

Economic Development

There are many definitions for “economic development” and economic development programs can have a wide range of goals and objectives. Common definitions of economic development include:

Support new and existing business

This frequently includes facilitating expansion of local businesses, improving the business climate, encouraging entrepreneurs, and diversification of economic activity. Capitalizing on new ideas and taking advantage of trending business opportunities to diversify can assist a community in both creating new growth and in riding out a downturn in one sector without significant impact; in other words, create more resilient communities.

Create jobs and wealth and develop the workforce

Economic development programs do not directly create jobs and wealth; businesses do. Employment training programs can help support the needs of local employers and the capacity of the local workforce and can assist with talent retention.

Invest in infrastructure

Increasing infrastructure capacity can reduce costs and enhance competitiveness of existing and new business. Supportive infrastructure can include public transportation facilities and services, roads, utilities (energy, water, waste, etc.), internet, and housing.

Provide appropriate supply of land

Ensuring that an adequate supply of appropriately zoned land is available allows for commercial and industrial growth as well as residential development. Balancing community priorities and environmental constraints is frequently considered when allocating land for specific uses.

Improve quality of life

Community livability and economic vitality are closely connected and investment in amenities and facilities that enhance quality-of-life can assist with overall economic development. Quality of education, public safety, recreational facilities, parks and open space, and the environment are all key factors for attracting and retaining employees and firms.

Achieve triple-bottom-line growth

Overall community development through triple-bottom-line growth combines economic, social, and environmental objectives (and frequently objectives around good governance) It is economic growth with inclusion and sustainability as guiding principles. This sort of development works to satisfy the needs of the present without adversely affecting the ability of future generations to satisfy their needs.

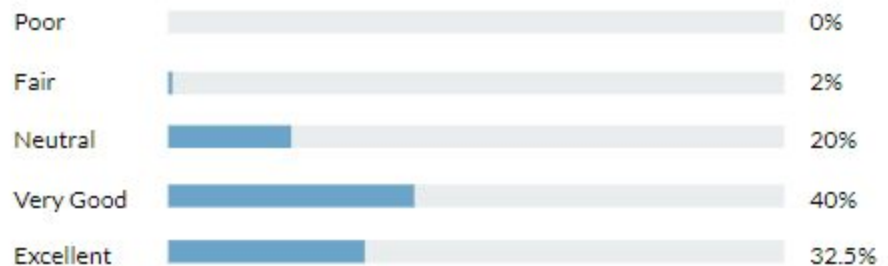
Skagway's Business Climate & Assets

1. Business Climate Survey

The Skagway Development Corporation recently completed a survey of owners of businesses in Skagway about the business climate of the town. Forty business owners responded. Together, these business owners own 53 businesses, 28 of which are owned by Skagway residents, and 30 of which are open year round.

The survey first asked the business owners to rate their overall opinion of Skagway as a place to do business. About a third of respondents rated Skagway as an excellent place to do business, 40% said it was very good, twenty percent were neutral, 2% said it was fair, and no respondents said Skagway was a poor place to do business.

Skagway as a place to do business, n=40



Next, the survey asked respondents to list strengths and weaknesses, and opportunities and threats of Skagway's economy.

Based on categorization of respondents' responses, the top strengths of Skagway's economy are:

- 01 | Summer customer base
- 02 | Local infrastructure
- 03 | Open business climate
- 04 | Community
- 05 | Location

While the top weaknesses of Skagway's economy, according to respondents, are:

- 01 | High cost of doing business
- 02 | Lack of support service businesses
- 03 | Lack of winter business, lack of diverse economy
- 04 | Focus on one industry
- 05 | Lack of housing

The top opportunities for the economy of Skagway were identified as:

- 01 | Expand tourism
- 02 | Expand business offerings locally and regionally
- 03 | New business opportunities
- 04 | Diversification
- 05 | Housing

While the greatest threats to the economy, according to respondents, are:

- 01 | Downturn in cruise ship and tourism industry
- 02 | Housing
- 03 | Failure of local infrastructure
- 04 | Oversaturation of tourism industry
- 05 | Big corporations

2. Competitive Advantages & Disadvantages

A review of Skagway's unique assets and competitive advantages and disadvantages, provides context for economic planning. Such a process brings a community's economic situation into focus, including the opportunities and constraints for future economic development.

Today, many economic development planning professionals recommend creating asset-based strategies, those based on unique assets and networks that can be leveraged to compete regionally and beyond.

The following list of Skagway's assets and competitive advantages or disadvantages is qualitative, not quantitative. While not exhaustive, recognizing these unique assets, competitive advantages, and competitive disadvantages is an essential first step in economic development planning, in general, and in identifying specific strategies to build a stronger economy. It is also important to recognize that some items are both an advantage and a disadvantage.

Assets & Competitive Advantages

- Popular cruise destination, with forecasted growth
- World-class natural beauty
- Year-round, deep-water port
- Railroad
- Highway access to continental road system
- Small boat harbor
- Airport
- Port of Skagway lease renegotiation
- High per capita income
- Experienced workforce and facilities for carpentry, diesel mechanics, welding, etc.
- Sub-regional economy between Haines, Whitehorse, and Skagway
- Machine, carpentry, and diesel expertise and facilities
- Multi-generational families
- National Park Service curation, restoration, and interpretation of historic buildings, artifacts, and trails
- World class natural setting and scenic beauty
- Drier climate than majority of Southeast
- Summer and winter outdoor recreation opportunities with well developed trail system, X-country ski areas, heliskiing
- Unique, authentic history
- Several popular festivals and events that draw from outside the region
- Growing population

Competitive Disadvantages

- Limited developable land due to topography
- Heavy dependence on one industry, lack of economic diversity
- High cost of freight
- Lack of options for groceries and fresh food
- High cost of living and doing business
- Geohazards (e.g, landslides)
- Lack of affordable housing for starter families, seasonal workers, and seniors
- Limited space for development of Port and waterfront infrastructure
- Ability of current infrastructure to handle more visitors is challenged

Municipal Role in Economic Development

Local governments commonly are involved in efforts to support economic development; this is not surprising given that they depend upon a strong and sustainable economy and tax base to provide revenue to plow streets and sidewalks, pick up trash, provide clean, drinkable water supply, to create and maintain parks for children to play, and the like. A 2014 National Association of Counties (NAC) review shows that more than 90% of county governments engage in economic development initiatives. Local government economic development initiatives frequently depend on networks of public, nonprofit, and private partners.

There are eight types of strategies that local governments commonly use to bolster economic resilience in their communities. Some do none or one, others do all of the following:¹

1. Coordinate and support economic development programs
2. Development reviews and regulations
3. Provide support for businesses and entrepreneurship
4. Create development incentives (including tax policy, financing, underwriting, risk)
5. Provide workforce training
6. Provide adequate land supply
7. Provide adequate infrastructure
8. Provide a quality of life conducive to business innovation and worker retention

Understanding Skagway's Economy

1. Income

Economic development policies often seek ways to maximize retention and recirculation of income within the community as well as increase new income and revenue from outside sources.

According to the American Community Survey for 2013–2017, Skagway's median household income in 2017 was \$70,673 (+/-6,701) and the median family income was \$78,750 (+/-8,617). According to the U.S. Bureau of Economic Analysis, Skagway had a per capita income of \$76,710 in 2017, the fourth highest in Alaska after Bristol Bay Borough,

¹ This summary is a review of reports, research, and surveys done by the National Association of Counties, the Oklahoma State Chamber of Commerce, the National League of Cities/Center for Research & Innovation, a state Cooperative Extension Service, the American Planning Association, the Lincoln Land Institute, the American Association of Retired People (AARP), and reports by individual counties or cities. Even with this diverse set of sources, the eight themes and techniques are similar.

North Slope Borough, and Denali Borough. Approximately 29% of Skagway households earn less than \$50,000 per year.

A proxy for income equality, a Gini coefficient of zero expresses perfect equality, where all values are the same (for example, where everyone has the same income). A Gini coefficient of one (or 100%) expresses maximal inequality (for example, where only one person has all the income). According to the American Community Survey, Skagway had a Gini Index 0.3271 (+/- 0.0212) in 2017, which indicates Skagway experiences a higher level of income equality than both, on the whole, Alaska (0.4180 +/- 0.0049) and the United States (0.4815 +/- 0.0003).



Sources: American Community Survey 2013–17; U.S. Bureau of Economic Analysis

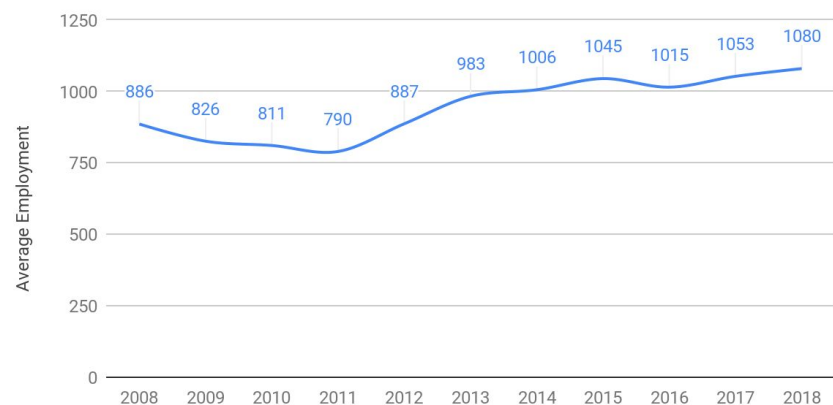
2. Employment

A look at employment shows how Skagwegians are supporting themselves and their families.

According to the State of Alaska, Department of Labor and Workforce Development, Research & Analysis Section, average monthly employment in Skagway in 2018 was 1080 employees, a figure that has been gradually increasing over the last decade, up approximately 37% from a recent low in 2011 of 790 employees averaged over 12-months.

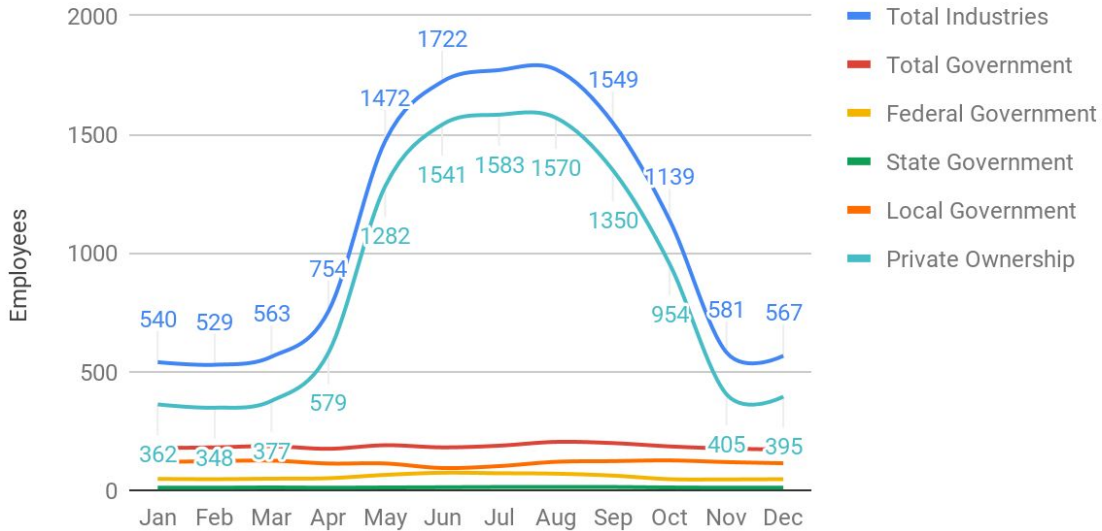
Average Monthly Employment

Source: Alaska Department of Labor and Workforce Development



Annual Employment in 2018

Source: Alaska Department of Labor and Workforce Development

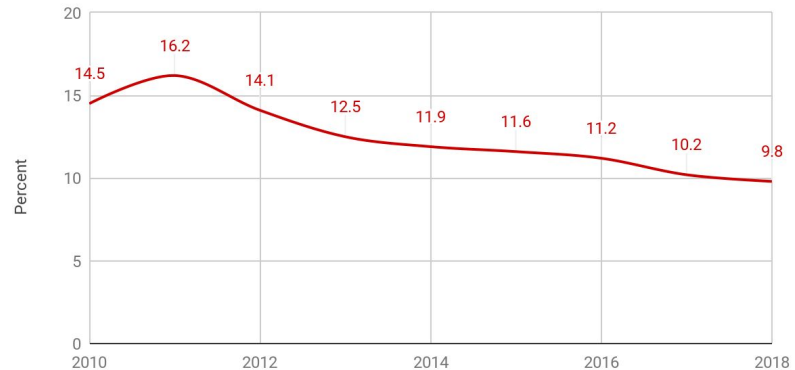


Overall, employment in Skagway is quite seasonal, with the greatest variation in private sector work. Employment peaked in 2018 in August at 1772 total employees. The lowest number of employees in a month in 2018 was 529 in February. Government employment remains relatively stable throughout the year, especially in comparison to private employment. It is important to note that the following types of employment are excluded from these counts: self-employed individuals, fishers, unpaid family help, domestics, and most individuals engaged in agriculture.

In concert with the rising average monthly employment per year that Skagway has experience over the past decade, the average annual rate of unemployment has decreased over the same period. In 2018, the rate of average annual unemployment was 9.8%, down approximately 40% from a recent high of 16.2% in 2011.

Average Annual Unemployment

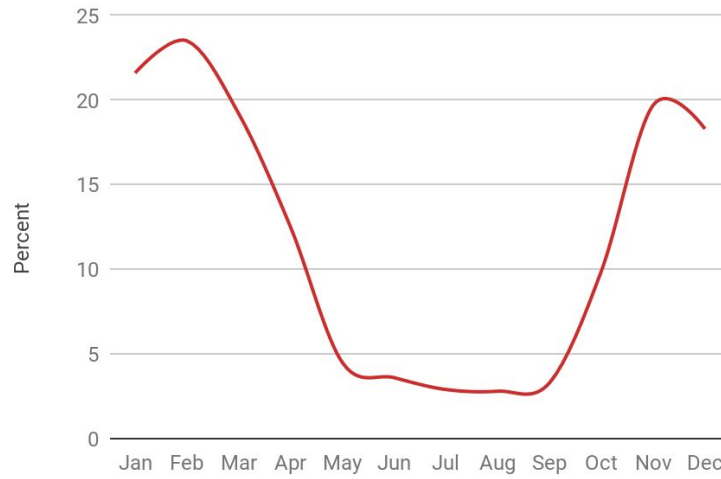
Source: Alaska Department of Labor and Workforce Development



As with employment, unemployment in Skagway is highly seasonal, peaking in the winter and dropping to its lowest point in the summer months.

Unemployment in 2018

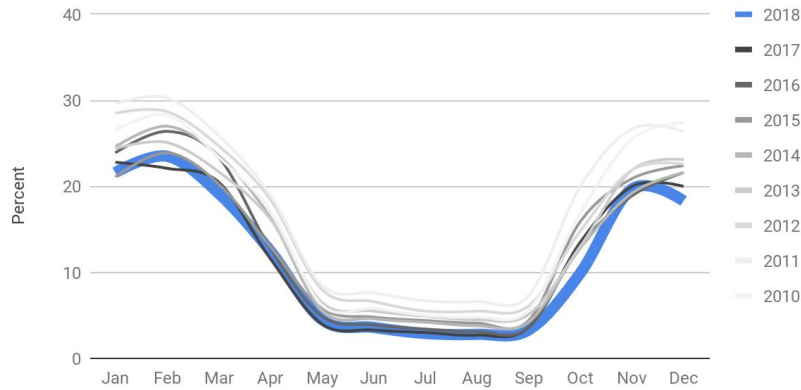
Source: Alaska Department of Labor and Workforce Development



Compared to previous years, the seasonality of unemployment in 2018 was “flatter” than in many years of the previous decade.

Unemployment, 2010–18

Source: Alaska Department of Labor and Workforce Development

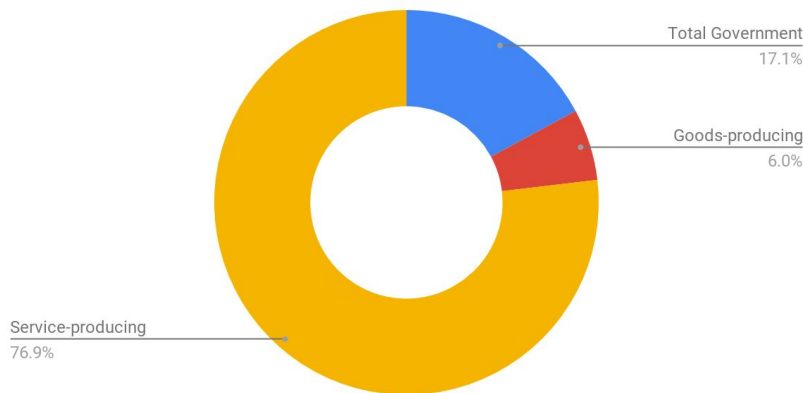


Average monthly employment by industry type for 2018, as reported by the Department of Labor and Workforce Development, Research & Analysis Section, Quarterly Census of Employment and Wages (QCEW), confirms Skagway's reliance on private industry for employment, especially service-producing industries, with approximately 83% of employment in the private industry and only 6% (65 employees on average per month) of employment being provided by goods-producing industries (this includes construction of buildings). Government is a significant employer at 17% of average monthly employment

(185 employees on average per month). At 77% of the average monthly employment, service-producing industries employ, on average per month, 831 employees. Importantly, wage data for industries with fewer than three firms or in which one firm employs more than eighty percent of total industry employment are confidential and left blank in this file.

Average Monthly Employment by Industry Type, 2018

Source: Alaska Department of Labor and Workforce Development

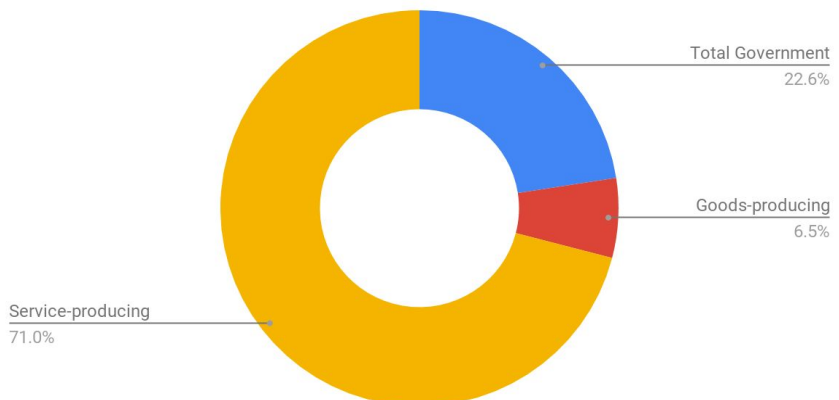


Total wages earned via employment in Skagway in 2018 as reported in the QCEW was \$44,263,968, with employment categorized in government allotting for 23% of the total (\$9,984,178), 7% for goods-producing employment (\$2,872,547), and 71% for service-producing employment (\$31,407,243). This indicates that service-producing employment captures less of total wages than its proportion of total employment.

Looking closer at average monthly employment and total wages for service-producing industries in 2018 reveals that much of each is driven by categories of employment likely associated with the visitor industry. Approximately 52% of average monthly

Total Wages by Industry Type, 2018

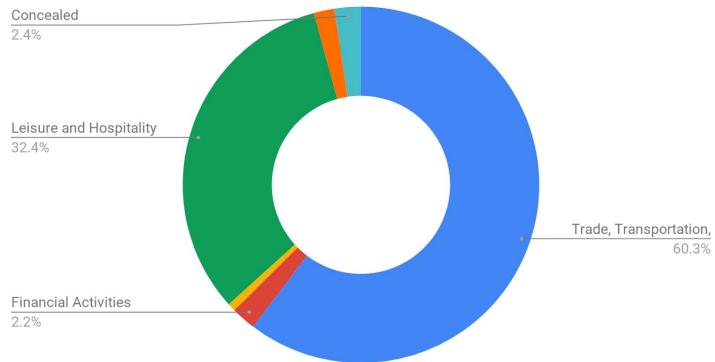
Source: Alaska Department of Labor and Workforce Development



employment in service-producing industries (431 employees on average per month) and 60% of total wages (\$18,953,414) is represented in the "Trade, Transportation, and Utilities" category, which includes retail trade, food and beverage, and sightseeing transportation.

Total Wages, Service-Producing Industries, 2018

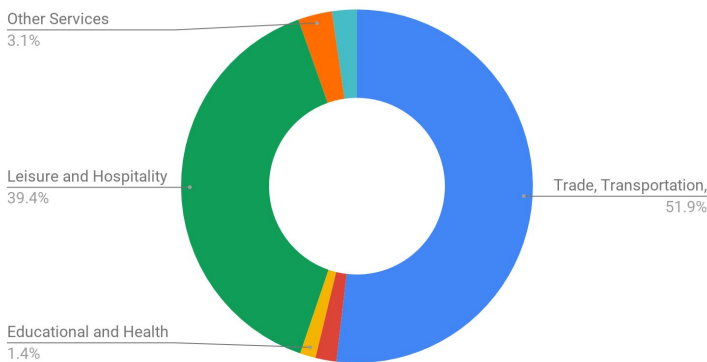
Source: Alaska Department of Labor and Workforce Development



The other significant category in service-producing industries is "Leisure and Hospitality," with this category representing about 40% of average monthly employment (327 employees on average per month) and 32% of total wages (\$10,186,474). This category includes employment categorized as for amusements and recreation, accommodation, and food services and drinking places.

Average Monthly Employment, Service-Producing, 2018

Source: Alaska Department of Labor and Workforce Development



Annual Employment

37%

Increase in average monthly from recent low in 2011

Annual Unemployment

40%

Decrease from recent high in 2011

Average Monthly Employment

76%

In service-producing industries

Average Monthly Employment

52%

Of service-producing industries is in Trade, Transportation, Utilities

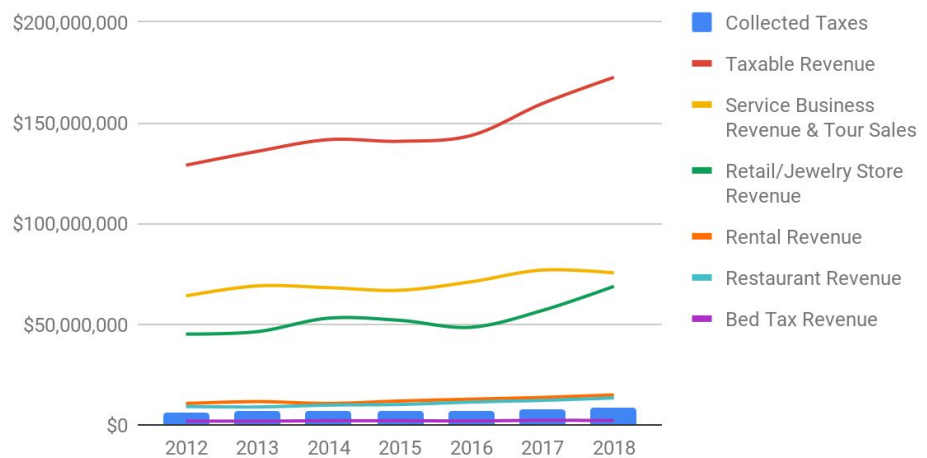
3. Local Spending & Revenue

A look at taxable revenue, as reported to the Municipality of Skagway, shows how people are spending their money in Skagway and can serve as a proxy for the financial strength of several industries.

Since 2012, as applied to service businesses, tour sales, retail and jewelry stores, rentals, restaurants, and accommodations, taxable revenue has increased steadily since 2012 (when municipal records appear to begin reporting taxable revenue, not just total revenue). A

Industry and Tax Revenue by Year

Source: Municipality of Skagway



A total of approximately \$1.02 billion in revenue was reported as taxable from these sectors since 2012, with \$128,979,746 being reported in total in 2012 and \$172,623,864 being reported in total in 2018, an increase of approximately 33.8% from 2012.

Of the sectors above, retail and jewelry stores reported the highest amount of taxable revenue in 2018 with \$68,805,060, followed by tour sales with \$57,637,755, and service businesses with \$17,862,659. Previous to 2018, service businesses produced the second highest amount of taxable revenue (e.g. \$51,915,649 in 2017), but, in 2018, two large businesses were reclassified as providing tour sales instead of services. When grouped together, service businesses and tour sales represent the highest revenue category in 2018, with \$75,500,414 in taxable revenue, up 18% or approximately \$11 million.

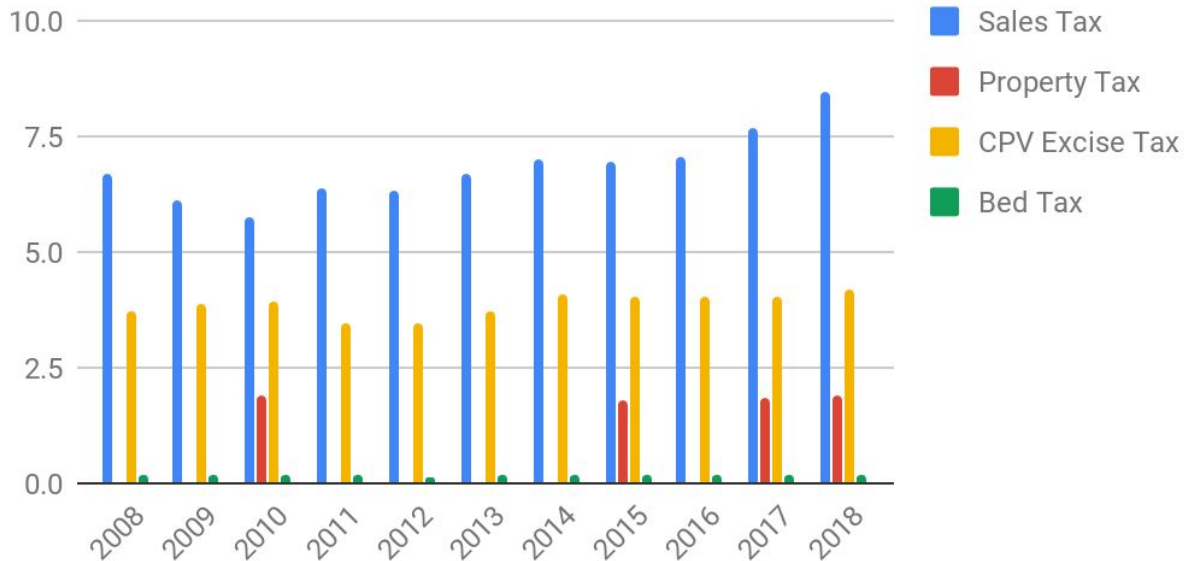
Since 2010, Skagway's annual non-property tax revenue has increased by about \$3 million, from a recent low of \$9.83 million in 2010 to \$12.84 million in 2018. In the same time frame, sales tax revenue increased from \$5.77 million to \$8.47 million, bed tax revenue increased from approximately \$155,000 to \$175,000, and Commercial Passenger Vessel (CPV) Excise Tax revenue increased from approximately \$3.91 million to \$4.2 million. Overall, since the CPV Excise Tax was instituted, Skagway has earned \$42,836,330 in revenue from this tax, approximately 29% of all revenue dispersed through the CPV Excise Tax program.

Property tax revenue has remained relatively stable throughout the last few years, with \$1,885,683 being collected in 2010 and \$1,885,954 being collected in 2018. Note: property

tax was collected in all years in the table below, but data for certain years was unavailable at the time of publication.

Tax Revenue in Millions by Year

Source: Municipality of Skagway, AK DCCED



The Municipality of Skagway also earns additional revenue from other waterfront-related sources, including, in 2018, \$127,200 from the White Pass lease payment and \$437,000 from the Small Boat Harbor (including moorage, commercial use fees, storage, and wharf fees). A recent study by Moffat & Nichol noted that "the Municipality could net an additional \$304,000 to \$512,000 annually by assuming control of the waterfront leases. Additional revenue potential exists in the event a new mine operator willing to move product through Skagway is identified."²



² pg 32, Port of Skagway Economic Analysis, Final Report, July 2017, Moffat & Nichol

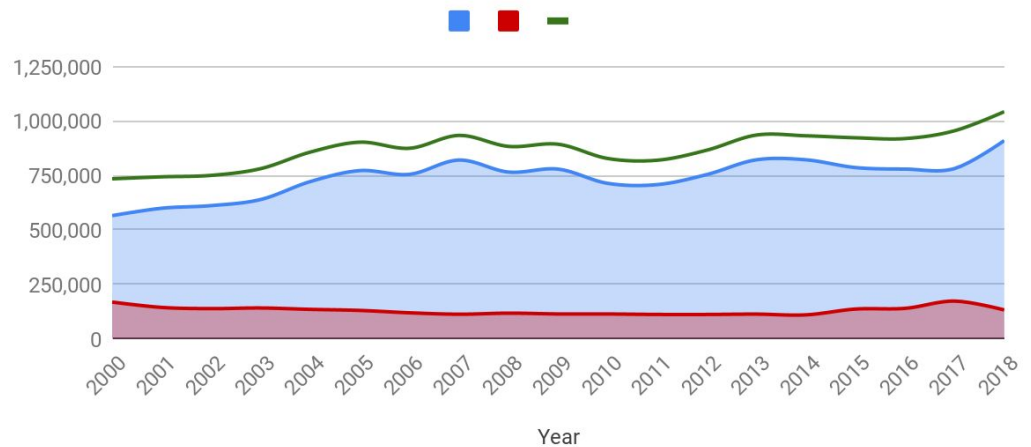
4. Port of Skagway: Visitors, Harbor, & Freight

Skagway welcomes a significant number of cruise and non-cruise visitors each year. Many, but not all, arrive via the Port of Skagway. In 2018, the total number of visitors via all modes (excluding cruise crew) from May–September was 1,042,761, which represents 223,000 in total visitor growth since a recent low in 2011 and a 9.16% increase over 2017. Cruise visitors accounted for

87% (910,176) of the seasonal visitors in 2018 and the majority of the recent increase. Forecasts from Cruise Line Agencies of Alaska predict cruise visitors will surpass one million for the first time in 2019.

Cruise Passengers, Non-Cruise Visitors, and Total Summer Visitors

Source: Skagway Convention and Visitors Bureau



Non-cruise

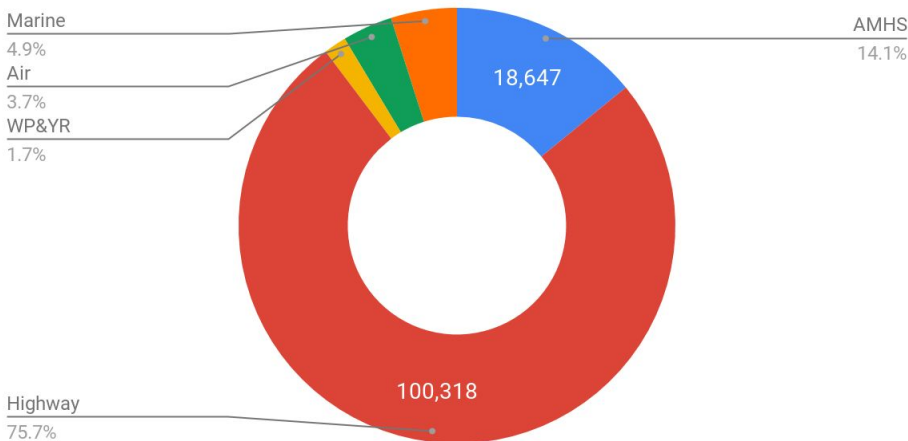
seasonal visitorship has remained relatively stable over the last few years, with 132,585 non-cruise visitors in 2018 (about 13% of total), up approximately 19% from a recent low of 111,877 in 2012. Visitors who use the highway represent the largest proportion of non-cruise

seasonal visitors to Skagway at 76% of the total non-cruise visitors (100,318 in 2018).

Note: these figures were acquired from the Skagway Convention and Visitors Bureau which works US Customs to report on seasonal visitors, and they do not match the figures from the Cruise Line Agencies of Alaska, possibly due to differences in accounting for cruise ship passengers arriving in Skagway by train.

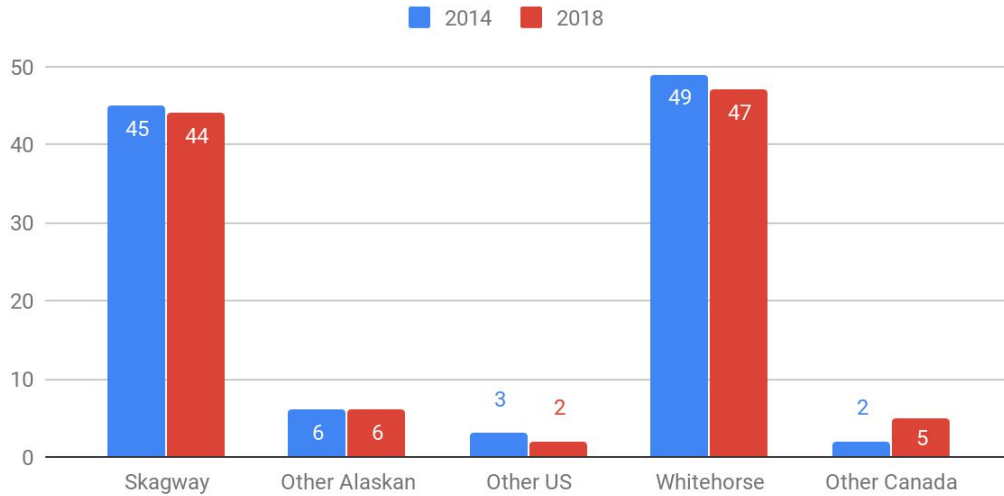
Seasonal Non-cruise Visitors by Mode, 2018

Source: Skagway Convention and Visitors Bureau



Skagway Small Boat Harbor Tenants, By Residence

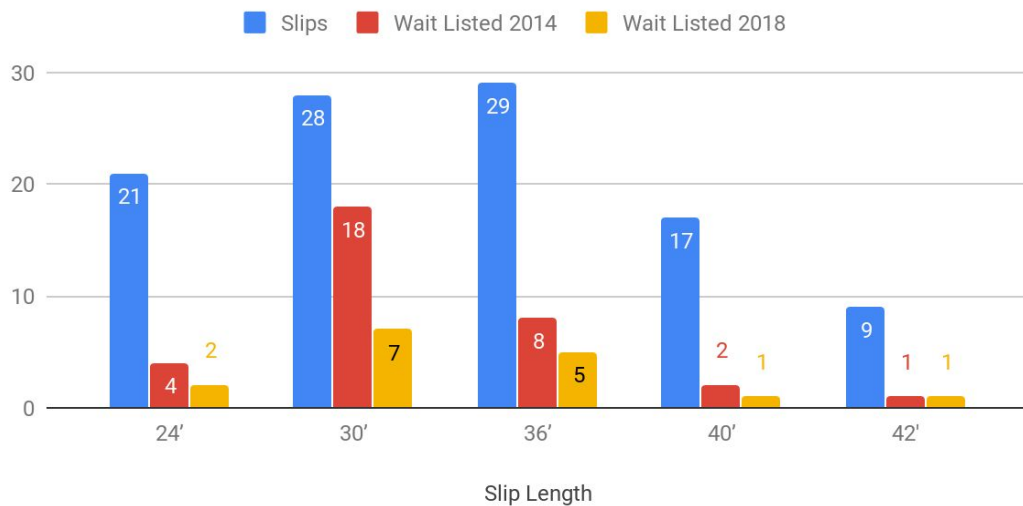
Source: Municipality of Skagway



Skagway's Small Boat Harbor had 105 tenants in 2014 and 104 in 2018, with 16 boats on the waiting list in 2018. The majority of tenants are from Skagway or Whitehorse, with slightly more tenants from Whitehorse in 2018 (47) than Skagway (44).

Small Boat Harbor Slips and Wait Lists

Source: Municipality of Skagway



In addition to serving the cruise industry, the Port of Skagway serves as a transit point for industrial uses including fuel shipment, freight shipment, and ore transshipment.

Petro Marine Services provides fuel delivery services to both Skagway and the Yukon Territory, with the majority of fuel going to the Yukon. While forecasted to increase delivery of fuel due to the increasing number of cruise ship passengers, the window of opportunity to transfer fuel at the Ore Dock is becoming narrower as more cruise ships use that dock.

According to Moffat & Nichol's 2017 analysis of the Port of Skagway:

"Using a broad definition of consumer goods and subtracting out food products, merchandise volume can be estimated from data provided by AML. Approximately 798 metric tons of merchandise was shipped into Skagway in 2016 while only 15 metric tons was sent out in the same year, consisting of primarily household goods. The greater volume of inbound merchandise consisted primarily of department store merchandise which is most likely driven by the tourist spending within Skagway. The average annual growth rate for inbound merchandise was approximately 9.26% from 2014 to 2016, the years in which data is readily available.

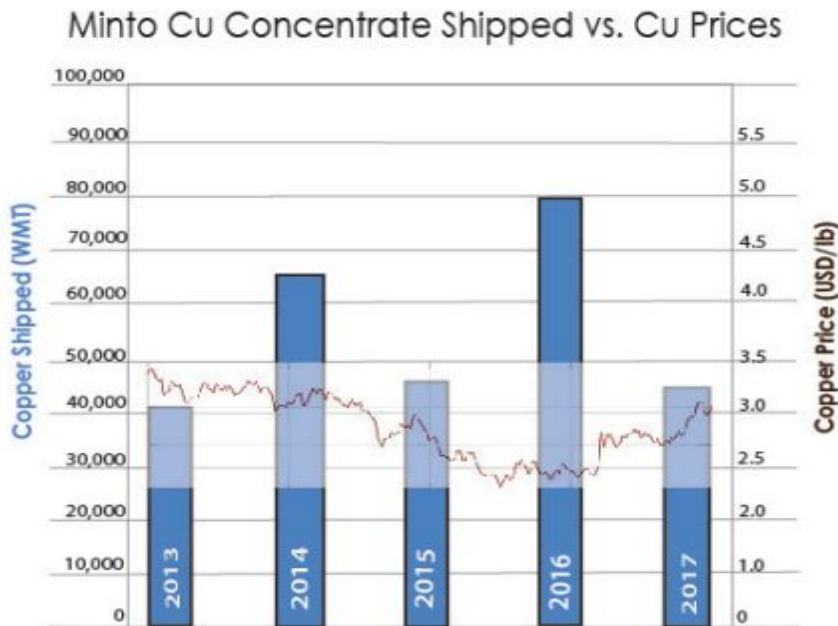
Food products are also considered under the consumer goods category and represent a larger share by volume than that of merchandise. Approximately 11,435 metric tons of food and food products were shipped into Skagway in 2016 via AML. These products grew at an annual average rate of approximately 8.37% from 2014-2016 and consisted primarily of alcoholic beverages. Alcohol supports the restaurant and bar industry which grows with the expansion in the cruise sector and independent visitors. Other food products include groceries and miscellaneous food items, which are heavily influenced by the tourism industry as well as growth in local population.

Project cargo was estimated by taking into account building material that moves in and out of Skagway (i.e. cargo directly related to project activity within Skagway and the Yukon Territory or construction material in general). The top inbound items in 2016 to Skagway were cement, iron, and modular building units. All inbound building materials equated to approximately 9,381 metric tons in 2016. Outbound freight was sparse when compared to inbound freight. Outbound project cargo reported less than one metric ton of cement in 2016, being the only represented product in a category that is almost non-existent.

Ore concentrate through the Port of Skagway is dependent on mining activity in the Yukon Territory of Canada. Historical volumes, provided by Mineral Services Inc., going back to 1970 show periods of steady volume followed by mine shutdowns and start-ups, when volume through the Ore Dock can drop to zero and back up

within a year or two. Years of volume greater than zero from 1970 to 2016 fluctuated from a high of 642,000 metric tons to a low of 7,000 metric tons. The current mine operations consist of Minto Explorations which send copper through the Port. Excluding 2007 as a start-up year of low volume, the average annual growth rate from 2008-2016 was 5.54%, with some fluctuations in the year-to-year growth rates as high as 60.20% and low as -23.08%. Given mine output and the fluctuations of copper prices in the global market, commodity movements through the Port for ore concentrate are expected to follow relatively volatile paths. Minto Explorations, Ltd. is expected to continue production through 2019 at which point Skagway's Ore Dock will be dependent on a new source of ore concentrate from the Yukon Territory"³

Minto is currently in "care and maintenance" until the price of copper improves and the last shipment from that mine for the foreseeable future was in April 2019. Several mines are in the pipeline including Western Copper and Palmer.



To again quote a Moffatt & Nichol study: "The diversity of activities along Skagway's waterfront at times creates conflicts and can work against the aspiration of delivering an ever-greater guest experience. It can also limit the important work on the waterfront, such as offloading of containers at the AML Barge Dock. Where possible and practicable, the

³ Port of Skagway Economic Analysis, Final Report, July 2017, Moffat & Nichol

community desires to create separation (or buffers) between tourism and industrial waterfront and landside activities."⁴



What does economic success look like?

While cities have more limited roles than the private sector in economic development activities (i.e. business activities), the Municipality of Skagway has the ability to contribute to the conditions that allow businesses to thrive and to enhance the “livability” of Skagway. Things that can contribute to livability include parks, trails, open spaces, library, playfields, historic buildings, public safety services, and a healthy natural environment. Maintaining these assets is important in attracting and retaining employers and a talented, educated workforce. The Municipality can also take the lead in ensuring that economic growth is balanced with the community values of environmental quality and social equity.

The comprehensive planning team interviewed and surveyed many community members, including business owners and government officials, about Skagway’s future. The economy of Skagway emerged as a theme in these interviews and recurring ideas that get at the question of “What does economic success look like for Skagway?” frequently mentioned livability and quality of life, including:

- Finding a balance for cruise visitors, freight, small boat harbor, and rail priorities at the Port of Skagway
- Using the expiration of the lease on the Port for the community’s advantage
- Opening up barge freight to more suppliers to improve quality of grocery supply
- Investing in affordable housing
- Improving existing community infrastructure such as the wastewater treatment plant and recreation center
- Investing in new community infrastructure such as a senior center
- Creating the climate for year-round industries that compliment the summer visitor industry

⁴ pg 25, Municipality of Skagway [Port] Short term Needs (Phase 1), Final Report, July 2017, Moffat & Nichol

Overall, according to recent surveys of 106 residents, most rate their quality of life as very good, with top positive factors including access to great indoor and outdoor recreation, a strong economy, and the caring community and people in Skagway. Factors needing improvement were a variety of impacts that need mitigating linked to the volume of visitors and a need for more housing.⁵

Additionally, cruise ships visitor numbers were one topic evaluated by an activity during the April 27 Health Fair. Residents were asked their opinion on: "How do you think the volume of cruise ship tourism compares to Skagway's capacity to handle cruise visitor volume? Vote for the choice that best reflects your beliefs." The 55 residents who voted had split opinions: Just over one-quarter (27%) think Skagway is currently over its capacity to handle cruise visitors. One-third (34%) think Skagway could accept a few, or many, more passengers. The highest number (38%) thought Skagway was now at its capacity to handle cruise visitor volume.

In another activity, residents each got three stickers with directions to: "Vote for the 3 infrastructure projects or operating agreements you favor the most to improve Skagway's capacity to handle summer visitor numbers." There were nine choices and a row for "other" where residents could write other ideas. People that came by could vote for one of the "other" projects as a top priority too. The 56 residents who participated prioritized:

1. Wastewater Treatment Plant Upgrade
2. Better Separation of Industrial And Tourism Uses Of The Port
3. Completing a Pullen Creek "Municipal Loop"
4. Developing and Implementing Tourism Best Management Practices agreement/program in Skagway⁶

Taken together, the results of these interviews and surveys are an indication that the community is at a critical point for planning efforts for maintaining and enhancing the quality of life for residents in the face of the same or a greater volume of cruise visitors.

⁵ Skagway Resident Polling & Survey Full Report, Feb–April, 2019

⁶ Tourism Best Management Practice (TBMP) is a highly successful program in Juneau started in 1997 to address resident's concerns with the impacts of cruise ship visitor industry and operations and thereby bring the residents and industry into alignment. Hoonah and Ketchikan are reported to be developing TBMP programs at this time. The goal of TBMP programs is to minimize the impacts of tourism in a manner that addresses both resident and industry concerns. Operators voluntarily commit to the Guidelines by signing an annual agreement and holding themselves and their employees accountable for compliance. Complaints to a Hot Line at City Hall are addressed by both the city and industry. In fact, complaints often form the basis for new guidelines for the next season. In 1997, operators and businesses agreed to 30 items; for 2019, there are 90 agreement items.

Draft Goals, Objectives, & Actions

The following *draft* goals, objectives, and actions were articulated by the community planning team through analysis and reflection of many points of data, including surveys, interviews, public and commissioner comments at community meetings, and economic statistics. The order of the draft goals, objectives, and actions is random and does not reflect priorities or importance.

Goal 1: Enhance the experience of Skagway for visitors while maximizing the benefits of the visitor industry for the community

Objective 1: Invest in infrastructure and services that enhance the ability to manage and ensure visitor enjoyment, safety, and comfort

Action: Construct more restrooms throughout town

Action: Complete analysis of wastewater treatment plant capacity and cost estimates for upgrades; identify any limitations on peak summer use or to an additional 60-100 housing units; choose a course of action and implement

Action: Reduce volume of garbage that visitors produce through active reduce-reuse-recycle-compost program and education with businesses, operators, and tourists; link compliance to Tourism Best Management Practices agreement

Action: Upgrade trash incinerator

Objective 1B: Enhance pedestrian safety and experience between the waterfront and town and around town

Action: Complete Pullen Creek 'Municipal Loop' walking path from Congress Way to City Hall

Action: Better define pedestrian street crossings along Broadway

Action: Develop better wayfinding signage around/to docks and through town that also communicates Skagway's history

Action: Consider bringing back the roving Skagway CVB person or Community Officer that assists visitors on the streets

Action: Engineer and construct containment barriers to mitigate landslide hazards

Action: Develop more greenspace and defined walking paths between the docks and along the water's edge

Objective 1C: Build or redesign docks to berth up to two of the largest cruise ships to retain market share

Objective 1D: Relocate all or part of the 3-acre Pullen Creek RV Park, which is not the highest and best use of Skagway's limited waterfront uplands, while retaining Pullen Creek Pond and Park; redevelop for a combination of additional boat moorage, landscaped parking and bus-passenger staging, and lease space for locally-owned businesses

Goal 2: Increase municipal control of port management and revenue from port use

Objective 2A: By no later than 2021 ,have publicly-affirmed decision on port management structure that results in complete or shared municipal management of the Port of Skagway (Tidelands Lease expires in 2023)

Objective 2B: Increase municipal revenue from the use of Port to help fund service and infrastructure improvements and maintenance .

Action: Develop options—including higher lease payments, higher user fees, a municipal head tax—assess pros and cons, choose preferred direction, and implement

Goal 3: Strive to balance economic growth, business success, Skagway's heritage, future opportunities, and resident's quality of life

Objective 3A: Initiate a Tourism Best Management Practices (TBMP) program and annual agreement

Action: Appoint a TBMP committee to develop an annual agreement; seek a visitor industry business leader to chair committee, with other members including municipal, visitor industry, and community members

Action: Identify metrics for specific areas that could indicate over-capacity and measures that could be implemented as a result

Objective 3B: Help maintain overall balance and quality of life in Skagway when making planning, land use, spending, and policy decisions by considering the "triple

bottom line” and discussing whether and how the matter balances environmental, social, and economic needs

Goal 4: Manage the waterfront for effective and efficient mixed-use economic activity

Objective 4A: Improve the ability of the Port of Skagway to effectively serve freight and passenger transportation industries

Action: Consolidate industrial and freight use of Port of Skagway to the western docks and upland, creating greater separation between tourism and industrial waterfront areas

Action: Developing swinging arm for ore dock

Action: Continue to fund local efforts to market and demonstrate the economic advantages and feasibility of the port for regional transshipment

Objective 4B: Expand small-boat harbor

Objective 4C: Add additional berths for small cruise ships and independent yachters.

Goal 5: Build on Skagway’s economic assets and competitive advantages to diversify the economy and strengthen local businesses

Objective 5A: Invest in space for local business owners to test concepts

Action: Create a “Marketplace” that allows temporary structures and caters to new and pop-up businesses, food carts, and similar ventures to support entrepreneurship and allow local residents a low cost way to enter the market and test business ideas

Objective 5B: Continue to encourage and promote shoulder-season and winter festivals and events.

Objective 5C: Determine if recent reduction in rooms for rent will harm businesses and economic opportunity

Action: Monitor hotel-motel-lodging occupancy rates summer, fall, and winter 2020

Objective 5D: Continue to engage in efforts to attract more independent travelers

Objective 5E: Develop a Maker-Space / “Fab Lab” with commercial kitchen

Objective 5F: Capture local spending “leaking” from economy and develop workforce by expanding and support the existing carpentry-diesel, mechanics-welding, and related industry cluster by adding a local and statewide vocational training program.

Objective 5G: Encourage greater food security and small business opportunities for grown, harvested, and hunted products

Action: Integrate with regional, online Salt & Soil marketplace

Objective 5H: Support efforts to renew the local hatchery

Goal 6: Continue to recognize the link between community amenities and Skagway’s ability to attract and retain talent and business

Objective 6A: Expand the Recreation Center, possibly including a pool

Objective 6B: Continue investing in providing quality primary and secondary education

Objective 6C: Develop additional parks and open space

Goal 7: Ensure an adequate supply of appropriately-zoned land is available for commerce and industry, as well as residential development, balancing community priorities and environmental constraints

Objective 7A: Review industrial, light industrial, and commercial zoning code and map to ensure balance between land specifically for each use and that which supports a mixture of uses including residential

Note: The following might appear in Economic Development AND Housing—or else we’ll cross reference:

Goal 8: Enhance the senior economy by developing the housing, transportation, health care, and social engagement services and facilities necessary for residents to stay in Skagway as they age.

Objective 8A: Fill Skagway's health care gaps that facilitate aging in community, including:

- More volunteers and paid workers for in-home Personal Care Attendants (PCA).
- Local training for both paid and volunteer PCAs to help fill gaps and provide employment.
- Relief care for in-home providers is needed.
- Develop a home-based (or other) assisted living facility with rooms for 2-5 clients.

Objective 8B: Build a centrally located Senior Center that is open year round where meals and diverse activities can be under one roof. (Follow cautions and advice on pgs 33-34, Needs Assessment: Skagway Senior Center + Senior Apartments, June 2015, Sheinberg Associates).

Objective 8C: Build 6 units of combined market rate and rent-subsidized senior housing, per the 2015 "Market Analysis, Independent and Assisted Living, Skagway, Alaska," by Sustainable Solutions and Chi Partners, LLC.

Goal 9: Break down housing barriers that dampen economic growth

Objective 9A: Facilitate development of homes that young adults and families can afford to buy

Action: Establish a Community Land Trust in Skagway in 2019

Action: Municipality provides 1 acre of land to CLT in 2019

Metric: In 2020-2021, CLT (with private contractors) builds 10-15 permanently affordable homes clustered on 1 acre, available for purchase by those making 80-120% of Area Median Income (in 2018 that is \$ to \$)

Objective 9B: Strive to meet the need for seasonal housing in a manner that does not remove housing that could meet year-round rental needs

Action: In off-season, Borough Manager or designee assembles group of business owners still seeking seasonal housing to discuss ideas and possible mechanisms to build bunkhouse style, congregate, or single-room-occupancy style employee housing. (Municipal role likely restricted to facilitating dialogue, research, code change review)

Note: Leaving here for now but will likely move to Air and Water Quality section of Plan.

Goal 10: Maintain Skagway's excellent air and water quality

Objective 9A: Monitor and take action as needed to maintain excellent air and water quality

Action: Establish an air quality monitoring program to gather air quality data from cruise ships, tour busses, the railroad, and the incinerator

Action: Clean up the ore basin

Goal 11: Reduce Skagway's greenhouse gas emissions

Objective 10A: Conduct a Greenhouse Gas (GHG) baseline inventory and establish municipal goals

Objective 10B: Increase electrification of current fossil fuel modes where feasible

Action: Determine if electric capacity from renewable sources exists and the costs to bring shoreside power to cruise docks and require use while in port

Action: Install a municipal electric charging station and as vehicles need replacement do so with electric vehicles where practical

Action: Consider partial sales tax rebate for tour/sightseeing/guiding businesses that adopt electric vehicles