifically to the peoples of Bristol Bay?

The following four sections contain background information on BBNC's land and money, and some comments from the shareholder survey in these areas.

I. The Land

Shareholder comment:

If a person was registered to a village corporation and a regional corporation with the intent of getting Native land, how would a person receive the land? There has never been any mention of what land was to be given.

Q. Who Gets What Land Under ANCSA?
A. 1) Village corporations in the Region got the surface rights to 2.9 million acres, and

2) BBNC got the subsurface rights to those same 2.9 million acres. Additionally, BBNC got 100,000 acres with both surface and subsurface rights.

3) Individuals got title to land used at the time of the Act for a primary residence, place of business, or subsistence campsite.

Although ANCSA gives all these land rights. it has taken — and will continue to take — money to protect them.

The selection process for three million acres has been expensive.

Lawsuits to protect Native lands from excessive public easements or governmental regulation cost money. Trespass programs and land use planning require knowledge and personnel (which cost money). Hundreds of thousands of dollars have been spent to select, secure and preserve Native land rights.

Q. How Was Corporate Land Chosen?
A. The Act required a village corporation to begin selecting land around the village site, and then choose contiguous lands. Choices were made for subsistence, recreation or other values.
The Act also required the Regional Corporation own the subsurface rights to a village corporation's land.

Q. What Do "Surface" And "Subsurface" Mean?
A. These words refer to the legal ways land can be used, not the physical location of land.

"SURFACE" means that you can build a subdivision or commercial building on it and that it can be set aside for subsistence.

"SUBSURFACE" means you can sell the land's minerals, oil and gas.

With "Surface" or "Subsurface" rights, you can secure a loan; you can sell, lease or trade; and you can keep other people out.

Q. Does Bristol Bay Have Valuable Land?
A. It depends on what you mean by "valuable."

For example, land that is excellent for hunting, fishing and berry-picking may not have any minerals, oil or gas underneath. To date no commercial quantities of minerals or petroleum have been found on BBNC land.

Also, some land may be in great demand for its recreational opportunities, like in the Iliamna area, while land in other areas of the Region may not be valuable in that way.

II. The Money

Shareholder comment:

*If some corporations don't plan for the future better than they are doing now, there may not be anything left of the existing village and regional corporations to protect. Lawyers, consultants and con men and even untrained management has left many organizations in financial and political shambles.*

Q. Why Was Money Part Of The Settlement?
A. Some of the land claimed by Native people was already owned by others, like cities, boroughs and private citizens. So, instead of receiving land which others were using, money was paid to the Native people. They then dropped their claims to any more land.

Q. Who Got The Money?
A. The money came to the Regional Corporation and to the village corporations. By choosing corporations, Congress set up a structure to own the land and create the possibility of economic opportunities.

Q. How Much Money Came To Bristol Bay?
A. For each Native who enrolled in BBNC, approximately $6,000 was given to the Regional Corporation.

For each Native who enrolled in a village corporation, approximately $6,000 was
also given to that corporation. Those Natives who chose not to enroll in a village corporation, "at large shareholders," personally received $6,000 over time.

Q. **When Did The Money Go To The Corporations?**
A. Over an 11 year period. The money didn't come in one lump sum, which would have been better, of course, for investing.

Much of the first money the Regional Corporation received had to be spent on enrolling shareholders, setting up the corporations, and choosing land.

Q. **What Do Corporations Do With Money?**
A. Invest it, and operate.

They invest it into projects which, hopefully, make more money. BBNC is one of only four Native Regional Corporations that have added money to the original shareholders' investment.

If a project makes money (after paying wages, taxes and other expenses), successful corporations do two things with the profits:

1) they put money back into the business to strengthen it, and

2) pay some money to shareholders in the form of dividends.

BBNC has paid out more than $3 million to its shareholders — and STILL managed to increase its original amount received under ANCSA.

Shareholder comment:

*All I can say is in the decisions you make, please don't be greedy or selfish. Please be honest in all things you do. Please think about us shareholders that lead a very simple life because my husband and I rely on the dividend checks to help us financially. Please don't let selfishness, greed or the love of money ruin us.*

Q. A.

**III. Outlining The Facts**

Some of the shareholder comments reflected an incomplete or incorrect understanding of the benefits of ANCSA. It is a complicated document and not a simple law to put into practice. It's easy to think it is supposed to do something it's really not.

So, we hope the following review of one shareholder comment will help outline the facts.

Shareholder comment:
Unless the assets owned by the Corporation produced more income, the stock will be worthless to its holders. Management must strive for higher returns on assets and have a liberal dividend policy. The federal money was to ensure no Native Alaskan ever wanted again. Present returns on assets will not keep a person off welfare rolls.

— BBNC is one of the four healthiest Regional Corporations. Some corporations have suffered when management is inexperienced, dishonest, or has abused power. BBNC has been fortunate through the years with its Board of Directors and management, and has progressed rather than losing ground.

— We certainly agree that striving "for higher returns on assets" is desirable. And we're working toward that goal.

— Successful companies, however, reinvest much of their profit in the business to strengthen it, rather than having a "liberal dividend policy."

— Congress wanted Alaska Natives to have the greatest possible economic opportunity with their land and money. The way to do that is to put large amounts of money and land together.

Congress knew that payments of $6,000 to individuals would not amount to much in the long run for the Region. But putting all that together — $32 million — can accomplish a great deal!

As we mentioned before, BBNC is one of just four Regional Corporations to have increased its original investment of money. (At least one Regional Corporation has lost more than BBNC received in the first place.)

This shareholder is absolutely right in saying that the present return of $6,000 isn't enough to keep a person off the welfare rolls. Even at the best possible rate of return, it wouldn't be enough!

But this money WAS NEVER SUPPOSED TO KEEP PEOPLE "OFF WELFARE." AND, IT WAS NEVER DESIGNED "To ensure no Native Alaskan wanted again." IT WAS PAID TO SETTLE LAND CLAIMS.

Q. So what SHOULD an individual shareholder expect from ANCSA?

A. If a corporation is healthy — and BBNC is among the four healthiest Regional Corporations — an individual can expect:

1) some return on investment (dividends)

2) Native control of Native land
3) the opportunity to share in the overall growth of the corporation's worth

4) to be part of a base of political power offered by the corporation.

The shareholders of BBNC enjoying benefits.

Much of this success is due to the growth and strength of the Board of Directors. Much of their time and energy has gone into learning the skills necessary to guide the policies of a major corporation. Their dedication to hiring honest, hard working, and experienced staff has paid off with a healthy corporation.

[Alaskool Home]
Alaska Native Claims Settlement Act (ANCSA)

By Alexandra J. McClanahan
CIRI Historian

In 1971 the push for oil development, the state’s desire to get the land promised to it under the Statehood Act and the Alaska Natives’ efforts to save their land paid off with what would become the Alaska Native Claims Settlement Act, known as ANCSA. For four long years spirited debate had focused on just how much land and cash the Alaska Natives would be granted for the settlement of their claims. The final bill that emerged promised 44 million acres and $1 billion in cash.

PEOPLE

There were nearly 80,000 Alaska Natives alive on December 18, 1971, who could participate in ANCSA. Most of those affected by the act were in Alaska, but about 20,000 people lived in the Lower 48 and even other parts of the world.

"Native" was defined as a citizen of the United States with one-fourth degree or more Indian, Aleut or Eskimo ancestry, born on or before December 18, 1971, including Natives who had been adopted by one or more non-Native parents.

Amendments were passed later to allow Native corporations to issue stock to those born after December 18, 1971. In general, this has been done through the creation of a new type of stock, known as "life estate stock." This stock is valid only during the shareholder's lifetime and cannot be passed on. Only a few corporations have extended stock ownership to those born after 1971.

STRUCTURE

The corporate structure of ANCSA was a departure for Congress. Former Cook Inlet Region, Inc., President Roy Huhndorf has described ANCSA as an extraordinary national experiment in federal relations with Native Americans. He points to the fact that corporations, not reservations, were organized to administer the proceeds from the historical land claims settlement for Alaska Natives.

Alfred Ketzler, who was President of the Tanana Chiefs Conference when ANCSA was under consideration in Congress, discussed the corporations in a letter to the editor of the New Republic:

"Native leaders in Alaska have given great attention to the structure of the settlement, the means of administering the land and money. Indeed the concept of the development corporation is ours, though we would divide the land and money among three levels of business corporations, local, regional and statewide, in keeping with the pluralism of American society and economy."

Thirteen regional corporations, including 12 in Alaska and one that was created later to represent Alaska Natives living outside the state, were created. Alaska Natives who enrolled were made shareholders when they received 100 shares of stock. The size of the regional corporations ranged from Athna, Inc., with about 1,000 shareholders, to Sealaska Corporation, with about 16,000 shareholders. Others included: The Aleut Corporation; Arctic Slope Regional Corporation; Bering Straits Native Corporation; Bristol Bay Native Corporation; Calista Corporation; Chugach Alaska Corporation; Cook Inlet Region, Inc.; Doyon Ltd.; Koniag, Inc.; NANA Regional Corporation, Inc.; and the Thirteenth Regional Corporation.
Approximately 220 village corporations were created under ANCSA, and villages were given a choice as to whether they wanted to incorporate as profit or nonprofit entities. None chose to be nonprofit. The reason for this is that the corporations were founded under state law, which didn't allow nonprofits to pay distributions to members. A profit corporation, however, was authorized to pay dividends to shareholders from profits.

Alaska Natives who enrolled to their village received 100 shares of village corporation stock. Those who elected not to enroll in a village corporation, but enrolled in a regional corporation were called "at-large" shareholders. There was a lot of confusion over enrollment, but generally speaking, Alaska Natives were allowed to enroll to the region and village where they grew up and which they considered home or to the region where they were living at the time the act was passed. Because Cook Inlet Region, Inc., was based in Alaska's largest city, CIRI became a "melting pot" for all Alaska Native groups. Many Alaska Natives from other parts of Alaska who moved to Anchorage signed up for CIRI.

The size of villages ranged from 25 people to about 2,000. The larger village corporations, each of which included about 2,000 people, were Barrow, Nome, Bethel and Kotzebue.

Amendments passed in 1976, authorized village corporations to merge with each other or with the regional corporation. Some villages have merged and created new corporations, such as the Kuskokwim Corporation in the Calista Region, MTNT and K'oyl'tots'ina Limited in the Doyon Region; the Alaska Peninsula Corporation in the Bristol Bay Region; and Afognak Native Corporation and Akhiok-Kaguyak Incorporated in the Koniag Region.

All the villages except Chitina in the Ahtna Region merged with Ahtna; and all the villages in the NANA Region except Kotzebue merged with NANA.

At least two villages distributed their assets to the village tribal government, and that was done by Venetie and Arctic Village.

The structure has become the source of heated debate for many years.

MONEY

The amount of money distributed through ANCSA was $962 million, which was essentially determined on a per capita basis. It came from both the State of Alaska and the Federal Government over a period of about 11 years. The long timeframe for distribution greatly diminished its value due to inflation. In the first five years, 10 percent of the money distributed went to all individuals who were shareholders. The regions retained 45 percent of the total, and the remaining 45 percent was distributed to the villages and the "at-large" shareholders on a per capita basis. At-large shareholders were those who enrolled only to a region and not a village.

After that, the money was distributed 50-50 with half retained by the regional corporations.
and half distributed to the village corporations and at-large shareholders on a per capita basis.

A provision of ANCSA, Section 7(i), requires that regional corporations share 70 percent of their resource revenues among the corporations. This section is an extremely unusual aspect of ANCSA and it took the corporations about 10 years to hammer out an agreement that spelled out exactly how this would be undertaken. The concept was sound – find a way to make sure that resource-rich corporations shared with those who were resource-poor simply by accident of location. But once lawyers and accountants got involved in the implementation, it nearly broke the bonds holding Native groups together. Only after the Native leadership took control of the issue themselves was it resolved in a harmonious manner.

LAND

The land conveyed under ANCSA was 44 million acres, which was a little more than 10 percent of the entire state. It sounds like a tremendous amount of land, especially when compared to treaties the United States made earlier with American Indians. When viewed as what was granted to the people who had a valid claim to the entire state, however, the settlement seems relatively small.

Of the 44 million acres, 22 million acres of surface estate went to village corporations on a formula based on population – not per capita. This land was generally located around the village itself and consisted of prime subsistence areas. The subsurface estate of this land went to the regional corporations. Sixteen million acres went to the regional corporations, and that included both the surface and the subsurface estate; and two million acres was conveyed for specific situations, such as cemeteries, historical sites, and villages with fewer than 25 people. Another four million acres went to former reserves where the villages took land instead of land and money. These former reserves were granted land entitlements ranging from 700,000 to 2 million acres. They included Gambell and Savoonga on St. Lawrence Island, Elim, Tetlin, and Venetie and Arctic Village. Klukwan originally opted for this provision, but leaders there later changed their minds.

Not affected by the Alaska Native Claims Settlement Act was Metlakatla on Annette Island in Southeast Alaska. Metlakatla was a reservation before ANCSA, and remained one afterwards.

A final note: The Alaska Native Claims Settlement Act is a very complex document that has inspired people over the last three decades to write thousands of pages about it. The act has been praised, and it has been roundly criticized. But what’s really important to keep in mind when discussing ANCSA is that it is a document that was developed for a group of human beings who had a very real claim to their ancestral home in Alaska. Their connection to the land is a spiritual one that transcends complex regulatory schemes. And yet for many, their tie to the land today is a law passed by Congress on December 18, 1971.

The map of the 12 regional Native corporations in Alaska is based on a map by P.L. Boggess for Cook Inlet Region, Inc.

Growing Up Native in Alaska

Alaska Traditions

Unfinished Business: The Alaska Native Claims Settlement Act

- Growing Up Native in Alaska
- Interview with Brad Angasan
- Interview with Carrie Irwin Brown
- Interview with Rex Allen Rock, Sr.