

Economic Development

Context

Historically dependent on subsistence activities, the Portage Creek economy is changing to incorporate new activities and opportunities in the area. The Nushagak River has become a haven for sport fishing and the potential economic benefit of this increased traffic is becoming apparent to residents. The Bristol Bay sport fishing industry as a whole generates \$50-\$60 million a year in total revenues with growth in sport fishing activities higher than statewide averages of 7% to 11% per year.¹⁴



The goals for economic development generated by the members of the Portage Creek community reflect the idea of maintaining a subsistence lifestyle while capturing greater local benefit from tourism in the area. Other goals identified by area residents include trying to reduce the cost of living, increasing employment opportunities in Portage Creek, encouraging job training and local hire, and increasing the number of viable locally-owned businesses.

The private sector ultimately drives economic development. While many village members have incomes from public entities, Portage Creek will benefit as more private enterprises open to take advantage of local markets that serve the year-round population and seasonal traffic of fishers (See Appendix H for information on rural tourism development).¹⁵ Entities like Choggiung, Ltd. are available to help the community work on job creation strategies. Like most rural, small, Alaska communities, the economy in Portage Creek offers a limited range of jobs and business activities available (See Appendix C on the development of a business plan). Many people who earn a living in the area do so through seasonal or part-time work.



Many factors enhance the potential for economic development in the Portage Creek area. While most sport fishing businesses are owned and operated by non-residents, policies exist for local hire and activities along the river are monitored by local permitting and river patrols operated by Choggiung, Ltd.¹⁶ This permitting system

¹⁴ “The Bristol Bay Region...” <http://www.uaf.edu/bbc/region.html> .

¹⁵ Because of the seasonal fluctuations in population, businesses in Portage Creek will face tremendous challenge to remain operational.

¹⁶ Choggiung, Ltd. operates a permitting program that only allows a certain number of commercial operators to operate on corporation lands adjacent to the river. Choggiung, Ltd. charges for both camps and the number of users in each

keeps the control of the corporation lands adjoining the river in the hands of those who can best manage it and employ area residents. The Nushagak River itself offers many opportunities for development. For example, a collaboration between villages along the river could develop a tourist corridor that showcased elements of each village, having visitors stop for a night and see these features for a day before traveling on to the next village. In addition to the river and its bounties, the region also has many talented traditional artists whose work could be displayed and sold locally.

Residents of Portage Creek have the benefit of an engaged community hoping to expand the local economic opportunities to complement their subsistence lifestyle. Such growth will help Portage Creek increase its ability to offer public services, including re-opening the school, and provide a base for village growth.

Goals

- 1. Increase local benefit from area tourism.**
- 2. Find ways to decrease cost of living.**
- 3. Increase employment opportunities in Portage Creek.**
- 4. Encourage job training and local hire.**
- 5. Increase number of viable locally-owned businesses.**



camp. They also employ area residents to patrol the river during the season. Choggiung, Ltd. also has a program that provides incentives to commercial operators to hire local residents. It should be noted that due to the nature of the work, the schedule often conflicts directly with subsistence harvesting and commercial fishing jobs.

Goals & Priority Actions

1. Increase local benefit from area tourism.

- Increase the number of locally-owned businesses.
 - Mechanics/welding.
 - Cultural and eco-tourism.
 - Village store.
 - Guiding and other services for sportfishing operations (lodging, trash pick-up).
- Improve marketing for Native arts and crafts.
- Improve use of the Internet to educate others about visiting Portage Creek and marketing locally-made products.
 - Participate in Business Education and Tourism training offered by BBNA, DCCED, and BBEDC.
 - Construct a visitor-oriented website.
- Establish opportunities to sell locally-made products in Dillingham and other hub-communities where tourists visit more frequently.



2. Find ways to decrease cost of living.

- Investigate energy alternatives to provide village power, see Appendix I.
- Increase group orders of supplies to take advantage of bulk ordering.
- Increase inventory at local store to decrease the need for shopping in Dillingham and other communities.

3. Increase employment opportunities in Portage Creek.

- Market locally-made arts and crafts items during the busy summer months at the local store in Portage Creek.
- Establish opportunities to sell locally-made products in Dillingham and other hub-communities where tourists visit more frequently.
- Work with Choggiung, Ltd. to develop job creation strategies.

4. Encourage job training and local hire.

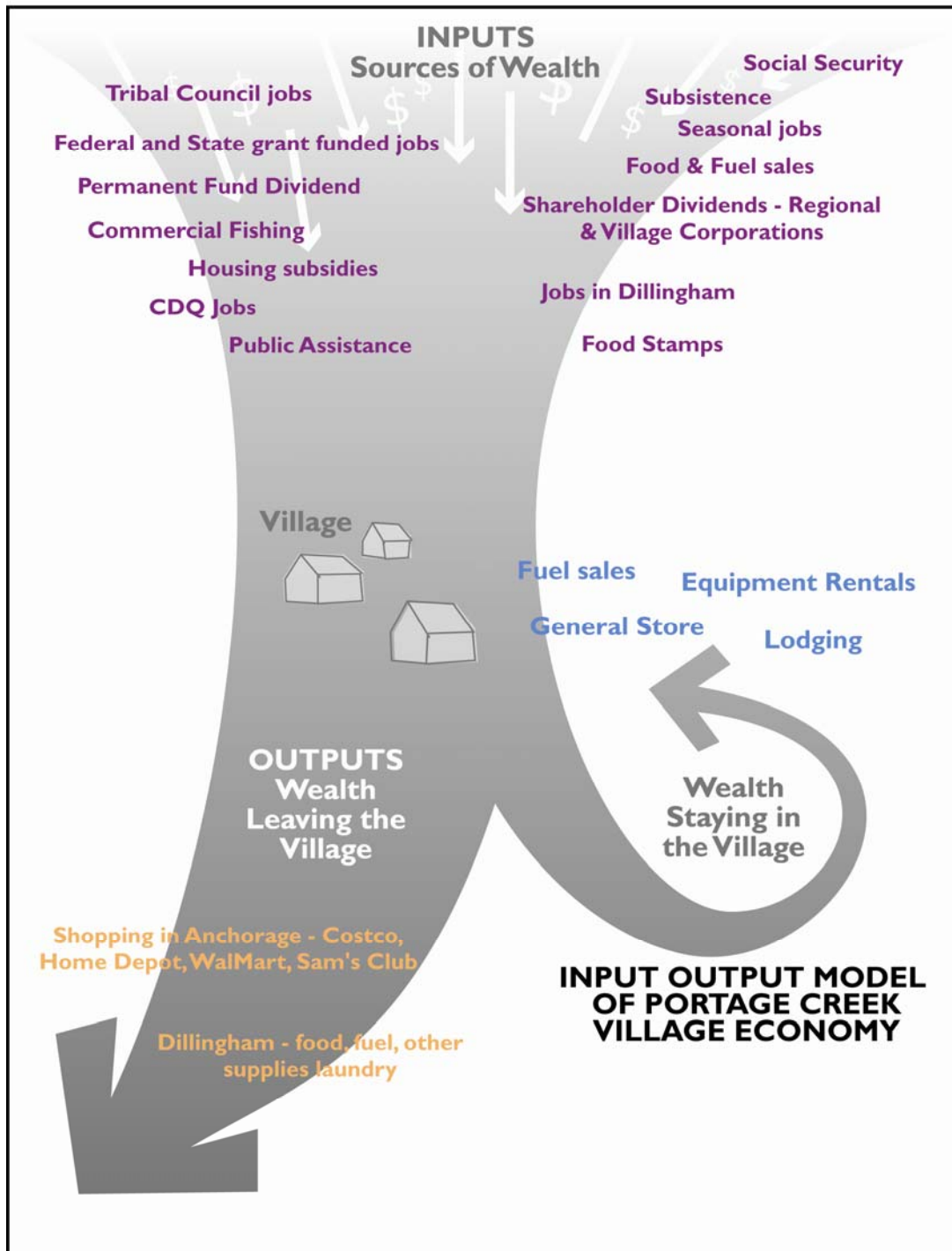
- Provide training and support for small business (e.g., information on starting a guide business, getting a “6-pax” license).
- Establish incentives for residents who receive training to return to Portage Creek and be employed in the area.

- Improve local labor force by training residents in trades and to take on supervisory and management positions.
- Identify vocational and educational training and technical assistance available (in Portage Creek, regionally, and statewide) that are needed in Portage Creek.

5. Increase number of viable locally-owned businesses.

- Expand local store in Portage Creek.
 - Sell locally-made arts and crafts items during the busy summer months.
 - Incorporate more foodstuffs and supplies.
- Establish small game and fish processing facility.
 - BBECD offers seafood and other value-added fish processing trainings.
- Take advantage of micro-lending programs or bank loan programs.
- Encourage home-based businesses.

Figure 7. Input-Output Model of Portage Creek Village Economy



The goal behind this figure is to increase the amount of wealth retained in the village and to attract new sources of wealth into the community, keeping dollars locally invested. Portage Creek has a large amount of wealth leaving the community in the form of dollars spent on supplies for residents in Dillingham and Anchorage. Any effort to make those supplies available in Portage Creek for residents would have multiple benefits to the local economy.