Introduced By: Date: Action: Vote: Hutchings, Chilson December 14, 2022 Adopted 5 Yes, 0 No, 1 Absent

## CITY OF SOLDOTNA RESOLUTION 2022-057

A RESOLUTION DECLARING A LOCAL ECONOMIC DISASTER FOR 2021 AND 2022 AND REQUESTING THE GOVERNOR OF THE STATE OF ALASKA DECLARE AN ECONOMIC DISASTER FOR 2021 AND 2022 FOR THE UPPER COOK INLET EAST SIDE SET NET FISHERY AND SUPPORTING A RECOVERY PLAN

WHEREAS, in the past two years restrictions imposed on the Upper Cook Inlet ("UCI") East Side Set Net ("ESSN") fishery have meant less fishing time was allowed than was stipulated in the sockeye salmon management plans; and

WHEREAS, in 2021 the total run of sockeye salmon to UCI was approximately 5.7 million fish; and

WHEREAS, in 2021 the total ESSN fishery sockeye salmon harvest was 407,007 fish, the total harvest was 56% less than the previous 10-year average (excluding 2012) for the Kasilof section and 47% less for the Kenai and East Foreland Sections, according an April 2022 report published by the Alaska Department of Fish and Game ("ADF&G"), Division of Commercial Fisheries; and

WHEREAS, the average ESSN harvest for the 10-year period from 2012-2021 is compared to the 2022 harvest in the following table

Specie	2012 – 2021	2022
Chinook	3,202	341
Sockeye	683,082	104,678
Coho	8,665	28
Pink	64,589	317
Chum	544	8

; and

WHEREAS, the Upper Cook Inlet ESSN fishery estimated 2021 gross exvessel was \$3,421,857, approximately 63% less than the 5-year average of \$9,063,869, resulting in a \$5,642,012 loss to fishery; and

WHEREAS, the Upper Cook Inlet ESSN fishery estimated 2022 gross exvessel was \$958,284 approximately 90% less than the 5-year average of \$9,063,869 resulting in a \$8,105,584 loss to the fishery; and

WHEREAS, the Upper Cook Inlet ESSN is a unique Alaska fishery, 86% of the participants are Alaskan residents 80% of which are Kenai Peninsula Borough residents; and

WHEREAS, applying a 6x multiplier effect, the losses to the Kenai Peninsula Borough economy where 80% of ESSN participants are Borough residents could potentially be in the range of \$65 million: and

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WHEREAS, AS 44.33.285 authorizes the governor, upon recommendation of the commissioner of commerce, community, and economic development, to designate by proclamation an area impacted by an economic disaster; and

WHEREAS, AS 44.33.310(3) provides that an economic disaster occurs where the annual income to workers in the designated area dropped below the average annual income for the base period, which is, for a fisheries failure, the years during which a fishery produced at economically representative levels as determined by the Department of Fish and Game; and

WHEREAS, the extremely low harvest and low exvessel values are below the level necessary to cover the cost of operating and maintaining commercial set net, processing and marketing businesses in the Kenai Peninsula Borough; and

WHEREAS, the City of Soldotna is a political subdivision of the State of Alaska; and

WHEREAS, an economic disaster declaration by the Governor would allow the legislature to appropriate funds for assistance grants and the governor may recommend in the governor's budget that capital projects planned for the area be accelerated and other steps may be taken as provided in AS 44.33.285 - .310 to accelerate the recovery from this disaster;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SOLDOTNA, ALASKA:

- Section 1. That the Soldotna City Council declares an economic disaster to exist in the areas of the Kenai Peninsula Borough affected by the 2021 and 2022 Upper Cook Inlet ESSN Fishery.
- Section 2. That the Soldotna City Council respectfully requests that the Governor of the State of Alaska declare an economic disaster, as described in AS 44.33.285, to exist in the Upper Cook Inlet ESSN Fishery and that the State of Alaska implement a recovery plan that provides private assistance and takes other actions that benefit commercial fisheries participants and others that rely on this important fishery resource.
- Section 3. The council also respectfully requests that the State of Alaska urge the Federal Department of Commerce and all other applicable federal agencies to render private and public assistance to all affected persons and entities.
- Section 4. Thata copy of this resolution shall be provided to Governor Michael Dunleavey, State Senator-elect Jesse Bjorkman, State Representative-elect Justin Ruffridge, Representative-elect Sarah Vance, Borough Mayor Mike Navarre, and the Kenai Peninsula Borough Assembly.
- <u>Section 5</u>. This resolution shall become effective immediately upon its adoption.

ADOPTED BY THE CITY COUNCIL THIS 14TH DAY OF DECEMBER, 2022.

Paul J. Whitney, Mayor

ATTEST:

John Blankenship, MMC, City Clerk

Yes: Hutchings, Ruffridge, Carey, Chilson, Parker No: None

No: None Absent: Nelson

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