

# New era may be dawning for Dillingham

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DILLINGHAM — Dillingham's economic development dates back to the Russian American Co.'s entry into Nushagak Bay, well over 100 years ago.

Since then, the area's resources and attendant profits have been exported by absentee owned companies and interests outside the city and region. Although fortunes have been made from the rich Bristol Bay fishery resources, local prosperity and Dillingham's tax base have grown slowly, lagging behind the growth and development of other Alaska cities.

Very little local control over economic development decisions were evident, and a "country store" philosophy and mentality developed and still exist today.

Without dwelling on all of the lost opportunities of the past, there is now a community consensus that we need to develop better controls over the key factors that relate to our potential for prosperity and economic development.

Peter Pan, the largest shore-based fishing processor in the upper Bristol Bay, and Kemp Fisheries did not operate on-shore this summer, and we estimated a direct loss to our city budget of at least \$100,000 of income that we would have received from raw fish taxes and freight tariffs across our dock.

The Kemp move off-shore means a loss of \$100,000 for the lease. In addition, there was a loss of at least 300 shore-side jobs that would go to local people from Dillingham and neighboring villages.

Of more significance to the region are the peripheral effects of this action.

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Village residents from up-river communities will not be able to work through two quarters of employment each summer and receive unemployment compensation benefits in the winter months.

The cumulative effect of two processors moving off-shore will prove to be dramatic.

If salmon processors continue to move all of their operations off-shore, Dillingham will suffer extreme long-term irreversible economic consequences.

Dillingham must fully evaluate what it can do to guard against further economic erosion.

In that regard, the City of Dillingham recently commissioned a study to determine the feasibility of a marine-seafood industrial park. The study forecasted opportunity in both fleet-oriented service areas and speciality seafood/tourism oriented cottage industries.

The study recommends a public/private partnership. This requires the acquisition of the best suited land, creation of the necessary support infrastructure, management plan and a leaseback arrangement. That brings us to the economic decisions that the city of Dillingham and its residents must consider for the well-being of our

local economy.

Study after study has shown that there is within Bristol Bay untapped opportunity in tourism, fleet services, underdeveloped fisheries, packaging, marketing, freezing and storage holding capacity that could be used by the fishing industry.

The City of Dillingham is looking at ways that it can stimulate the economy by working closely with the Dillingham Chamber of Commerce, the private sector, University of Alaska, City School District, state agencies, federal agencies, fishing organizations and many others to set goals that will make Dillingham more attractive for business development.

We all need to work together to provide the very best services possible so that those who look at moving their operations to Dillingham will find an environment that is friendly to business, has tax incentives, is good for families and has a well-trained labor force.

The City of Dillingham is building its infrastructure to make it better for our residents and businesses. Our roads are being upgraded, our airport is being resurfaced, we are moving toward a better city-wide water and

sewer system, planning a better boat harbor for our fishermen and providing other services in the most efficient manner possible.

We also have to analyze how our taxing structure can provide us the tax base we need to provide essential services and still be attractive to businesses that may want to settle in Dillingham. This will take a lot of hard work, careful planning and analysis.

A well-planned seafood industrial park could add immeasurably to a stable economy in Dillingham. The idea behind this effort is to attract the seafood industry back on-shore and use the facilities that local, state and federal dollars have been paying for over the last 20 years.

An on-shore fishing industry could be a tourism attraction if the sites selected are designed with year-round use and tourism in mind.

A public/private partnership venture working toward a seafood industrial park seems to be a realistic long-term approach to offsetting the budget reductions that our city is experiencing from the state and federal governments.

Wealth that has been moving outside of our state could be anchored in Alaska by creating the ability to process and package fish locally as well as broker the finished value-added products directly to the consumer from Dillingham. This could well be the turning point that would start the beginning of a new era of regional prosperity in Bristol Bay generally and Dillingham specifically.

Our potential is great, and if we are successful we could be used as a model for other coastal fishing communities to emulate.