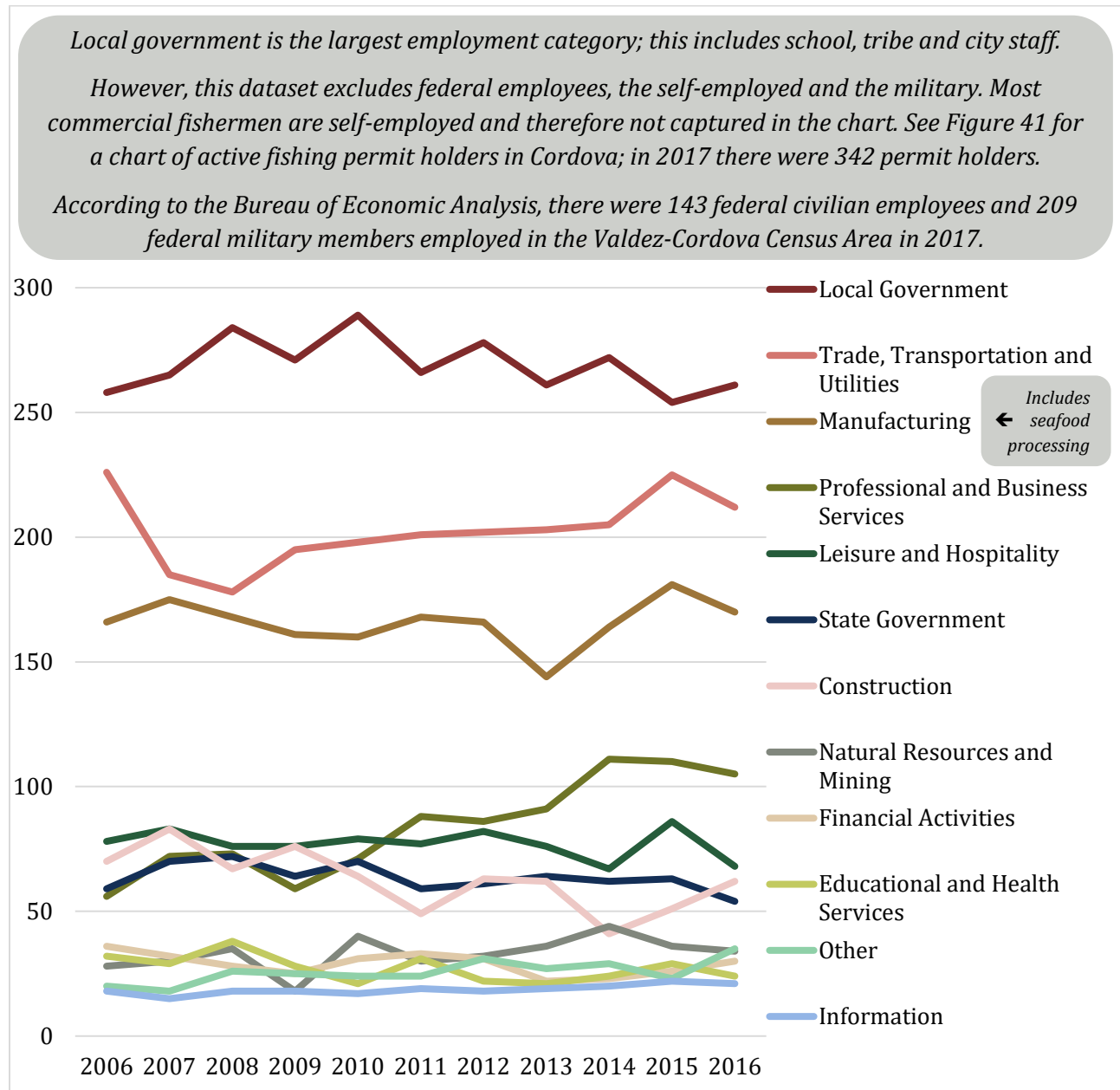


# Appendix 6: Economic Development Background

## Economic Development: What Exists Today

### Employment, Income and Poverty

Figure 26: Cordova Employment by Industry, 2006-2016

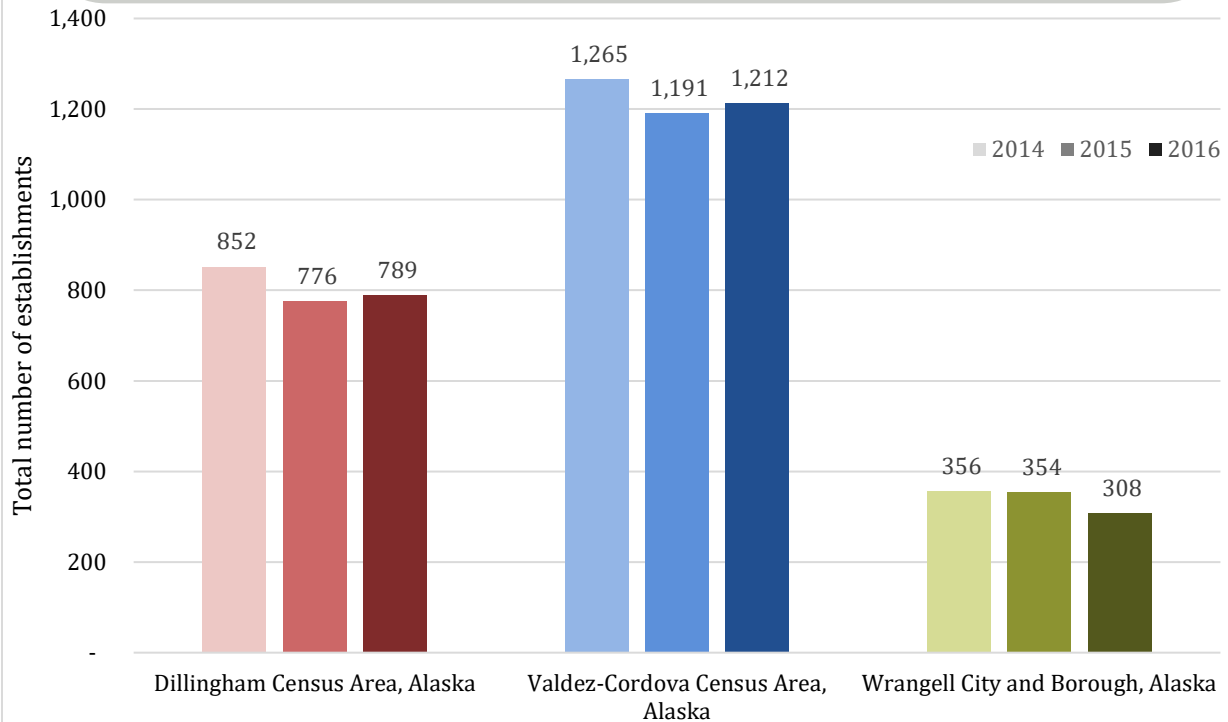


Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section

Figure 27: Self Employment Establishments and Receipts, 2014-2016

*Nonemployer data captures information for businesses with no employees; typically these represent self employed individuals. Between 2014 and 2016 there were an average of 1,223 nonemployer establishments in the Valdez-Cordova Census Area, higher than both Dillingham Census Area and the City and Borough of Wrangell. These establishments earned a cumulative total of \$48 million in 2016, averaging to approximately \$39,801 per establishment.*

*In Alaska, many of the self employed are fishermen. In the Valdez-Cordova Census Area in 2016, 397 of the 1,212 (33 percent) of the nonemployer establishments were classified as Agriculture, Forestry, Fishing and Hunting and brought in a combined \$19.5 million.*

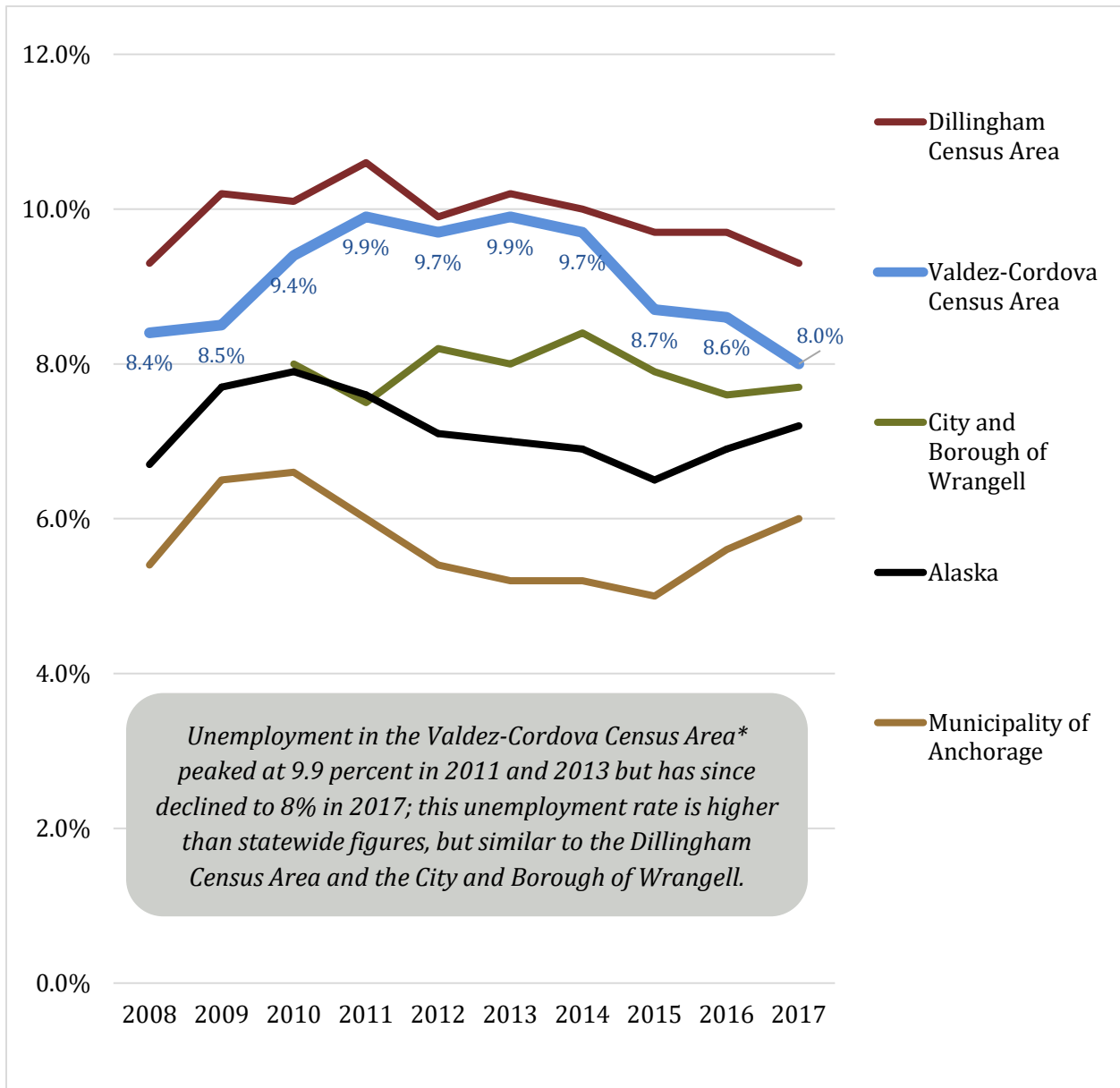


	Dillingham Census Area			Valdez-Cordova Census Area			Wrangell City and Borough		
	2014	2015	2016	2014	2015	2016	2014	2015	2016
Total receipts	\$26 M	\$18 M	\$26 M	\$57 M	\$52 M	\$48 M	\$19 M	\$14 M	\$12 M
average \$ per establishment	30,168	23,729	32,545	44,957	43,835	39,801	52,921	39,446	38,240

Source: Nonemployer Statistics. Accessed via American Fact Finder on December 13, 2018. Data based on U.S. businesses with no paid employees or payroll.

Available at <https://www.census.gov/programs-surveys/nonemployer-statistics/about.html>

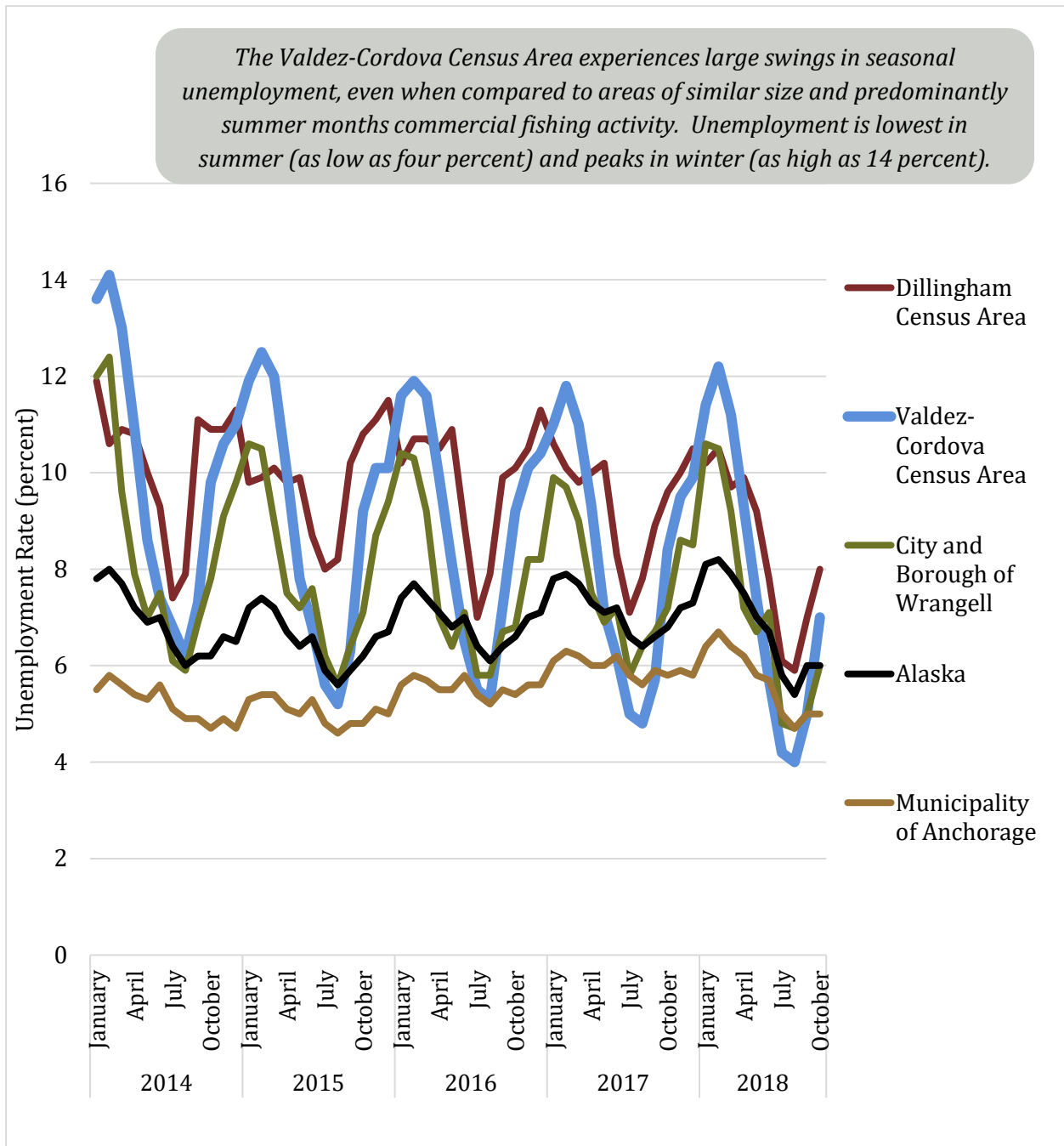
Figure 28: Average Unemployment, 2008-2017



\*The Valdez-Cordova Census Area includes Valdez (pop. 3,903), Cordova (pop. 2,360) along 23 other smaller communities such as Glennallen, Copper Center, Kenny Lake, Tazlina and Whittier

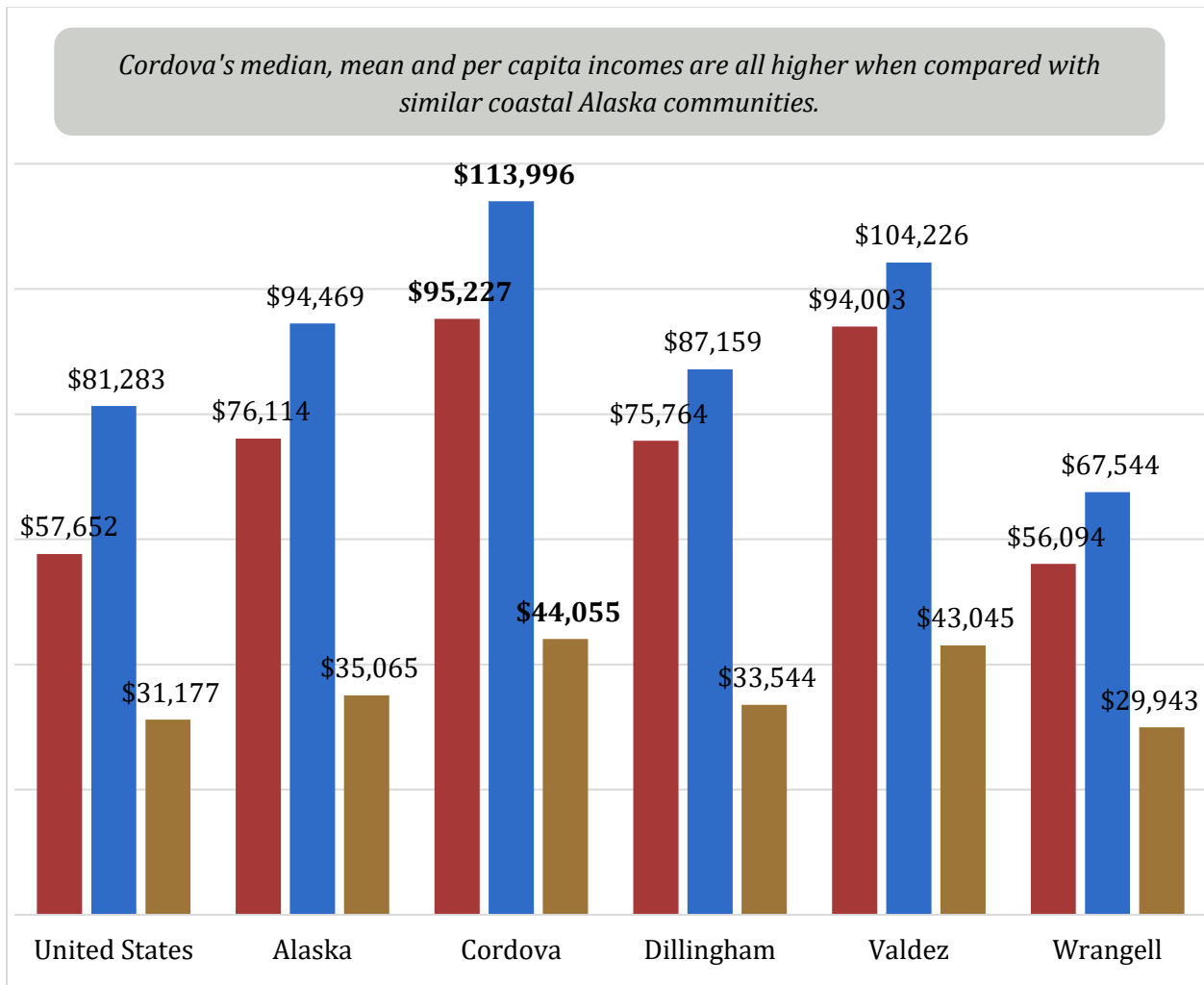
Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section

Figure 29: Seasonal Unemployment, 2014-2018



Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section

Figure 30: Income for Cordova and Comparable Geographies, 2013-2017 Five-Year Averages



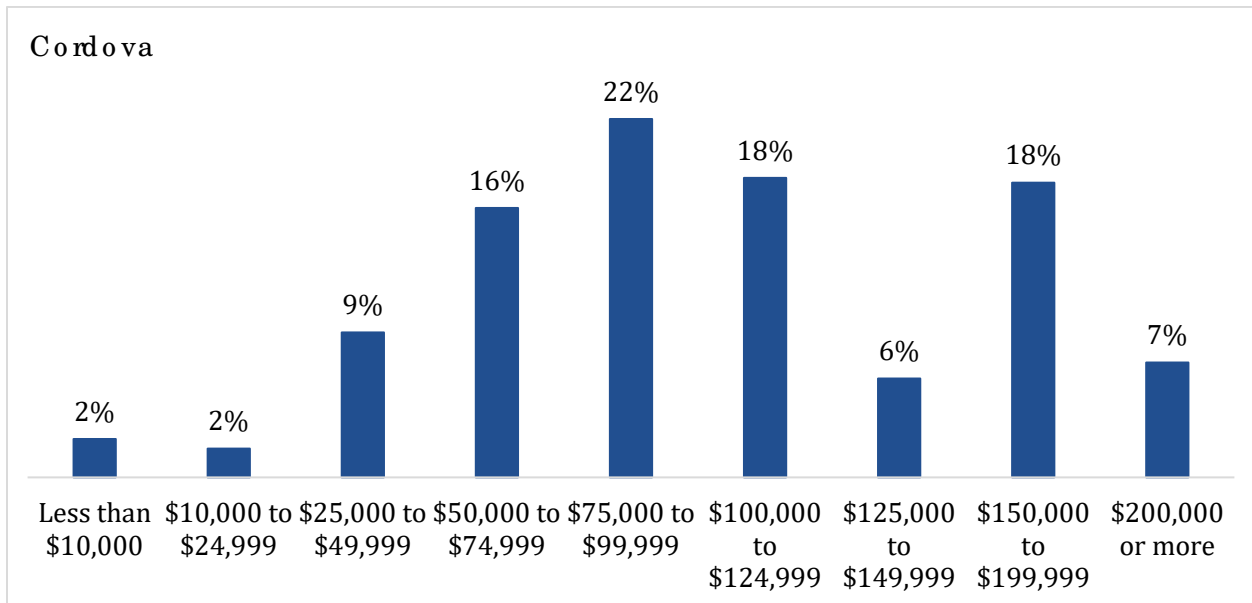
**Median income:** the mid-point income (50% of households make more, 50% of households make less)

**Mean income:** the average income across all households

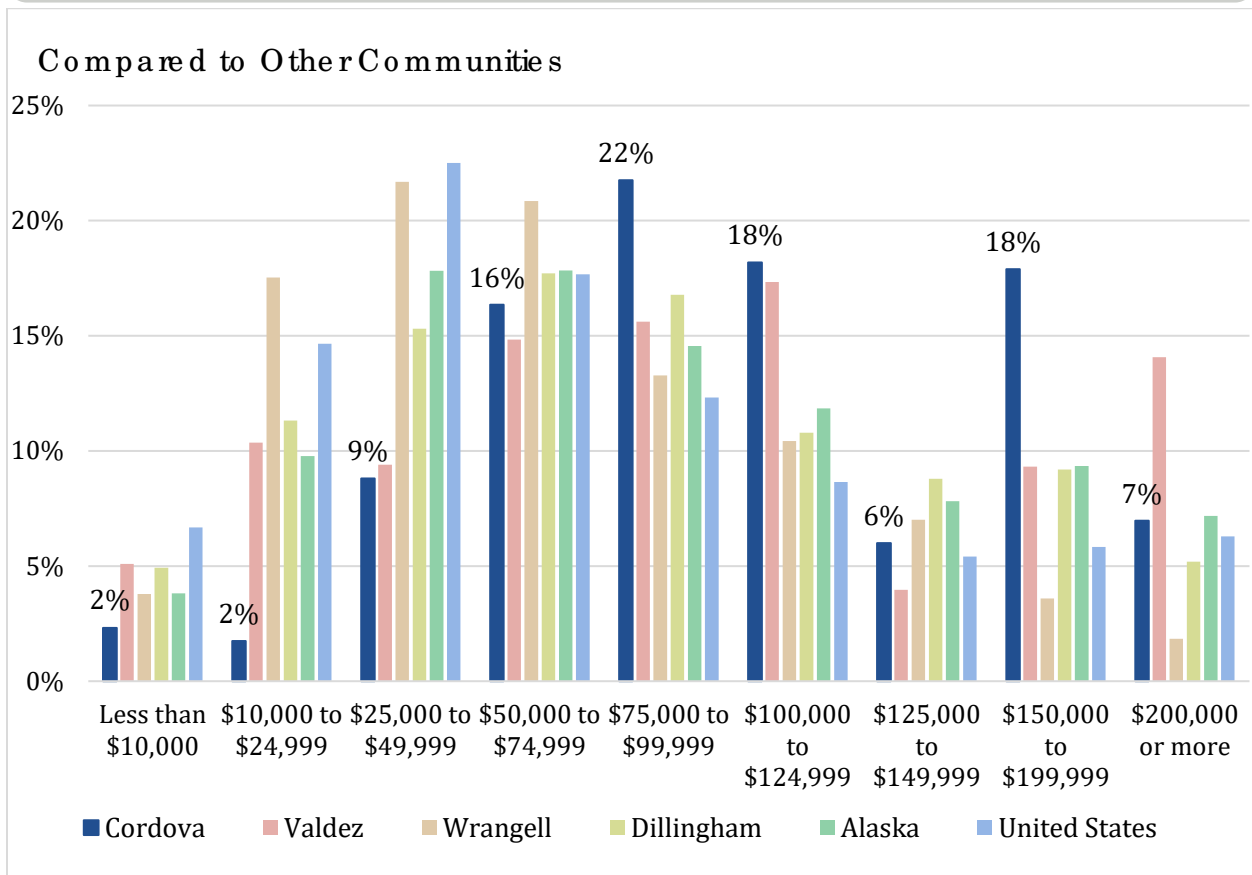
**Per capita income:** total income split by number of residents

Source: American Community Survey Five-Year Estimates, 2013-2017

Figure 31: Distribution of Household Income for Cordova and Comparable Communities, 2013-2017 Five-Year Average

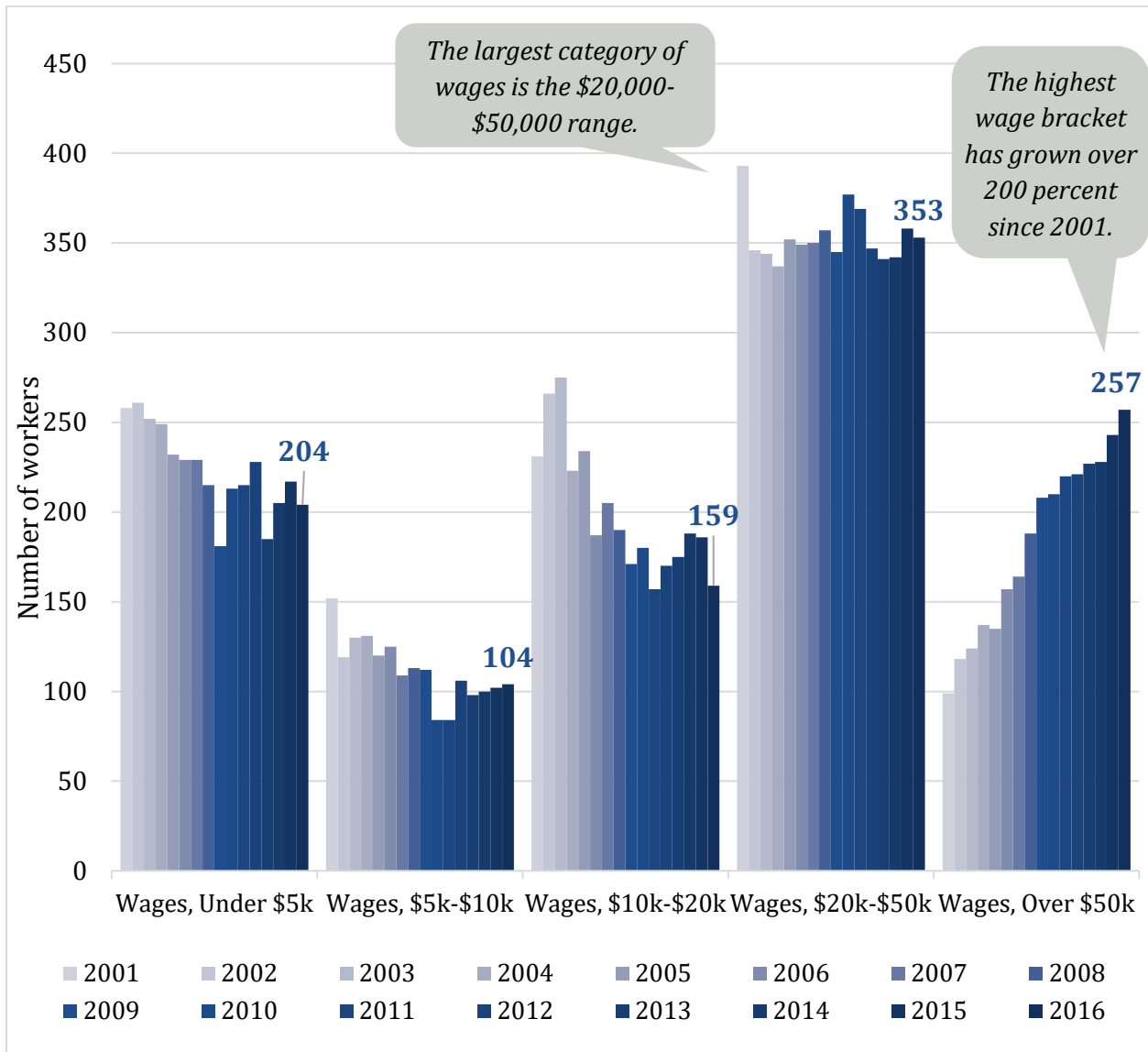


*Cordova has proportionally more households in higher income brackets when compared with both statewide averages and other coastal communities.*



Source: American Community Survey Five-Year Estimates, 2013-2017

Figure 32: Distribution of Wages in Cordova, 2009-2016

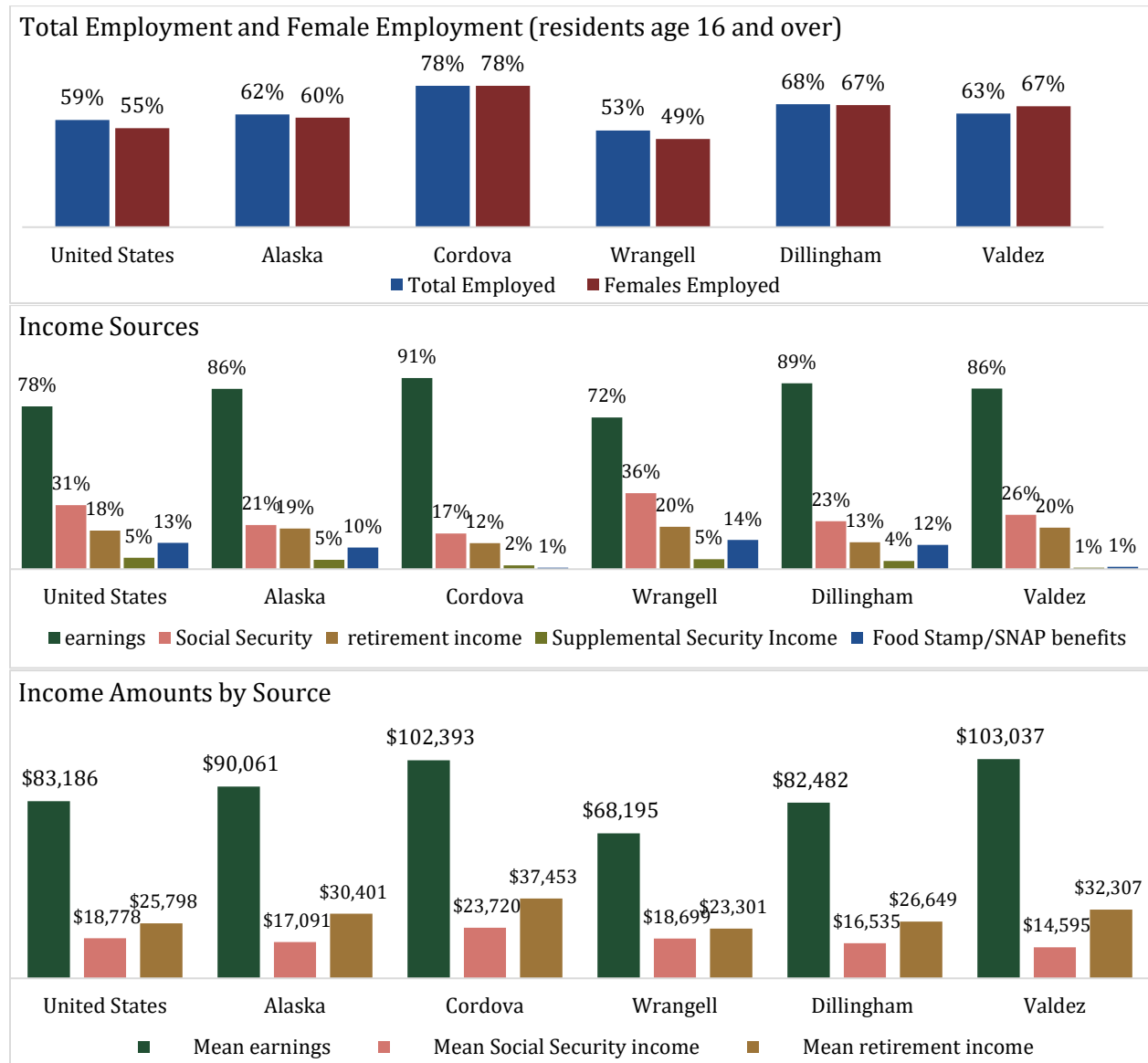


Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section, based on workers covered by unemployment insurance in Alaska. This data excludes federal workers, military members and the self-employed.

Figure 33: Summary of Factors Impacting Income in Cordova

Possible explanations for why Cordova's incomes are higher than comparable communities:

1. Cordova has higher total employment and female employment than comparable communities, which means there are more people with wages contributing to total income, and also more two-income households. 91 percent of residents reported earnings as a source of income, the highest of all the comparable communities.
2. Mean earnings in Cordova are higher than all other comparable communities except Valdez.
3. Cordova has more residents between the ages of 45 and 64 than the statewide average. People in this age group are at the peak of their careers and typically earn more than young residents and seniors. (see Figure 6). Fewer Cordova residents receive Social Security and retirement income, but those who do receive higher amounts than all other comparable communities.

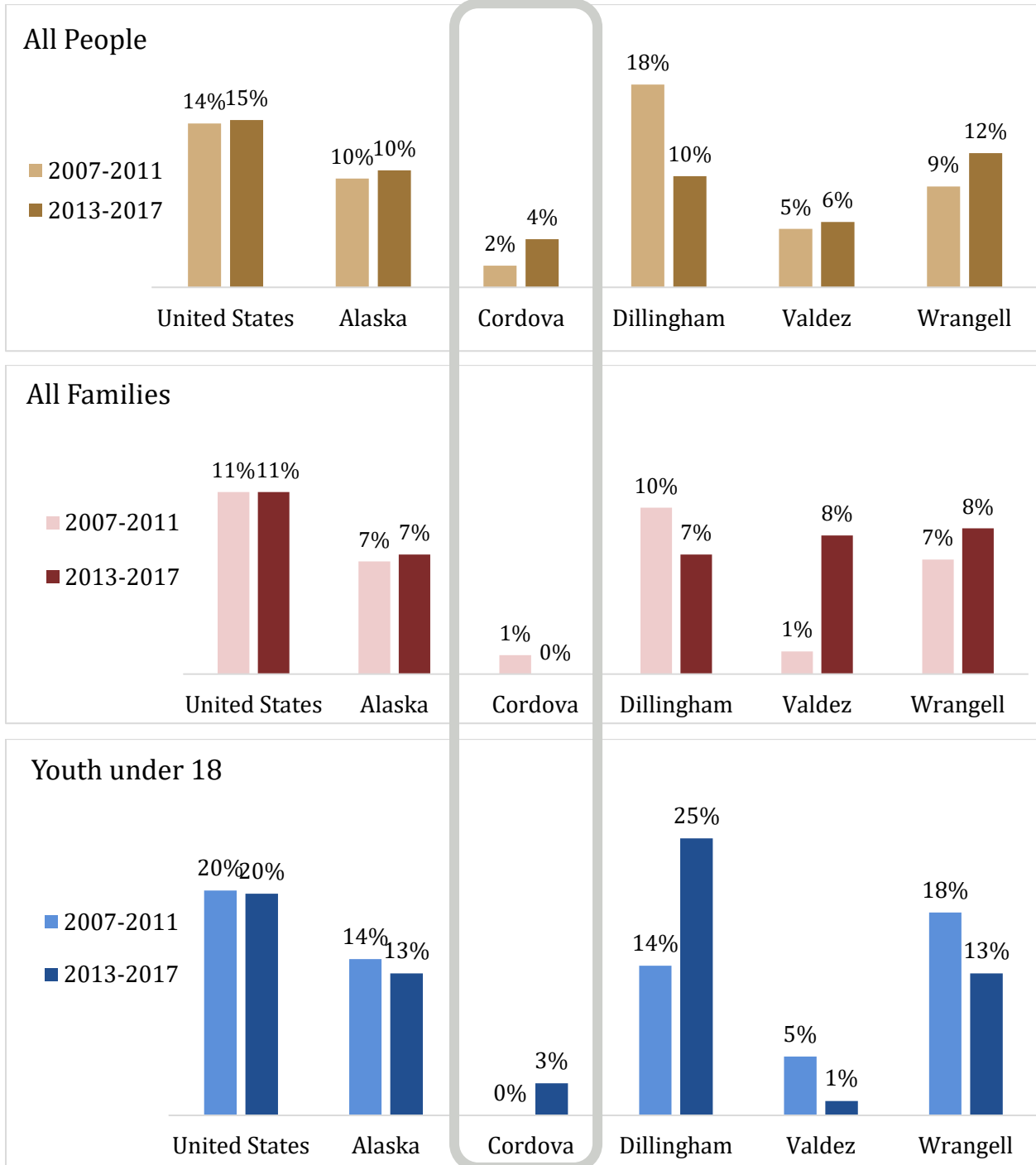


Source: American Community Survey Five-Year Estimates 2013-2017



Figure 34: Poverty Rates for Cordova and Comparable Communities, 2007-2017

Overall poverty in Cordova increased slightly between the five-year average periods from 2007-2011 and 2013-2017, but Cordova still has much lower poverty rates when compared with the state overall and other coastal Alaska communities. This is likely due to the higher median incomes and the lower unemployment rates in Cordova.



Source: American Community Survey Five-Year Estimates 2013-2017

Figure 35: Local and Nonresident Employment for Select Census Areas, 2017

Borough or Census Area	Total Workers	Local Residents <i>(live in census area)</i>	Nonlocal Alaska Residents <i>(live in Alaska but not in census area)</i>	Nonresidents	Percent Local
Valdez-Cordova Census Area	7,886	3,758	1,020	3,108	48%
City and Borough of Wrangell	1,109	749	82	278	68%
Dillingham Census Area	3,804	2,034	405	1,365	54%
Alaska	407,255	322,134		85,121	21%

Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section, "Nonresidents Working in Alaska, 2017." Available here: <http://live.laborstats.alaska.gov/reshire/nonres.pdf>

*Of those employed in the Valdez-Cordova Census Area, about half are local residents, less than comparable areas of Dillingham and Wrangell; the private sector has the highest percentage of nonlocal employment at 44 percent.*

*These numbers are all higher than the statewide percentage of nonresident workers, who make up 21 percent of the workforce statewide.*

*Across Alaska the seafood processing industry is the largest employer of nonresidents, who make up 75 percent of the processing workforce.*

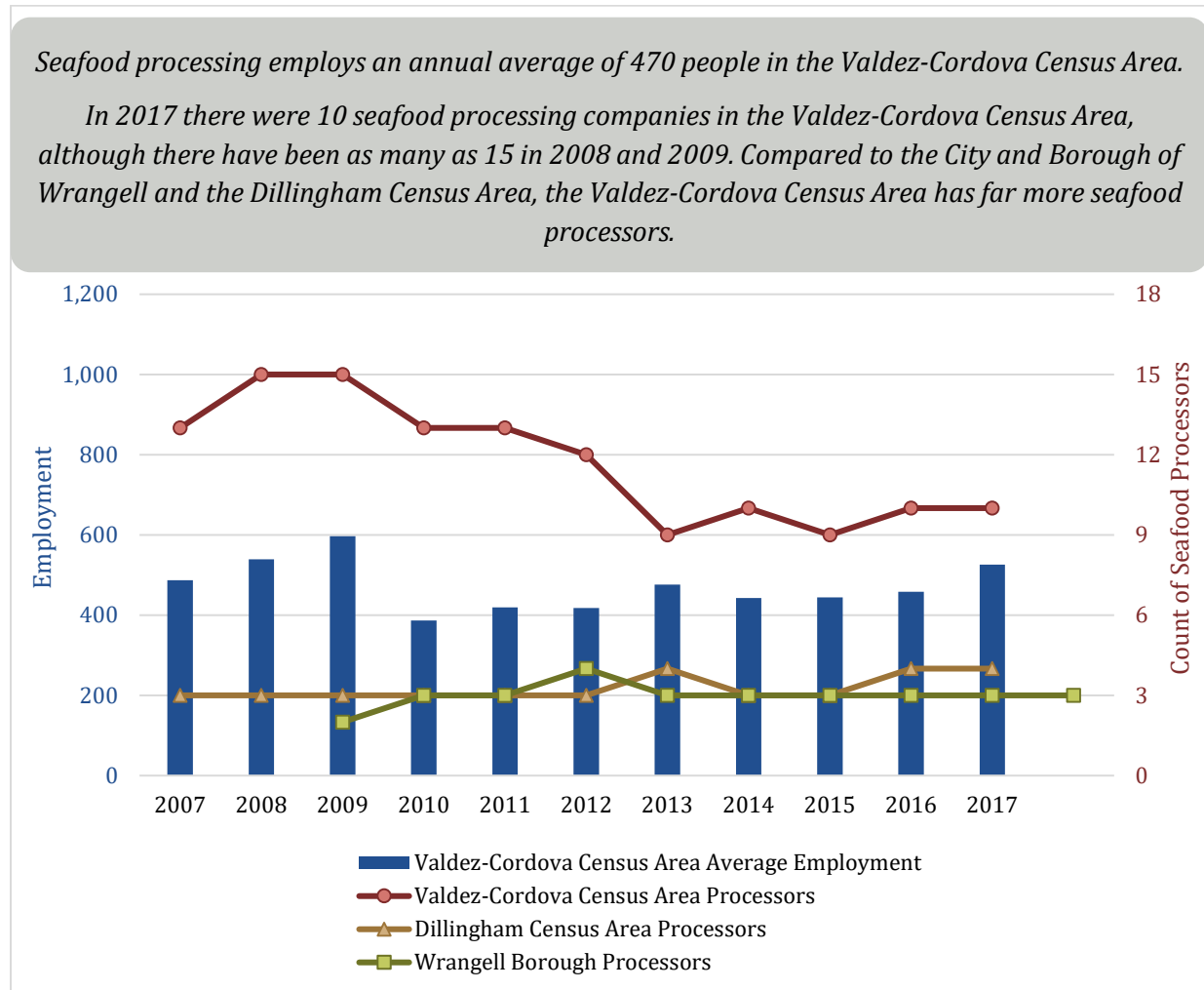


Nonresident employment by sector, 2016	State Government	Local Government	Private Sector
Valdez-Cordova Census Area	10%	14%	44%

Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section, "Nonresidents Working in Alaska, 2016." Available here: <http://live.laborstats.alaska.gov/reshire/nonres.pdf>

## Seafood Industry

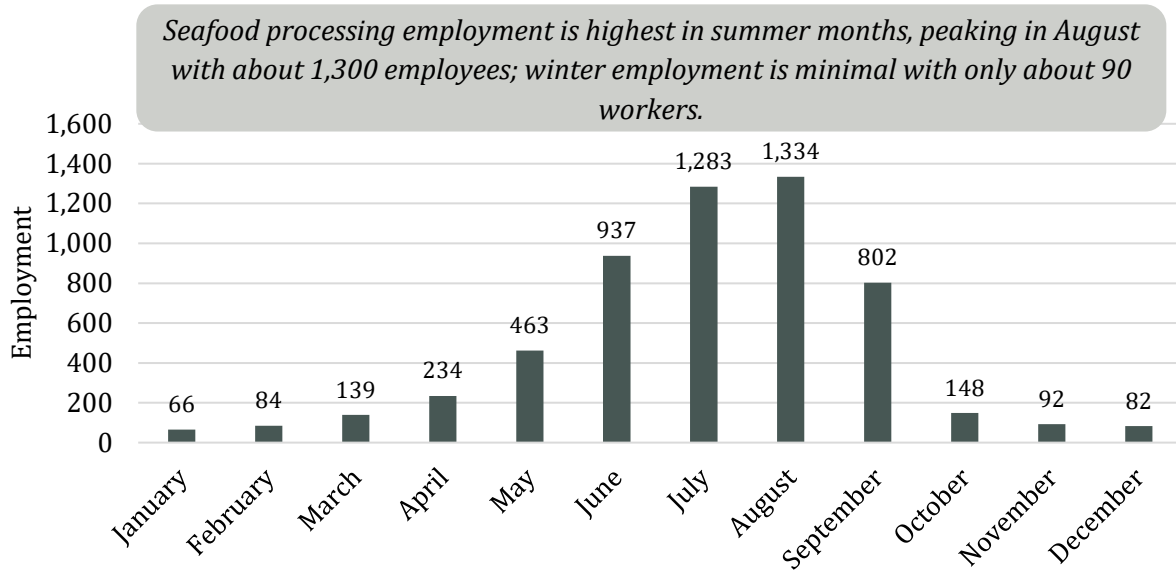
Figure 36. Average Monthly Employment and Count of Seafood Processors in Valdez-Cordova Census Area, 2007-2017



Note: Wrangell Borough was formed in 2008 and BLS seafood processor data for that geography not published until 2009.

Source: Alaska Department of Labor and Workforce Development (DOLWD), 2018. Quarterly Census of Employment and Wages by Census Area Annual Reports; Bureau of Labor Statistics (BLS), 2018. Quarterly Census of Employment and Wages Number of Establishments by Census Area

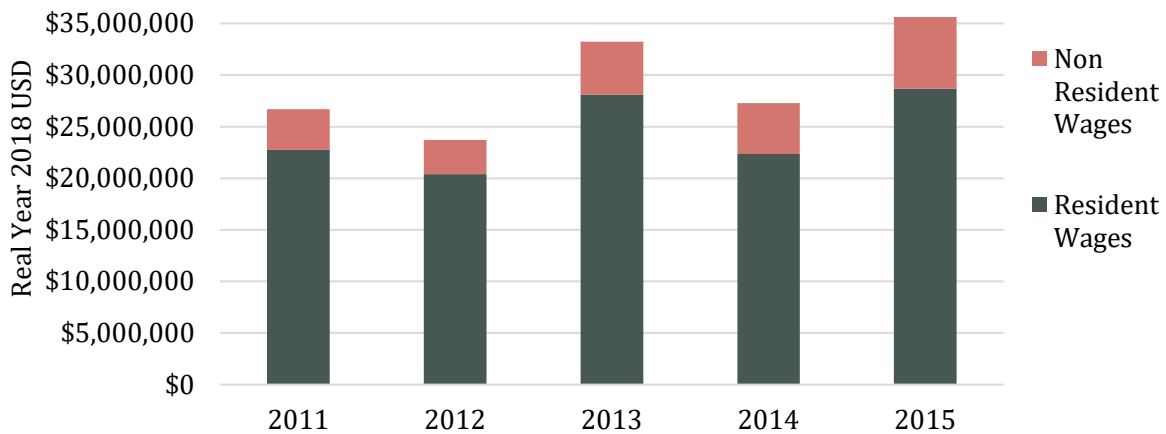
Figure 37. Seafood Processor Average Employment by Month in the Valdez-Cordova Census Area, 2007-2017



Source: Alaska Department of Labor and Workforce Development (DOLWD), 2018. Quarterly Census of Employment and Wages by Census Area Annual Reports

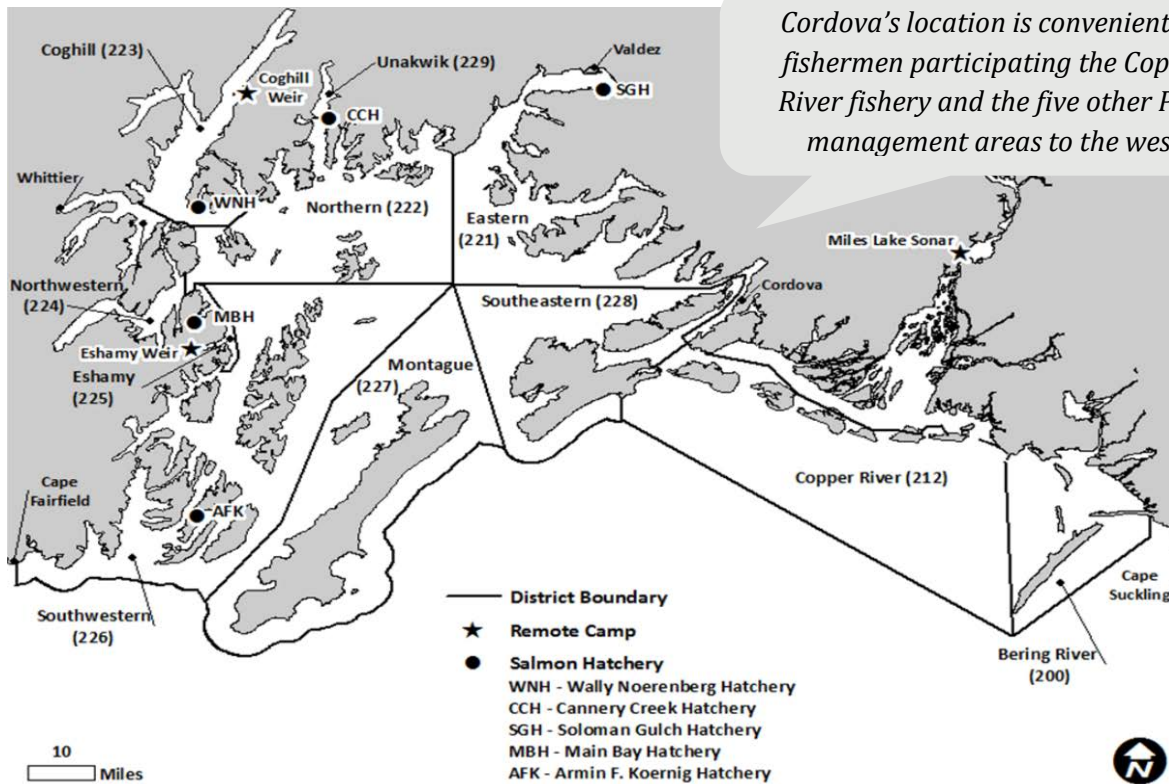
Figure 38. Labor Wages Paid to Seafood Processor Employees in Valdez-Cordova Census Area, 2011-2015

*Between 80 and 85 percent of seafood processing wages in the Valdez-Cordova Census Area are paid to Alaska residents; in 2015, nearly \$29 million was paid to Alaska residents and \$7 million was paid to non-residents.*



Source: Alaska Department of Labor and Workforce Development (DOLWD), 2017. Historic Seafood Processing Employment by Census Area, provided by request

Figure 39: Location of Commercial Fishing Districts and Hatcheries in Prince William Sound, 2017



Source: Alaska Department of Fish and Game (ADFG), 2018b. Prince William Sound and Copper River Management Area Season Summaries 2013-2017. Available at <http://www.adfg.alaska.gov/index.cfm?adfg=commercialbyareapws.salmon#harvest>

Figure 40: Cordova's Port Ranking by Quantity and Value of Fishing Catch, 2017

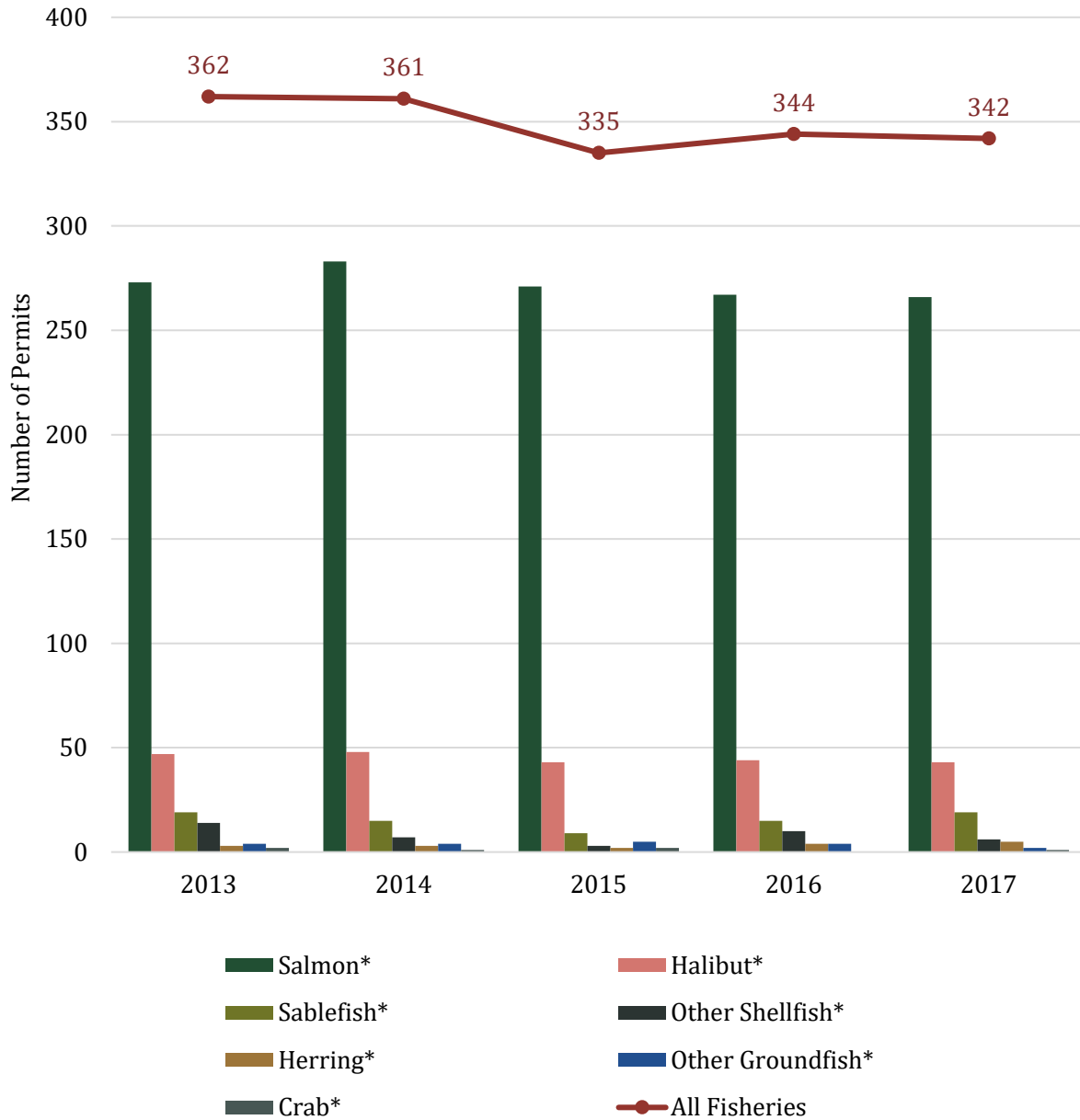
*Cordova typically ranks in the top 30 for U.S. ports by quantity and value of catch, and sometimes as high as the top 10. Alaska ports that typically report the highest catches include Dutch Harbor, Aleutian Islands (Other), Alaska Peninsula (Other) and Kodiak.*

Ranking ...		2013	2014	2015	2016	2017
The Port of Cordova's rank in the United States:	By quantity of catch	<b>11<sup>th</sup> place</b>	<b>16<sup>th</sup> place</b>	<b>10<sup>th</sup> place</b>	<b>24<sup>th</sup> place</b>	<b>15<sup>th</sup> place</b>
		<i>5<sup>th</sup> place for Alaska ports</i>	<i>8<sup>th</sup> place for Alaska ports</i>	<i>6<sup>th</sup> place for Alaska ports</i>	<i>10<sup>th</sup> for Alaska ports</i>	<i>6<sup>th</sup> for Alaska ports</i>
	By value of catch	<b>7<sup>th</sup> place</b>	<b>15<sup>th</sup> place</b>	<b>13<sup>th</sup> place</b>	<b>28<sup>th</sup> place</b>	<b>11<sup>th</sup> place</b>
		<i>5<sup>th</sup> for Alaska ports</i>	<i>8<sup>th</sup> for Alaska ports</i>	<i>7<sup>th</sup> for Alaska ports</i>	<i>9<sup>th</sup> for Alaska ports</i>	<i>7<sup>th</sup> for Alaska ports</i>

Source: National Oceanic and Atmospheric Association (NOAA), Commercial Fisheries Statistics

Figure 41: Active Commercial Permit Holders by Fishery in Cordova, 2013-2017

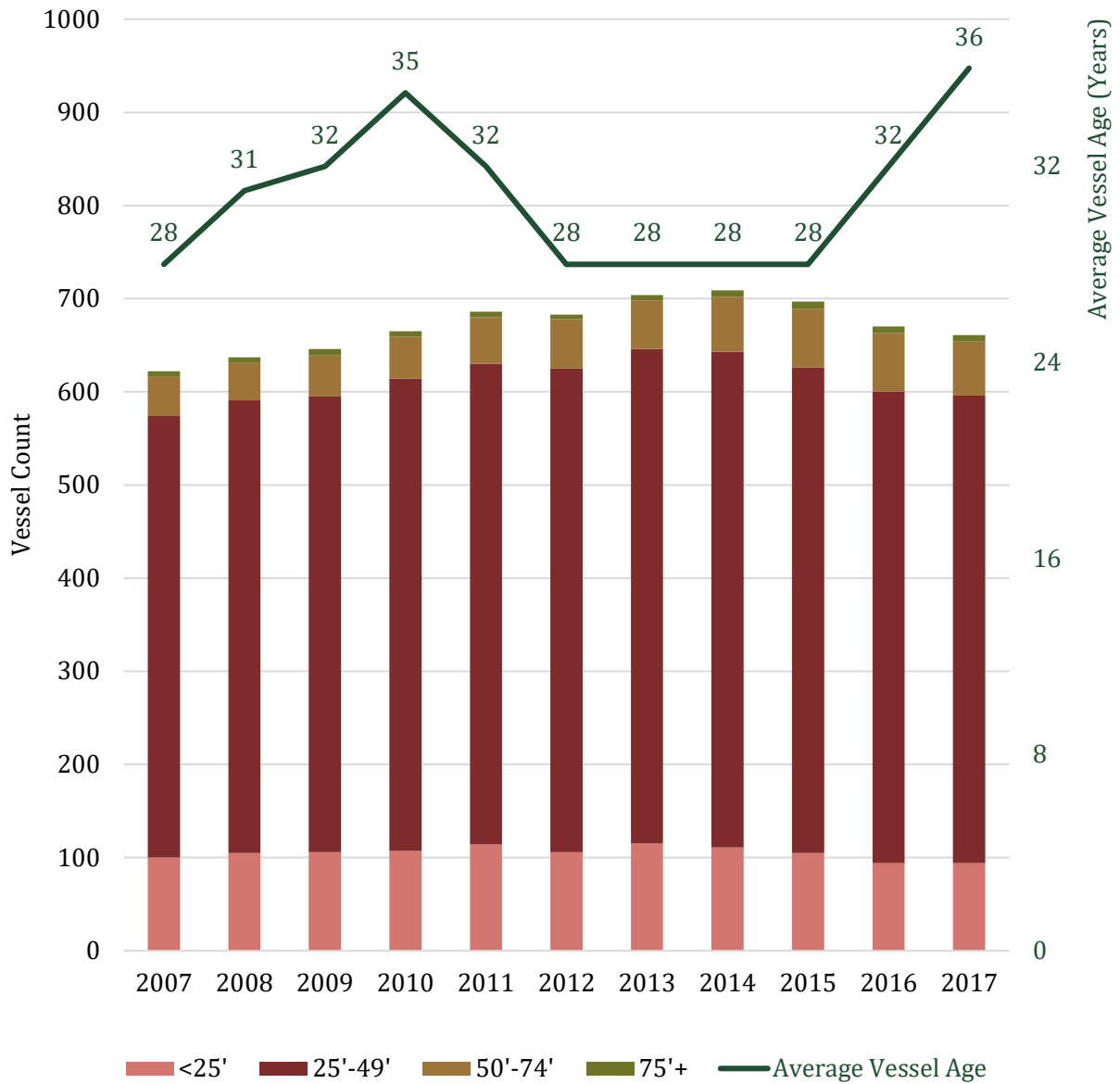
*Salmon fishing makes up between 70 and 80 percent of active permits held by Cordova residents.*



Source: Commercial Fisheries Entry Commission, 2018. Permit Holder and Vessel Yearly Data Downloads; available at <https://www.cfec.state.ak.us/lookup/#downloads>

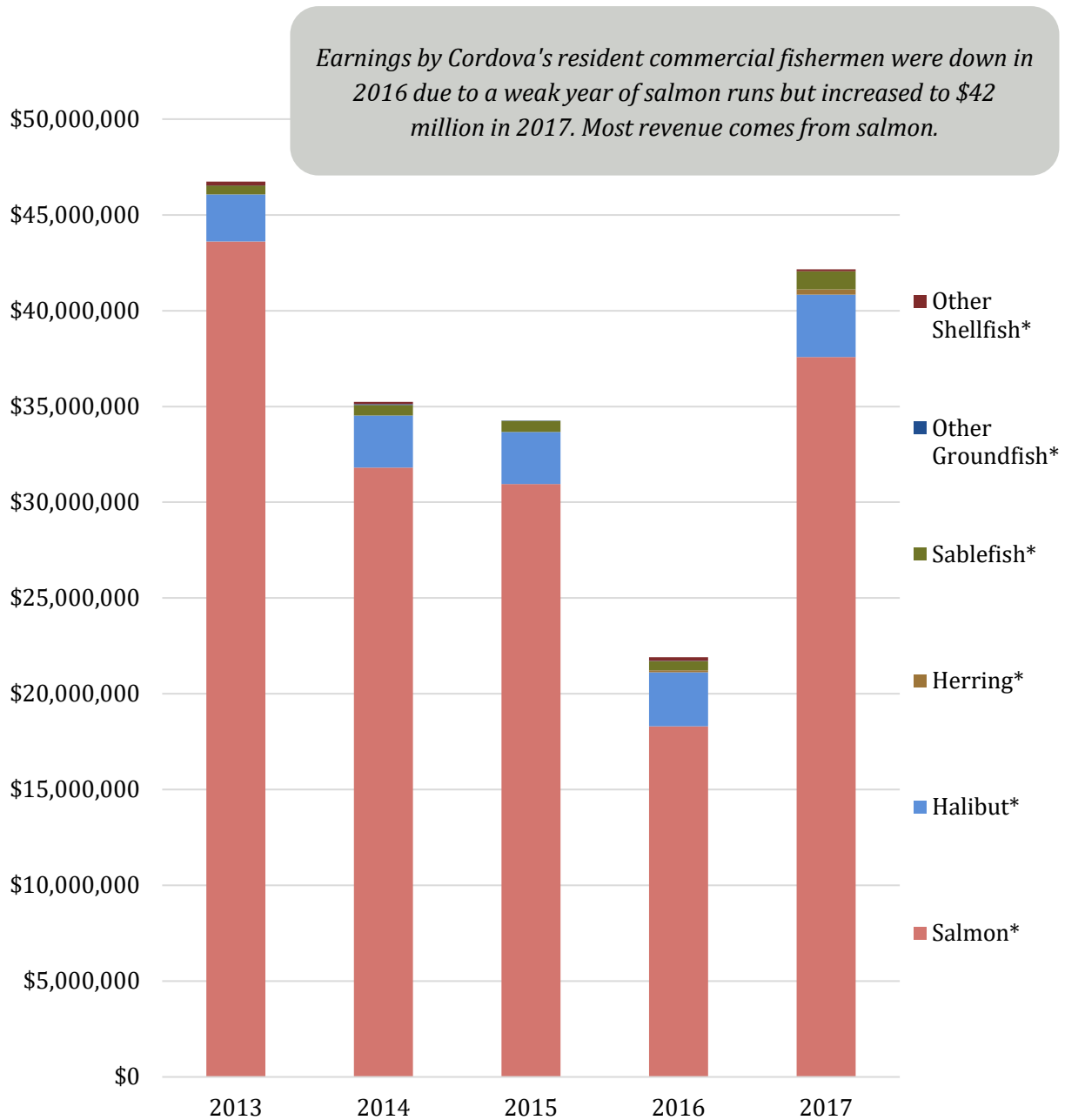
Figure 42: Age and Length of Registered Commercial Fishing Vessels Based in Cordova, 2007-2017

*In any given year there are 600 to 700 commercial fishing vessels registered to Cordova residents; about 75 percent are between 25 and 49 feet in length.*



Source: Commercial Fisheries Entry Commission, 2018. Permit Holder and Vessel Yearly Data Downloads; available <https://www.cfec.state.ak.us/plook/#downloads/>

Figure 43: Cordova Resident Commercial Fishing Revenues Excluding Crab, 2013-2017

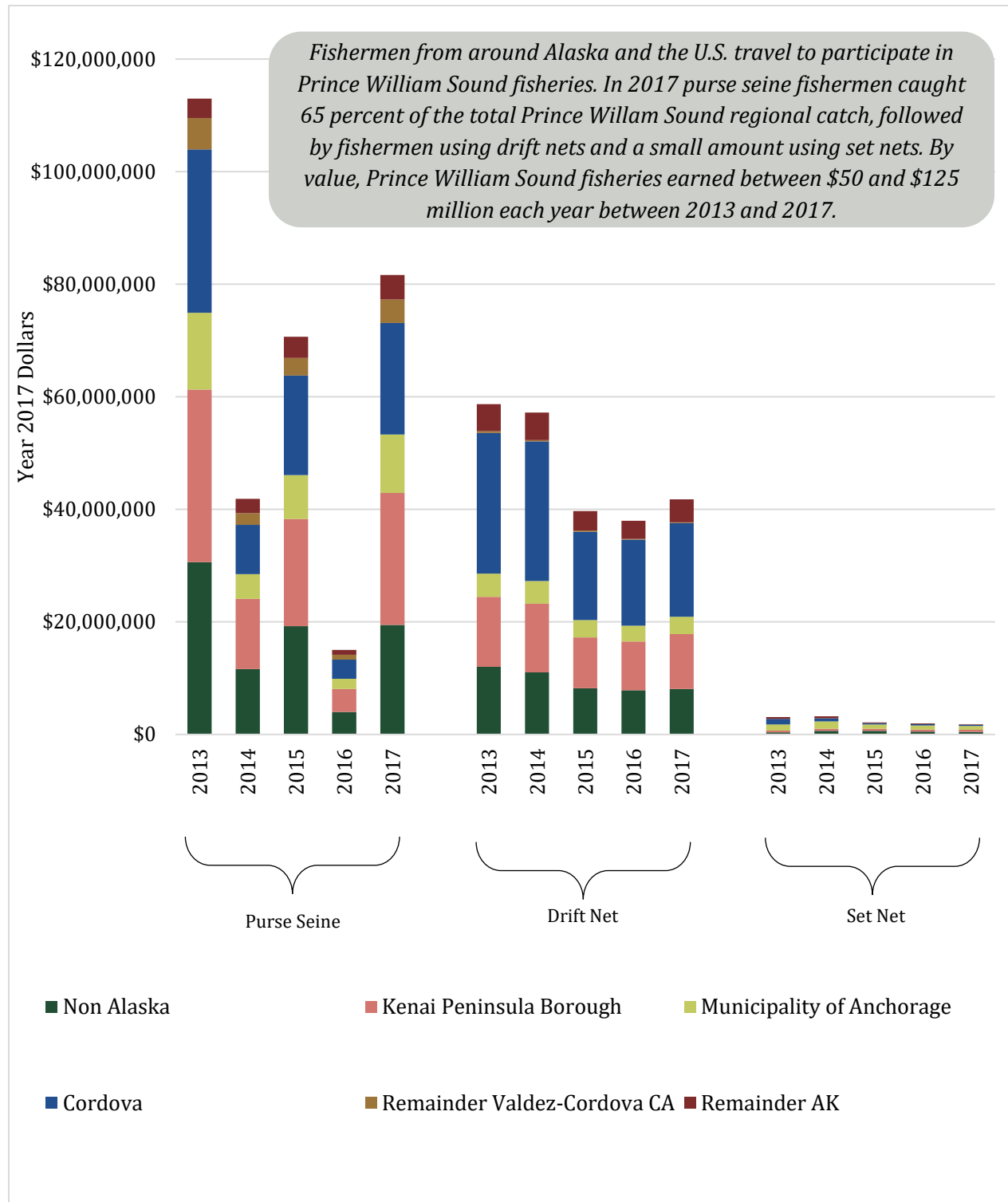


Note: This figure includes revenue from landings both inside and outside the Prince William Sound management area. The data excludes fishing revenues earned by permit holders living outside of Cordova. Fishermen from many communities around Alaska and other U.S. states travel to participate in Prince William Sound (PWS) fisheries. Cordova's infrastructure and fish processing facilities allow vessel operators from neighboring communities to bring their landings to port in Cordova.

Source: Commercial Fisheries Entry Commission, 2018. Permit Holder and Vessel Yearly Data Downloads; available <https://www.cfec.state.ak.us/plook/#downloads>



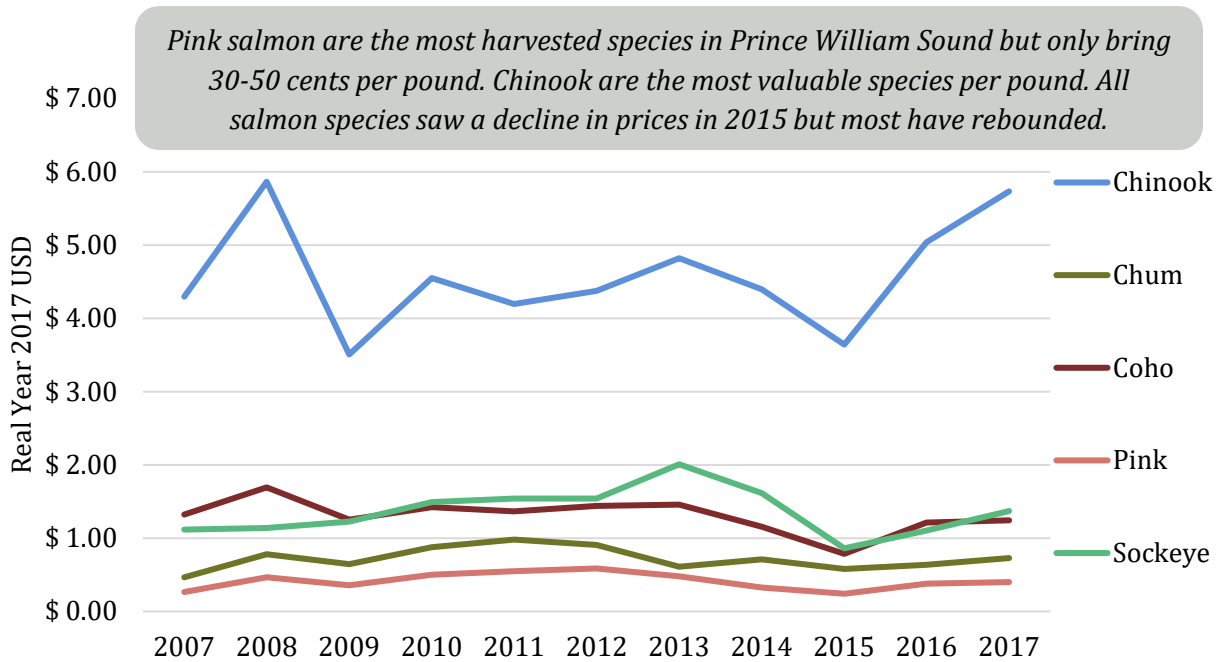
Figure 44: Prince William Sound Salmon Fishery Revenues by Gear Type, 2013-2017



Note: Salmon revenue estimates are derived from Commercial Fisheries Entry Commission (CFEC) permit data. Revenues and landed weights are reported by city and census area, according to the place of residence reported by the fishing permit holder.

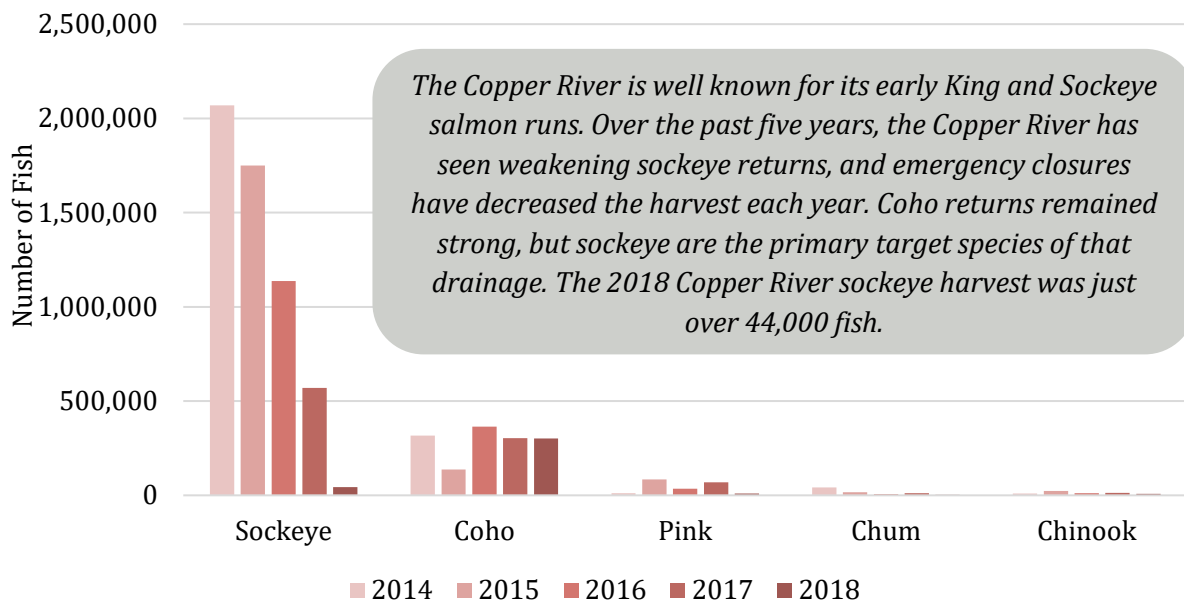
Source: Commercial Fisheries Entry Commission, 2018. Permit Holder and Vessel Yearly Data Downloads; available at <https://www.cfec.state.ak.us/plook/#downloads>

Figure 45: Alaska Statewide Ex Vessel Salmon Prices, 2007-2017



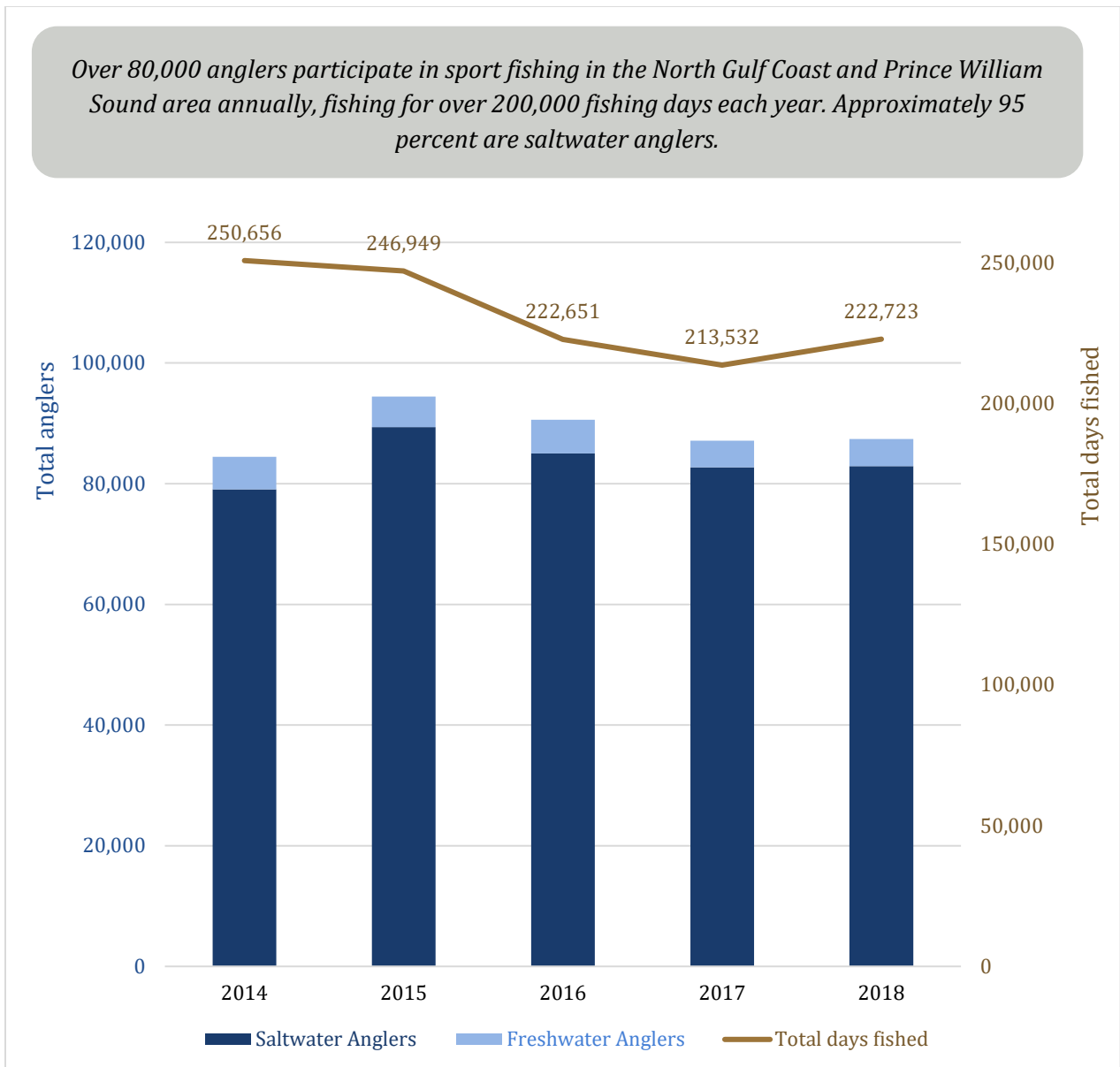
Source: Alaska Department of Fish and Game (ADFG), 2018a. Commercial Salmon Fishery Ex Vessel Prices; available at <http://www.adfg.alaska.gov/index.cfm?adfg=commerciafyfisherysalmon.salmoncathstatewide>

Figure 46: Annual Fish Harvest by Species from the Copper River, 2014-2018



Source: Alaska Department of Fish and Game (ADFG), 2018b. Prince William Sound and Copper River Management Area Season Summaries 2013-2017; available at <http://www.adfg.alaska.gov/index.cfm?adfg=commercialyarepws.salmonharvest>

Figure 47: Alaska Sport Fishing Estimates for the North Gulf Coast/Prince William Sound Survey Area J – Total Anglers and Days Fished, 2014-2018

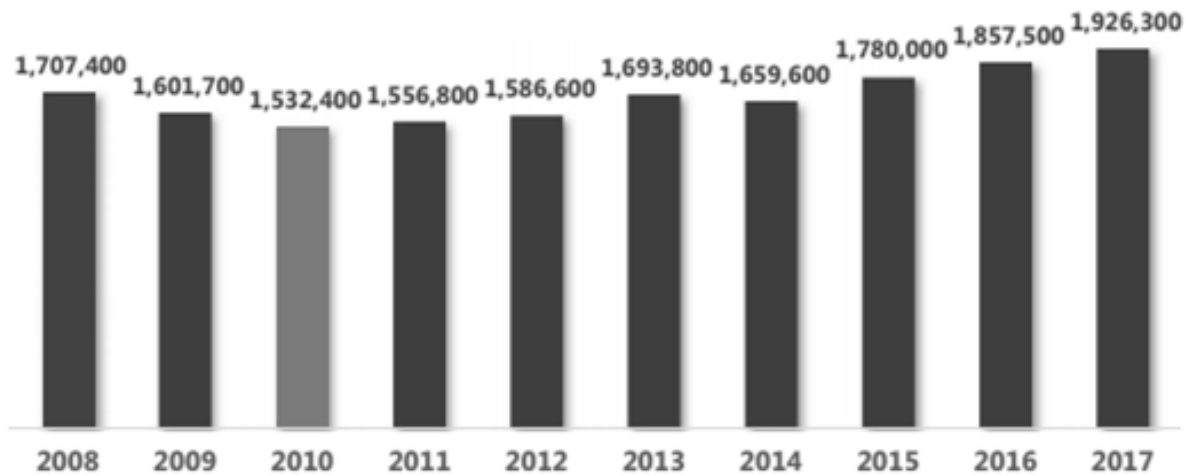


Note: Survey Area J includes all saltwater and freshwater drainages from Cape Suckling on the east through Prince William Sound to Gore Point (including Gore Point). Also included is that portion of the Copper River drainage downstream of a line between the south bank of Haley Creek and the south bank of Canyon Creek in Wood Canyon. This area includes the waters adjacent to Seward, Whittier, Valdez and Cordova.

Source: Alaska Sport Fishing Survey database, 2014-2018. Alaska Department of Fish and Game, Division of Sport Fish. Available from: <http://www.adfg.alaska.gov/sf/sportfishingsurvey/>

## Tourism Industry

Figure 48: Alaska Statewide Visitation Trends: Alaska Visitor Volume, Summers 2008-2017



*Between 2008 and 2017, overall summer visitation to Alaska increased 13%. In 2016, Cordova was added to the list of communities for tourism data collection. In 2016, Cordova had approximately 9,000 visitors, about half that of Wrangell and only 12 percent of the total estimated number of visitors to Valdez.*

Estimated Visitor Volume to Select Alaska Destinations (Cordova was added to data collection in 2016)		
	2011	2016
Cordova	n/a	9,000 visitors
Valdez	57,000 visitors	71,000 visitors
Wrangell	18,000 visitors	18,000 visitors

Source: Alaska Visitor Statistics Program, Full Report, Summer 2016