

PETERSBURG BOROUGH COMPREHENSIVE PLAN UPDATE

February 22, 2016

Prepared by Agnew::Beck Consulting, Moffat and Nichol, and Northern Economics for the
Petersburg Borough

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ACKNOWLEDGEMENTS

Listed below are the many individuals, groups and organizations that have contributed to the Petersburg Borough comprehensive planning update process, beginning in the fall of 2014. THANK YOU for contributing your valuable time, knowledge of your community, the Borough, the region, and most of all, for your creative and innovative ideas on how Petersburg Borough can continue to be a great place to live, grow up, raise a family, start and own a business, build a career, and recreate. Your commitment to this process, including subsequent prioritization and implementation of key strategies and actions, is the key to the success of the plan, and the ultimate goal of sustaining the Borough by strategically building and expanding upon everything that makes Petersburg Borough great. Also – if we forgot someone in the list below, our apologies. We had so much great feedback from so many folks that we may have missed a name or two. Thank you, too!

Petersburg Borough Residents – thanks to everyone that participated in the community survey, attended a planning event/meeting and/or shared your feedback in some other format.

The Petersburg Borough Assembly

- Mark Jensen, Mayor
- Cindi Lagoudakis, Vice Mayor
- Bob Lynn
- Jeigh Stanton Gregor
- John Havrilek (former)
- Kurt Wohlhueter
- Nancy Strand
- Eric Castro

The Petersburg Borough Planning Commission

- Chris Fry
- David Kensinger
- Dona Malhoit Laubhan
- James Demko
- Mike Bangs
- Tom Stearns
- Richard Burke
- Yancey Nilsen

Petersburg Borough Comprehensive Planning Team

- Chris Fry, Planning Commission Member and Business Owner (Core Team Member)
- Glo Wollen, Harbormaster (Core Team Member)
- Liz Cabrera, Community and Economic Development Director, Municipal Land Selection Committee, Petersburg Economic Development Council (Core Team Member)
- Steve Giesbrecht, Borough Manager (Core Team Member)
- Angela Christensen, Icicle Seafoods
- Bobby Dolan, Harbor Board, Fisherman, Kupreanof resident
- Casey Flint, Business Owner, Petersburg Economic Development Council
- Chelsea Trembley, Manager, The Market & Sing Lee Alley Books and Gifts
- Dana Thynes, City of Kupreanof
- Dave Kensinger, Planning Commission Member, Land Selection Committee Member, Business Owner
- Erica Kludt-Painter, Petersburg School District Superintendent
- Hillary Whitethorn, Chamber of Commerce, Petersburg Economic Development Council, Business Owner
- Mark Jensen, Borough Mayor, Fisherman, Business Owner
- Rick Braun, Land Surveyor, Municipal Land Selection Committee
- Tom Abbot, KFSK Radio Manager, Rotary, formerly Hospital Board
- Tom Reinharts, City of Kupreanof

Boards, Committees, Groups

- Fishing Industry Leaders and Workers
- Harbor Advisory Board
- Health and Wellness Focus Group Participants
- High School Youth Leaders
- Kupreanof City Council
- Municipal Land Selection Committee
- Petersburg Borough Staff
- Petersburg Economic Development Council
- Residents and other Seniors at the Mountain View Manor
- Rotary Club
- School District Staff and Leadership
- Tribal Leaders

Individuals (thank you for taking the time to participate in a phone and/or in-person interview)

- Bob and Ione Lynn, Petersburg Borough Assembly
- Mike Luhr, Piston and Rudder
- Dave Ohmer, Trident Seafoods
- Kelly Swihart, Chief of Police
- Rick Dormer, Petersburg High School
- Ginger Evens, Petersburg High School
- Erica Kludt-Painter, Petersburg Elementary School
- Bobby Dolan, Commercial Fisherman and Kupreanof resident
- Liz Cabrera, Petersburg Borough Economic Development Council Coordinator
- Rick Braun, Land Surveying and Construction Planning
- Liz Woodyard, Chief Executive Officer of the Petersburg Medical Center
- Shalie Dahl, College Student, Grew up in Petersburg
- Steve Giesbrecht, Petersburg Borough Manager
- Dave Kensinger, Chelan Produce, Planning Commission, Land Selection Committee, Vice President of the Chamber of Commerce
- Desi Burrell, Magistrate Judge
- Megan O'Neil, Petersburg Vessel Owner's Association
- Deb Hurley and Craig Olson, Island Flowers
- Guylynn Etcher, Glacier Coffee
- Mark Jensen, Petersburg Borough Mayor
- Everyone that came to share their ideas with the Consulting Team at Glacier Coffee on the mornings of Thursday, September 24th and 25th, 2015.

Consultant Team



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LIST OF ACRONYMS

- ADF+G – Alaska Department of Fish and Game
- ADEC – Alaska Department of Environmental Conservation
- ADU – Accessory Dwelling Units
- AK DOT+PF – Alaska Department of Transportation + Public Facilities
- AHFC – Alaska Housing Finance Corporation
- AMHS – Alaska Marine Highway System
- AML – Alaska Marine Lines
- CIP – Capital Improvement Projects
- CUP – Conditional Use Permit
- DNR – Alaska Department of Natural Resources
- EMS – Emergency Medical Services
- EIS – Environmental Impact Assessment
- IEDC – International Economic Development Council
- IFA – Inter-Island Ferry Authority
- IFQ – Individual Fishing Quota
- IRR – Indian Reservation Roads
- ISO – Insurance Services Office
- GIS – Geographic Information System
- MAPP – Mobilizing Action through Planning + Partnerships
- NMFS – National Marine Fisheries Service
- PBSB – Petersburg Borough School District
- PEDC – Petersburg Economic Development Council
- PIA – Petersburg Indian Association
- PMC – Petersburg Medical Center
- PMP&L – Petersburg Municipal Power & Light
- PVFD – Petersburg Volunteer Fire Department
- SAR – Search and Rescue
- SATP – Southeast Alaska Transportation Plan
- SEAPA – Southeast Alaska Power Agency
- STIP – Statewide Transportation Improvement Program
- THRHA – Tlingit-Haida Regional Housing Authority
- UAS – University of Alaska Southeast
- USFS – United States Forest Service
- WAVE – Working Against Violence for Everyone



Annual Pickled Herring
Contest

What can this Plan do for Petersburg?

The Comprehensive Plan Update gives Petersburg Borough residents, businesses, organizations, and landowners a tool to set a shared course for the future that is based on a thorough review and honest look at the Borough's challenges and opportunities. The Plan provides a framework to guide future decisions on land use, economic development and other key community development topics; the broad goal – provide today and future generations of Borough residents the same chances for a good life and ways to make a living that have been enjoyed by older generations. The development and effective implementation of a comprehensive plan is an essential role of the Petersburg Borough.

What does the Plan recommend?

Based on research, analysis and many community conversations, the plan sets out goals, strategies and implementation actions on a range of topics; these include borough management, land use and the environment, economic development, transportation, recreation and tourism and waterfront development. The body of the Plan presents specifics; big themes are summarized below:

- Focus on sustaining and **building local jobs and business opportunities**. No single strategy or action will reach this goal. Instead, action is needed on multiple fronts that maximize the skills of local resident's skills and take advantage of the abundance of local resources. For example:
 - Support and expand the seafood industry – harvesters, processors and community; in particular, work to expand on-shore services;
 - Improve access and attractions for small cruise boats, yachts and independent travelers, to increase spending that benefits local businesses; and,
 - Support sustainable harvest and local milling of the region's timber resources, both to expand local jobs and businesses and reduce construction costs. This can be done by encouraging the forest service and state to provide small timber sales geared towards local mills rather than the large sales that are primarily bought by out of borough large mills.
- Recognize and support **Petersburg Borough's quality of life of as an economic engine**. Local schools, health care, trails and sidewalks, hunting and fishing, the library, yoga classes, community events – these are not just luxuries, they are the amenities that make the difference between individuals and families choosing to live and invest energy in the Borough, or go elsewhere. This is particularly true for people with a choice – fisherman, retirees, young people and tourists.



The ingredients for a world class, successful fishery and industry: fisherman/harvesters, processors, other fisheries support services and businesses, and community.



Career and technical education classes at Petersburg High School can give students the skills needed to fill worker gaps, such as accountants, mechanics, medical support, refrigeration experts, and welders.

- Continue to focus on **efficiency and frugality** in the provision of public services and facilities. Wherever possible, use public-private partnerships to more efficiently provide the services and facilities desired by local residents and take a creative, entrepreneurial approach to government. For examples of current and potential partnerships, see the three illustrations listed in the box above.

- Petersburg is an aging community, and many **older residents have skills and resources** that – if transferred to a new generation – could help keep Petersburg a vital community into the future. Explore and expand options, including mentorships, school-business partnerships, and the [Petersburg Community Foundation](#), to harness and share the skills and success of the older generations that helped build Petersburg Borough with a new generation of local residents.

- Improve the **communications and transparency of borough government**. Encourage all residents, particularly those recently added from outside the former City boundaries, or outside Service Area One to create the new Borough, to participate in borough decision-making and boards and commissions. Ensure the facts about how money is collected and spent by the Borough are clear and accessible.

- Make **wise use of the land within borough boundaries**. Maximize the value of waterfront property and make thoughtful, sustainable public investments in harbor and dock infrastructure. Extend subdivision authority borough-wide so future projects, including subdivisions by institutional land owners like the Alaska Mental Health Trust Authority, are well designed.

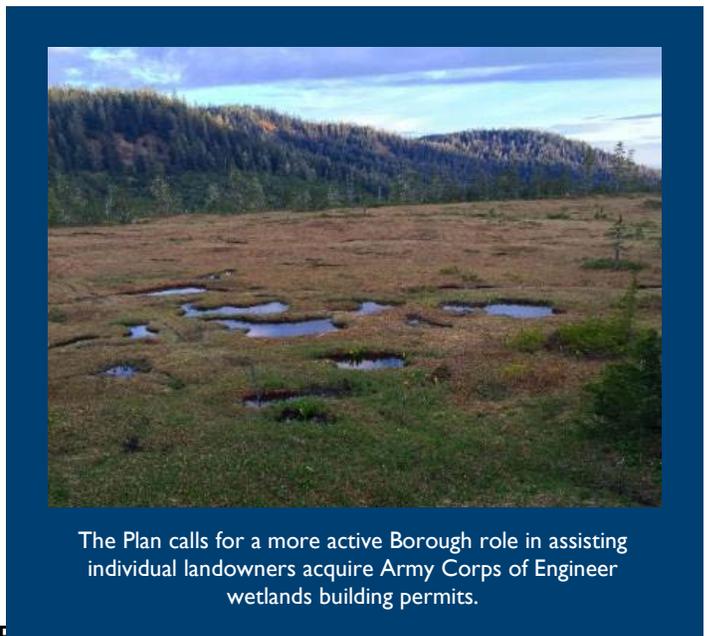
- Create a borough-wide **generalized land use plan map**, as a reference for improved zoning in Service Area One, and throughout the Borough, for land selection, infrastructure planning, and a future reference for policies to help protect property owners and property values. Guide development of large scale developments that may come in the future, to mitigate any potential degradation of the quality of nearby property owners and the natural environment. Find a reasonable balance between the freedom to use your land as you see fit, and the freedom to not have your property/your life unduly impacted by the actions of your neighbors.

- Take steps to **improve financing options for housing** for younger residents so these younger generations can afford to stay in and or move back to the Borough to live and make a life in Petersburg.

- Improve the Borough transportation system. In particular, work in partnership with other regional communities to **sustain ferry, freight and air service**.

- Recognize **the importance of subsistence** as a way of life and a way to put food on the table. Work with state and federal agencies to protect habitats and provide access to subsistence resources.

- Sustain **rural lifestyles** including hunting and fishing, food security, public access to waterfront, streams and uplands, and freedom to make your own life free of too many rules and regulations. Tailor land use policies to reflect differences in uses between Service Area One, versus road accessible Mitkof Island, versus more outlying areas of the Borough.



Accomplishments since the City of Petersburg developed the 2000 Comprehensive Plan

- Expanded housing in the Tlingit-Haida subdivision.
- Upgrades at the Petersburg Medical Center (PMC) and clinic, including telemedicine capabilities.
- New community branding guidelines, by Petersburg Economic Development Council.
- The Mitkof Cannery was purchased by locally-owned Tonka Seafoods.
- The shipyard was purchased and improved by a joint partnership between an established local business and a team of fishermen.
- Construction of South Mitkof terminal and paved connecting highway.
- Acquisition of Scow Bay property.
- New public cold storage.
- Construction of a new fire hall.
- Petersburg Indian Association Tribal Transportation Program contributions to major constructions, operation and maintenance of community sidewalks and trails.
- Airport upgrades.
- Waterfront improvements, including crane dock improvements, a drive-down dock facility, the new North Harbor and improvements/expansion of Icicle Seafoods, Trident and Ocean Beauty.
- A new GCI Fiber Optic cable now brings increased global connectivity.
- Main Street and Haugen Drive reconstruction.
- Blaquiere Point ramp and parking.
- Construction of the new library.
- Improvements at Sandy Beach subdivision and park.
- New trails, neighborhood parks and ballfields, including an extension of the bike trail.
- Recent upgrades to the water plant.
- Borough establishment in January 2013.

Petersburg Borough Past and Present – Assets and Strengths

Petersburg Borough has...

- Access to rich marine and on-land resources, providing the enduring foundation for a great place to live and make a living.
- Skilled, energetic residents and businesses who have worked hard to harness local resources to build a diversified seafood industry and bustling local economy.
- Petersburg Borough's resilient harbor facilities and related activities have and will continue to be strong contributors and determinants of the health of the Petersburg Borough economy. (*See "A Closer Look: The Economic Impact of Petersburg Borough Harbors" in the Economic Development Chapter of the full plan for more details!*)
- A compact, attractive, walkable town, with a high quality school, medical center, library, trails and other public/non-profit services that create a quality place to live and visit.
- Thriving cultural traditions, visible in buildings, art, food and ways of living.
- The benefits of daily commercial jet service and affordable, hydroelectric generated electricity – remarkable for a remote community of just 3000 people.
- A newly formed borough that gives local residents and business much greater capacity to address the opportunities and challenges of the future.



Celebrating and educating on the importance of community engagement and involvement during Mayfest 2015: Representatives of the Volunteer Fire Department and the Local Emergency Planning Committee.

Petersburg Future – New Challenges, Opportunities

Like all of Alaska, for over 35 years, Petersburg Borough has greatly benefited from Alaska’s oil wealth and generous federal spending. The State of Alaska has provided most of the funds to develop and operate key local services, including the ferry and airport, hydroelectric projects, roads and schools. This spending allows Alaskans to have high quality services while paying the lowest individual taxes of any state in the country. This world is changing – oil production and oil prices are down, federal spending is declining, and Alaska now faces annual budget deficits in excess of 3.5 billion dollars.

Today and into the future, it is highly likely Alaskans and Alaska communities will have to pay a larger share of the public services and facilities they enjoy. The Petersburg Borough will need to be more economically self-sufficient. The Borough will need to make strategic decisions to determine which public policies and which investments are affordable and necessary to build a strong and diverse local economy that will sustain the public services and other qualities that make Petersburg Borough a great place to live.



Listening to the Community

In the fall of 2014, the Petersburg Borough hired the Agnew::Beck Consulting team to assist with updating the 2000 Petersburg Comprehensive Plan and develop a Waterfront Master Plan. Agnew::Beck, with partners Moffatt & Nichol and Northern Economics, worked with the community to ensure the planning process, and ultimately the final plan, met community needs. Community outreach started in the early stages of the plan and continued throughout the process.

Community Flyers

What is YOUR... Future Petersburg?
Petersburg Comprehensive Plan Update + Harbor Master Plan

How have we changed? How might things look in the future?
What are our biggest issues and challenges?
What are current and opportunities?
What are our long-term priorities?

OPEN HOUSE
6:00 – 9:00 pm Thursday, December 11th
at the Municipal Building (Old Library)
Light refreshments will be provided. We will have a community survey available.

Visit the Borough website or Facebook page for project information:
www.ci.petersburg.ak.us / [facebook.com/petersburgalaska](https://www.facebook.com/petersburgalaska)
Take the community survey:
www.surveymonkey.com/s/petersburg

Do you have additional questions? Contact us!
Liz Cabrera – Borough Project Manager
Petersburg Borough
Phone: (907) 773-4042
Shelly Wade – Consultant
Agnew::Beck Consulting
Phone: (907) 345-5336

What is YOUR... Future Petersburg?
Petersburg Comprehensive Plan Update + Harbor Master Plan

We want to share what we've heard so far!
1:30-5:00 pm Friday, Feb. 27th at "The Trees" (MP 10.2 Mitkof Hwy)

Visit the Borough website or Facebook page for project information:
<http://www.ci.petersburg.ak.us> / [facebook.com/petersburgalaska](https://www.facebook.com/petersburgalaska)
Send us your comments: petersburgplans@ci.petersburg.ak.us

Do you have additional questions? Contact us!
Liz Cabrera – Borough Project Manager
Petersburg Borough
Phone: (907) 773-4042
Shelly Wade – Consultant
Agnew::Beck Consulting
Phone: (907) 345-5336

Petersburg Comprehensive Plan Update + Waterfront Master Plan

We want your thoughts on the draft plans. Did we get it right? Come tell us in person!

When:
6:30 - 8:00 am Thursday, Sept. 24th
6:30 - 9:00 am Friday, Sept. 25th

Where:
Glacier Express Cafe
400 Nordic Dr.

Why should you care? What is in the plan?

- Land Use policies that set the stage for prudent low and medium development can happen, and managing the impacts of large development projects.
- Economic Development initiatives for important and growing businesses and jobs, and improve other waterfront uses.
- Waterfront policies and projects that aim to support the fishing industry while growing the Borough, the Borough budget, and options to sustain existing services as federal and state support declines.
- Through Management policies that focus on inferring residents about the risks of federal and state support declines.
- Planning policies to support the usage, affordability and quality of housing in the Borough.

SEND US YOUR COMMENTS:
petersburgplans@ci.petersburg.ak.us
The deadline for comments is September 30, 2015.

Visit the Borough website or Facebook page for information and to view the draft:
<http://www.ci.petersburg.ak.us> / [facebook.com/petersburgalaska](https://www.facebook.com/petersburgalaska)

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Steps to Finalize the Two Plans

The Comprehensive Plan and the Waterfront Master Plans were developed with extensive public and stakeholder input, including a thorough community review process. There are two remaining steps to finalize the plans:

1. The project team will present the plans at a public hearing to the Planning Commission. Following the meeting, the Planning Commission will make recommendations to the Petersburg Borough Assembly for actions on the plans.
2. The Petersburg Borough Assembly will host a public hearing, where the plan will be presented for review and approval.

After the plans are finalized, the process for implementing both the Comprehensive Plan Update and Waterfront Master Plan will include developing an annual work plan of “priority actions” from the suite of actions identified in the Plan. This annual work plan will take into account existing and anticipated resources. The annual work plan will be developed by and provide direction to Borough leadership, staff and their partners. Equally important, the annual work plan will give Borough residents a detailed picture of what progress is being made on the plan. Related, the Borough will provide a simple annual update, the “Comprehensive Plan Update + Waterfront Plan Progress Dashboard,” of progress made on the Comprehensive Plan Update and Waterfront Master Plan.



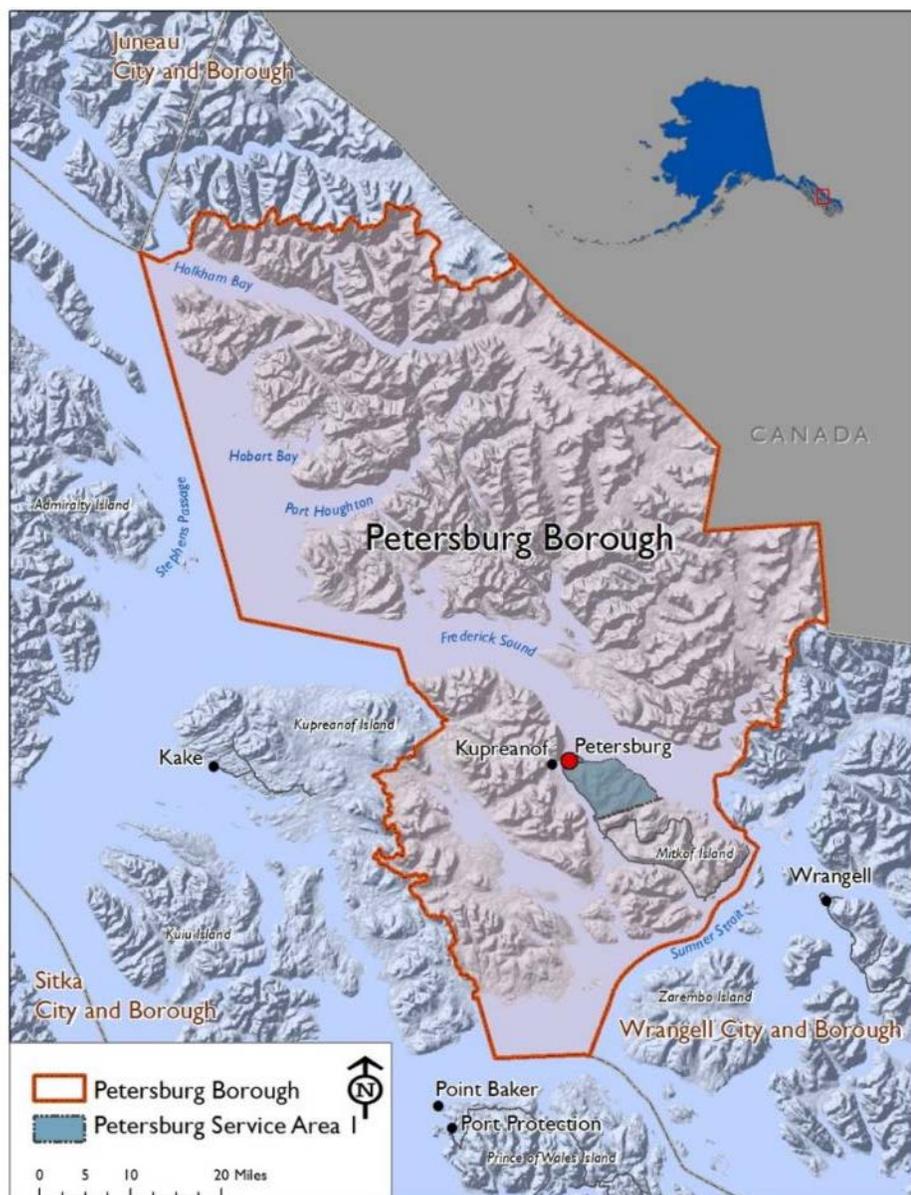
INTRODUCTION

PROJECT AREA OVERVIEW

In January 2013 the City of Petersburg was dissolved and the Petersburg Borough (“The Borough”) was formed. The new Borough area occupies a land area of about 3,800 square miles, or approximately 83 times the size of the former city. The vast majority of this land is federally owned and managed as the Tongass National Forest. The population of the Petersburg Borough is 3,209 (2014) compared to 2,948 for the former City of Petersburg (2010 Census numbers). The Petersburg Borough boundaries encompass the City of Kupreanof. The City of Kupreanof has its own planning and zoning authority.

The formation of the Borough in 2013 has brought new community development, fiscal and partnership responsibilities. This includes potentially expanding public services to new residents, considering and planning for future use of large areas of undeveloped or underdeveloped lands, and the acquisition of additional facilities, including harbor facilities that support the area’s fishing industry.

Map of the Petersburg Borough



PURPOSE OF THIS DOCUMENT

In the fall of 2014, the Petersburg Borough hired the Agnew::Beck Consulting Team to assist with updating the 2000 Petersburg Comprehensive Plan and to develop a Waterfront Master Plan. Agnew::Beck, along with partners Moffatt & Nichol and Northern Economics, are working with the community to ensure the planning process, and ultimately the final plans, meet community needs. While the two plans were developed together, they are independent documents. The Waterfront Master Plan can be found on the [main page](#)¹ and on the [Port and Harbors Department](#)² page of the Petersburg Borough website.

WHAT ARE THE KEY OBJECTIVES OF THE COMPREHENSIVE PLAN?

- Guide planning, funding and development efforts in the Borough over the next 20 years.
- Accurately reflect community needs, goals and priorities.
- Effectively direct resources toward community priorities.
- Identify the role of the Borough.
- Improve understanding of community businesses and resources.
- Guide and orient existing and future leaders in the community.
- Provide direction for harbor and waterfront planning.
- Communicate community priorities to existing and future partners.
- Describe how the plan will be implemented, amended and updated.

IMPLEMENTATION

A comprehensive plan is intended to be a long-range planning document, guiding growth and development over 20 years or more. However, as a “living document” in a changing economic, social and physical environment, the plan must be fluid enough to adapt to changing conditions, while at the same time, provide clear guidance for future decisions and a practical plan for implementation.

A comprehensive plan needs to provide clear steps to help achieve the Borough’s overarching goals and vision. As a result, each policy chapter follows a standard format starting with general goals, and followed by general strategies and then specific actions to reach those goals.

The process for implementing the Plan will include developing an annual work plan of “priority actions” from the suite of actions identified in the Plan. This annual work plan will take into account existing and anticipated resources. The annual work plan will provide direction to Borough leadership, staff and their partners. Equally important, the annual work plan will give Borough residents a detailed picture of what progress is being made on the plan. Related, the Borough will

¹ http://www.ci.petersburg.ak.us/index.asp?SEC=32098364-8AB1-4811-87F6-3A565CDD30E0&Type=B_BASIC

² http://www.ci.petersburg.ak.us/index.asp?SEC=28F02509-3D64-4A16-A63B-C1ADB03F1962&Type=B_BASIC

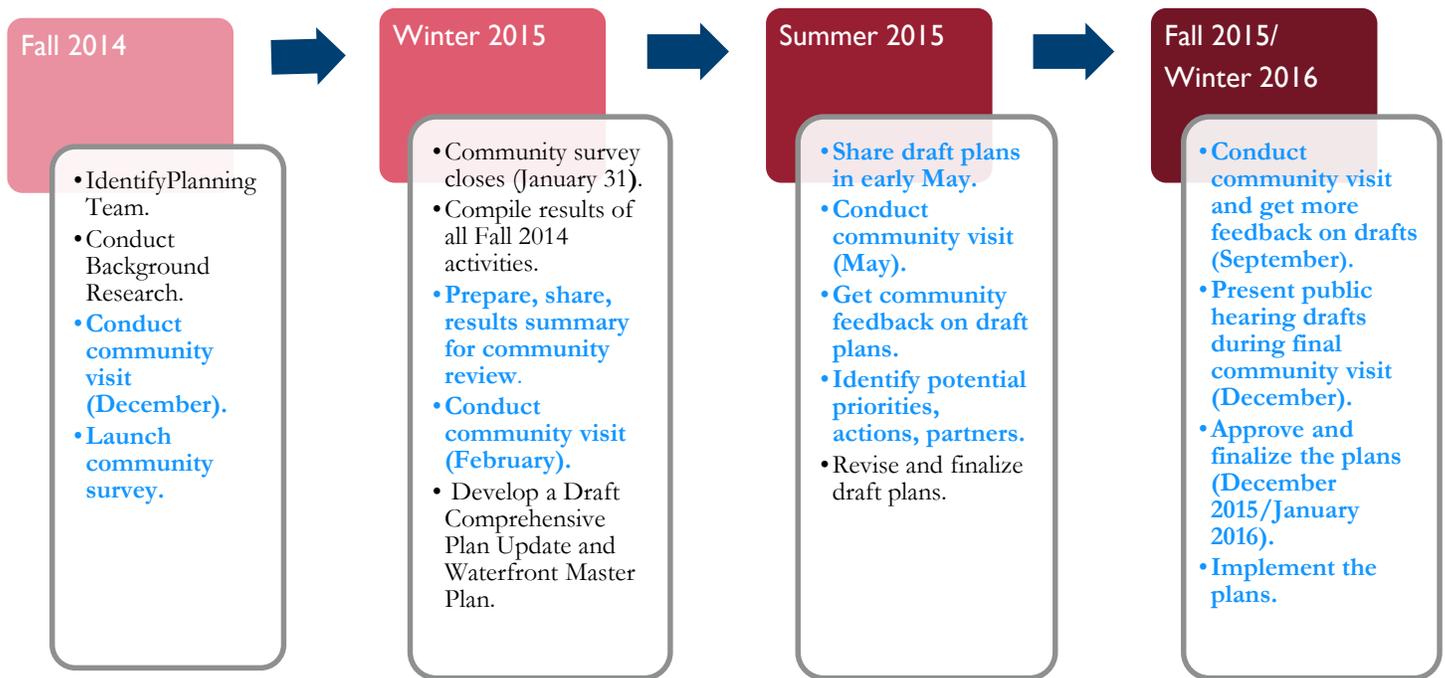
provide a simple annual update, the “Comprehensive Plan Update + Waterfront Plan Progress Dashboard,” of progress made on the Comprehensive Plan Update and Waterfront Master Plan. The update will include a summary of actions taken, and progress made toward plan-identified goals. Additionally, the Borough will implement a process for gauging community satisfaction with plan progress. Borough residents should be regularly encouraged to share comments, questions and concerns on plan contents and implementation, and more importantly, to get involved in plan implementation.

AMENDING AND UPDATING THE PLAN

- Outlined below are the steps for amending and/or updating the Comprehensive Plan Update:
- A minor change is a change that does not modify or add to the plan’s basic intent, and that serves only to clarify the plan, make it consistent, facilitate its implementation, or make technical corrections. Such changes can be recommended by the administration or public, and approved by the Planning Commission.
- An amendment permanently changes the plan by adding to or modifying the basic intent. Such changes can be recommended by the administration or public, reviewed by the Planning Commission, and approved by the Borough Assembly.
- A more detailed update of the Comprehensive Plan should be conducted every five years, starting with a thorough review by the Borough Assembly and key staff to determine which goals, objectives and strategies have been accomplished and which may need to be revised, added or deleted. Residents and other key stakeholders should also be engaged during the update process.

METHODOLOGY: THE PLANNING PROCESS

Both the Comprehensive Plan Update and Waterfront Master Plan were driven by community feedback and local knowledge. The planning process began during the fall of 2014. The graphic on the following page provides a summary of activities the Consultant Team conducted to develop the plan and move toward formal approval. Opportunities for public input and engagement are highlighted in blue. Together, these activities contributed to the development of the *Emerging Themes: What We’ve Learned So Far (February 2015)*, and this plan.



PLAN PROCESS AND OUTREACH METHODS

The planning team worked with the community to ensure the planning process, and ultimately the final plans, met community needs. While the Petersburg Borough Comprehensive Plan Update and the Waterfront Master Plan were developed together, they are independent documents. The Waterfront Master Plan can be found on the Port and [Harbors Department](#) page of the Petersburg Borough website. We conducted the following activities in order to understand issues, opportunities and challenges in the Borough, and lay the foundation for a practical, widely supported plan.

- Data Research: collected data on population, industry, income, housing, economics and other key topics.
- Maps: worked with the Borough to identify project mapping needs and to identify sources of mapping information. Obtained mapping files from a variety of sources and created various maps to support the plan.
- Review of the Previous Plan: reviewed the plan contents and the status of the goals, objectives and strategies from the 2000 Petersburg Comprehensive Plan and other relevant community and regional plans.
- An initial community survey with responses from 359 residents, or over 10 percent of the Borough population.
- Two open houses, in December 2014: a daytime open house for remote residents that live outside Service Area One, and an evening open house. Over fifty residents attended the open houses.
- A continuing series of publicized but informal listening sessions and interviews targeting residents outside of Service Area One, including meetings in the Papkes area at “The Trees,”

the Hammer and Wikan Grocery Store, the City of Kupreanof, and two early morning listening sessions at the Glacier Express Café in downtown Petersburg Borough.

- Over 20 interviews with a wide range of community members, business owners, educators, non-profits and Borough staff.
- Radio spots updating the community about the plan, the process and opportunities to be involved.
- Three meetings with the Planning Team, a group of individuals representing a diverse cross section of the community.
- Organized meetings with diverse community groups, including the Kupreanof City Council, student leaders at Petersburg High School, Rotary Club (*pictured to the right*), seniors at Mountain View Manor, the Petersburg Economic Development Council, the Municipal Land Selection Committee, the Harbor Advisory Board and the School Board.
- Health and wellness focus group with health and wellness representatives.
- A series of updates/work sessions with the Borough Assembly and the Planning Commission.
- Five community visits beginning in December 2014 and ending in December 2015.



SURVEY RESPONSES

359 people responded to the community survey. Below we have included a summary of survey respondent demographics. For more detailed information on survey results, including graphs, please see Appendix A.

- Fifty-five percent of survey respondents have lived in the Petersburg area (now the Petersburg Borough) for more than 20 years. Fifteen percent have lived in the area for 11-20 years, eight percent have lived in the area for six to ten years, 14 percent have lived in the area for one to five years and three percent have lived in the area for less than one year.
- Eighty-three percent of survey respondents spend most of the year in the Petersburg Borough (10-12 months). Nine percent spend six to nine months in the Borough, five percent spend three to six months in the Borough, and three percent spend less than three months in the Borough.
- Of the 95 survey respondents who live part-time in the Borough, 35 percent say they come for work, 20 percent say they come for family, and 45 percent responded “other.” Common “other” responses included fishing, retirement home, and living in the Borough but traveling frequently for work.

- When asked about where they live, 19 percent of respondents say they live downtown. Fourteen percent say they are on the Mitkof Highway, 11 percent are in Severson’s Subdivision, nine percent are Sandy Beach Road, nine percent are on North Nordic/Wrangell Avenue, eight percent live along South Nordic Drive, seven percent live at Papke’s Landing and five percent live on Kupreanof. The remaining 21 percent are split across a variety of other locations.
- Fifty-eight percent of survey respondents live in Service Area One of the Petersburg Borough. Fifteen percent say they do not live in Service Area One, and 27 percent of respondents are not sure. Of the 27 percent (94 individuals) who say they are not sure if they live in Service Area One, 76 percent live in the Service Area.
- The age range of respondents is broadly distributed across age brackets. The largest group of respondents is the 55-64 age range with 24 percent, followed by age 45-54 with 22 percent, 35-44 with 18 percent, and 65 and older with 16 percent. Only three percent of respondents are age 18-24, and there are three respondents under 18.
- The gender of survey respondents is split evenly, with 48 percent male and 48 percent female. Four percent of participants preferred not to answer.
- The final survey demographic question was about household income. Twenty-three percent of survey respondents say their household income is between \$100,000 and \$149,999, followed closely by 22 percent of participants with \$50,000-\$74,999, 19 percent with \$75,000-\$99,999 and 11 percent in the \$35,000-\$49,999 range. Eighteen percent of respondents report a household income of less than \$35,000 and 12 percent report incomes of \$150,000 or more.

PLAN COMPONENTS

- **Executive Summary** The executive summary builds from this introductory chapter to include highlights from the Comprehensive Plan, including broad plan themes, highlights of the goals and strategies for each policy chapter.
- **Chapter 1: Background:** this chapter gives an overview of the Petersburg Borough, including information about population change, the economy and the environment.
- **Chapter 2: Borough Management:** this chapter gives an overview of the roles, responsibilities and powers of the Petersburg Borough. In addition to goals and strategies, it includes an overview of Borough finances and ways for residents to get involved.
- **Chapter 3: Land Use + Environment:** this chapter



outlines land use policies in the form of specific goals, strategies, and actions for the Borough. It includes background on existing land use and environmental concerns as well as proposed land use categories to inform future land use planning efforts.

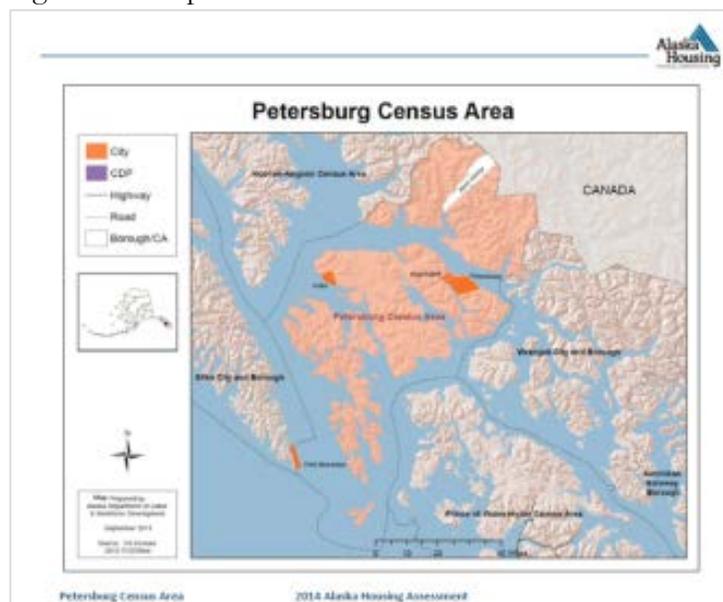
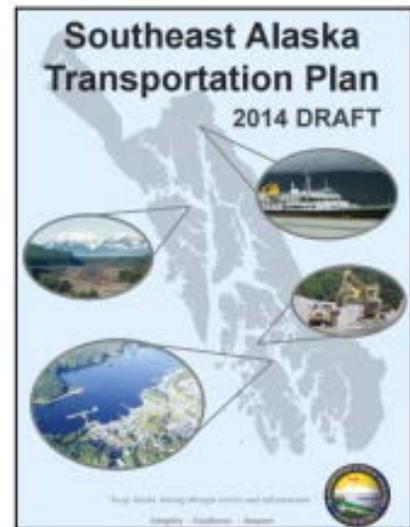
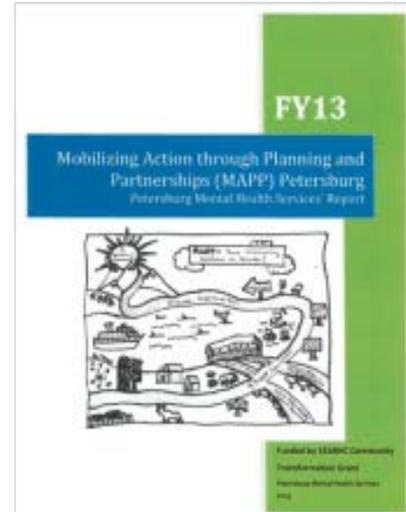
- **Chapter 4: Public Facilities + Services:** this chapter outlines public facilities and services policies in the form of specific goals, strategies, and actions for the Borough. This chapter also provides a detailed overview of existing public facilities and services, community needs and recommended improvements.
- **Chapter 5: Transportation:** this chapter outlines the transportation infrastructure and needs in the Borough, and identifies priority goals and strategies to address the needs and concerns of Borough residents.
- **Chapter 6: Housing:** the Housing chapter shares an overview of the Borough’s housing stock and current housing-related concerns, and includes goals and strategies to address the community’s housing needs.
- **Chapter 7: Recreation + Tourism:** this chapter provides an overview of existing recreation and tourism opportunities in the Borough. The chapter includes a summary of input from Borough residents on desired changes and activities and potential policies in the form of specific goals, strategies and actions, and potential program/project ideas.
- **Chapter 8: Economic Development:** this chapter shares information about the Borough economy, including an overview of key industry sectors, employment, income, and a discussion of economic development opportunities and needs. The chapter also includes policies that will bolster economic development in the Borough.
- **Appendices:** This plan contains the following appendices:
 - Survey Respondent Demographics.
 - Proposed Generalized Land Use Maps.
 - 2000 Comprehensive Plan Road Priority Projects.
 - Housing Appendix.



RELATIONSHIP TO OTHER PLANNING EFFORTS

This Comprehensive Plan builds upon several other planning efforts in the Petersburg Borough and surrounding region, including the following:

- Petersburg Comprehensive Plan (2000)
- United States Forest Service: Tongass Forest Plan (2008)
- Petersburg Economic Development Council's Economic Trends Report (2010)
- Mobilizing Action through Planning and Partnerships (MAPP) Petersburg: Petersburg Mental Health Services' Report (2012)
- Petersburg Economic Development Council: Annual Report (2013)
- Petersburg Borough Community Coordinated Transportation Plan (2013)
- Alaska Housing Finance Corporation: Alaska Housing Assessment (2014)
- Alaska Department of Transportation + Public Facilities, Southeast Alaska Transportation Plan Draft: Petersburg Meeting Summaries (2014)
- Petersburg School District 2014-2017 Strategic Plan (2014)
- Petersburg School District Basic Financial Statements, Required Supplementary Information, Additional Supplementary Information, and Single Audit Reports (2014)
- Alaska Department of Transportation + Public Facilities: Southeast Alaska Transportation Plan (2014 Draft)
- Petersburg Borough Annual Budget: Adopted Operating Budget for Fiscal Year 2016 (2015)



CHAPTER I: BACKGROUND

CHANGING BOUNDARIES

This plan includes data illustrating how Petersburg has changed over time. However, there are limitations to this data. Since Borough formation, the geographic sampling boundaries have changed for the area, making it a challenge to compare historical data and more recent data. For example, the US Census Bureau’s American Community Survey, which tracks population, housing, income and other socioeconomic data in the years between the decadal censuses, is still reporting only for the Petersburg Census Area, which is different than the new Borough boundaries. In contrast, the State of Alaska publishes data for the newly formed Borough. Notes on methodology are included with the figures where this is the case.

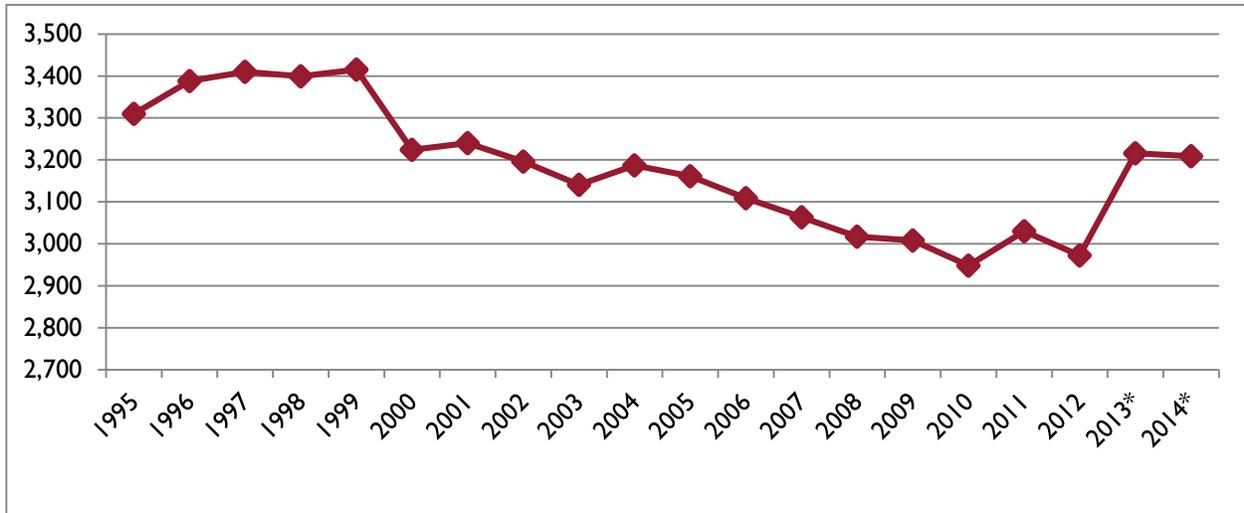


Kupreanof dock. The City of Kupreanof is now within the Borough boundaries.

POPULATION TRENDS

After a peak in the late 90s, population for the former City of Petersburg has been on a steady decline. The population decreased by 14 percent from a high of 3,415 in 1999 to a low of 2,948 in 2010 (Figure 1-1). In 2013, the formation of the Borough resulted in a “false” increase in the number of residents due to the expansion of the geographic boundaries of the survey area to include surrounding regions and residents. Like the former City, the Borough population decline is projected to continue for the Borough (Figure 1-2). This projection is based on State population projection estimates that use a “cohort model,” whereby the current age of the population is advanced forward and adjusted using current birth and death rates and in and out migration rates (Figure 1-3 and Figure 1-4).

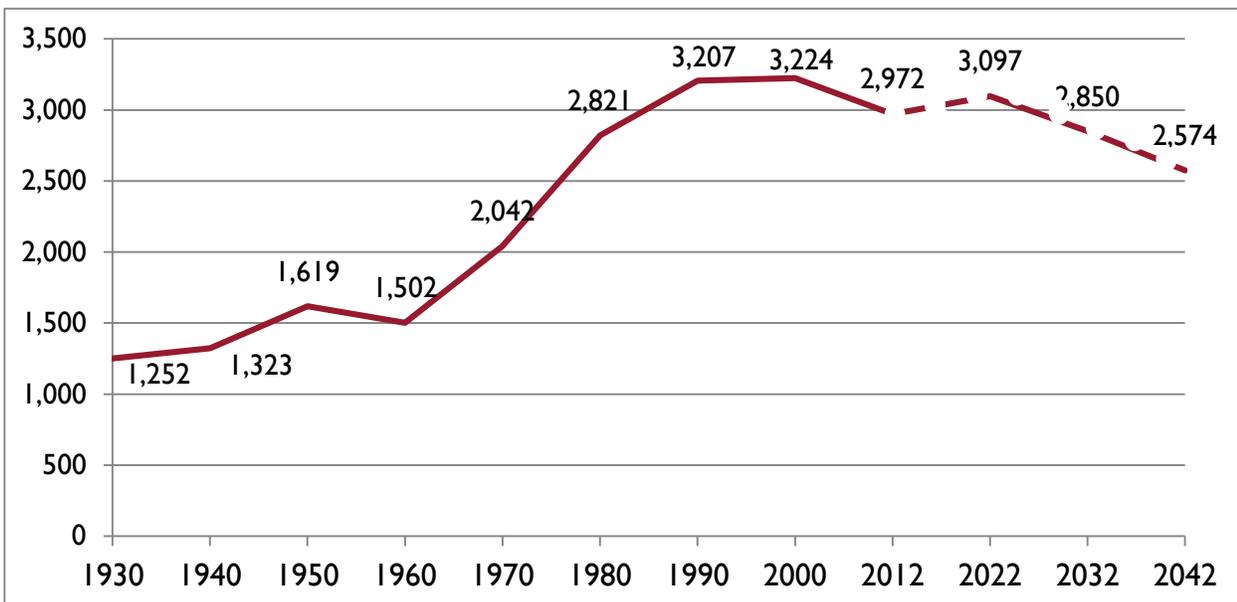
Figure I-2: Recent Population Trends, 1995-2014



Source: Petersburg Borough, Alaska Department of Labor + Workforce Development, Research + Analysis Section

Without changes to factors impacting population in the Petersburg Borough, these decreases will continue. Petersburg is not alone in these trends; other parts of Southeast Alaska are experiencing similar challenges. Jobs that pay a living year round wage, such as owning a commercial permit and boat, are increasingly hard to secure. This has resulted in fewer people, especially young people, coming to or staying in the area. As noted below, the number of young people in Petersburg declined 29 percent between 2000 and 2013 (Figure 1-3 and 1-4).

Figure I-1: Historical + Projected Population, 1930-2042



Source: Petersburg Borough, Alaska Department of Labor + Workforce Development, Research + Analysis Section

Figure I-3: Age Pyramid, 2000

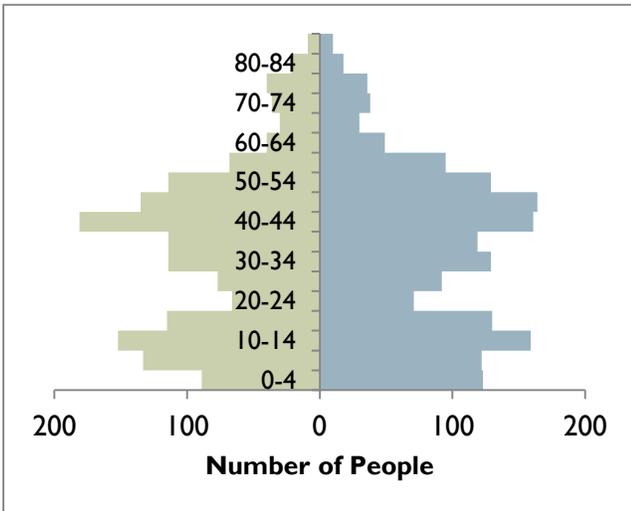
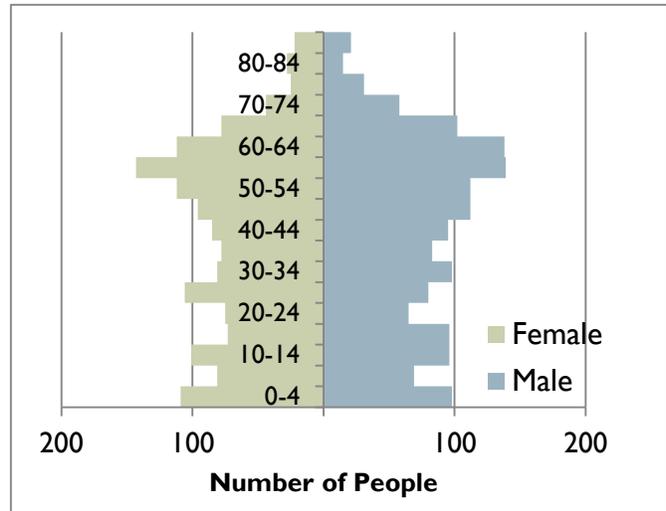


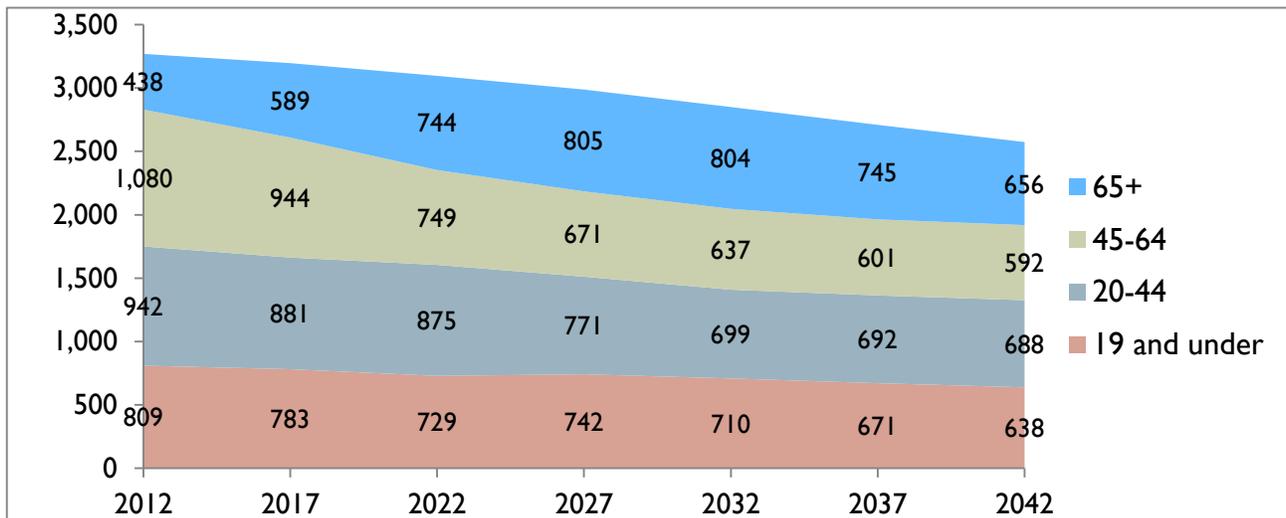
Figure I-4: Age Pyramid, 2013



Source: Age and Sex, Cities and CDPs of 1,000 or More People, 2010-2013, Alaska Department of Labor, 2000 Census

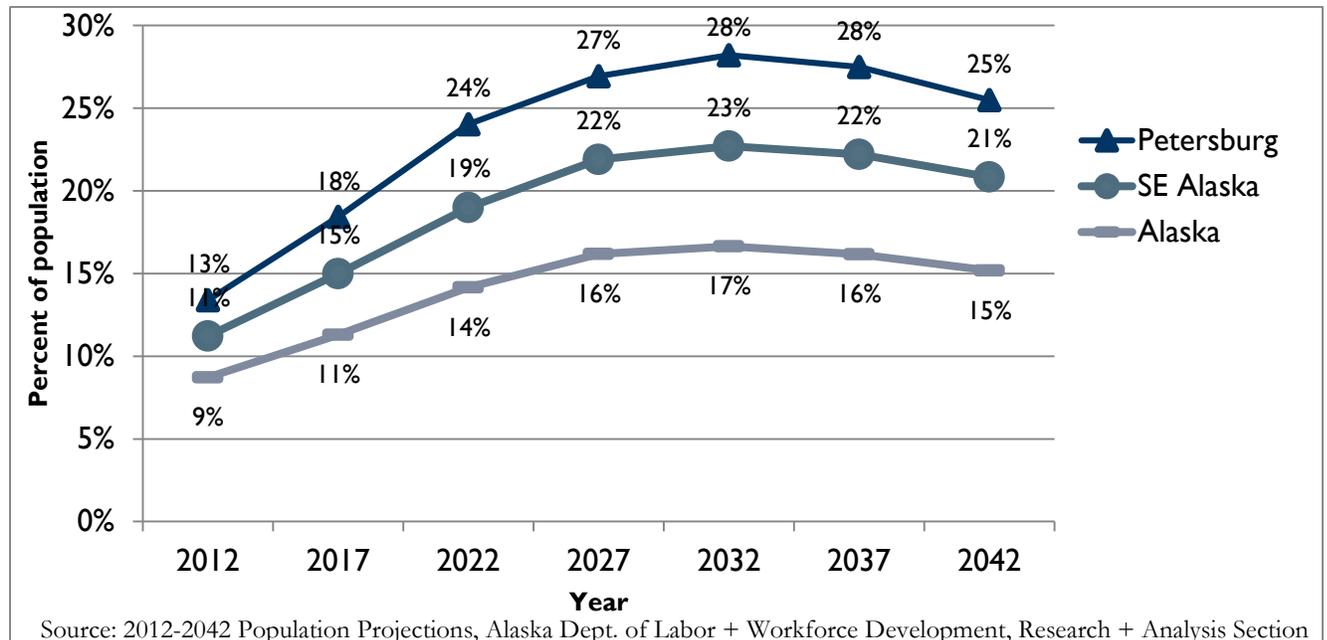
Accompanying the projected population decrease is the estimated rapid rise in the percent of Petersburg Borough residents who are older than 65. In 2022, less than ten years from now, the Alaska Department of Labor and Workforce Development estimates the Borough will be 24 percent age 65 and older, up from 13 percent in 2012 (Figure 1-6). By 2032, the percentage of people 65 and older is estimated to increase to 28 percent, one of the highest percentages in Alaska. If these population trends continue, the Borough should expect to see increased needs and related challenges specific to senior populations including type and access to health care, housing, public transportation, work force, and available tax base (currently, qualified resident seniors, 65 and older,

Figure I-5: Projected Population by Age Group



Source: 2012-2042 Population Projections, Alaska Dept. of Labor + Workforce Development, Research + Analysis

Figure I-6: Projected percent of population age 65+



are property and sales exempt).

ECONOMY

The Petersburg economy is stable, but shifting. Total employment shrank by four percent between 2000 and 2012. Government employment grew by 11 percent between 2000 and 2012. Private sector employment shrank by two percent during that same period (Figure 1-8). The Figure 1-8 employment table includes information for the Petersburg Census Area in 2000 and 2012. While 2013 and 2014 employment data are available, the numbers are for the Petersburg Borough and cannot be directly compared with Census Area numbers.. In 2014, total employment in the Petersburg was 1,437.

The number of fishing jobs have declined while gross earnings have increased. The seafood industry profile in Figure 8 shows how several indicators related to fishing employment show fewer jobs, but higher income for those who remain in the industry. Local government, transportation and manufacturing (which includes seafood processing) continue to lead Petersburg’s economy (See figures in Chapter 8, Economic Development). Federal government and tourism offer the next largest employment opportunities, although federal employment is declining in the community. Local government includes the School District, Medical Center, Petersburg Indian

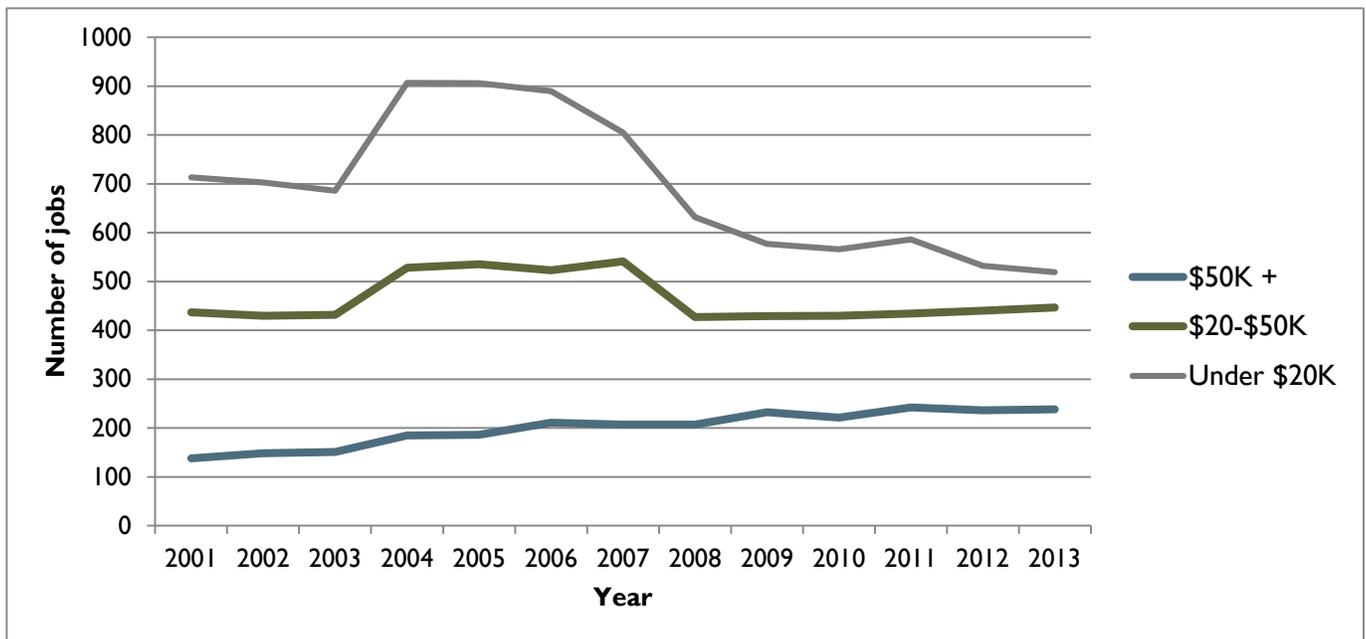


Association, City of Kupreanof and Borough government, including senior housing, public works, power and light, harbor, administration and finance. Wages in the federal government have increased more relative to other industries in the top five industries of 2013 (See figures in Chapter 8, Economic Development).

In general, incomes in the region have increased. Figure 1-8 shows that per capita income increased to approximately \$36,000 per year and median household income increased to \$66,000 per year. Increasing incomes, combined with increasing assets in Petersburg, suggest some residents with higher incomes are doing even better than previous years. Inflation-adjusted savings have grown the most, more than doubling between 2000 and 2012. Figure 1-7 shows the numbers of jobs that earn more than \$50,000 per year have steadily increased, while the number of low income jobs has decreased. Jobs that earn under \$50,000 were more affected by the recession than those earning more than \$50,000.

The number of younger workers in Petersburg has declined in recent years. The trade, transportation and retail industry is still the number one employment category for people age 16 to 44, but it has almost halved in the past decade. Manufacturing employment in Petersburg, comprised predominantly of seafood processing jobs (334 of 335 jobs), has also decreased. Figures in the

Figure I- 7: Jobs by Wage Category 2001-2013



Source: Alaska Department of Labor and Workforce Development, Quarterly Census on Employment and Wages

economic development chapter show the changes in employment by age for the top five industry sectors in 2013.

Figure I-8: Petersburg Census Area Economic Profile, 2000-2012

Employment Profile	2000	2012	percent change
Total Employment	1771	1,705	-4%
Government (Local, State, Fed [1])	477	529	11%
Private Sector	965	948	-2%
Self-employed number	329	228	-31%
Self-employed percent	22%	13%	-40%
Self-employed businesses	<i>not available</i>	773	
Per Capita Income	\$ 34,435	\$ 36,198	5%
Median Household Income	\$ 65,369	\$ 66,125	1%
Alaska Median Household Income	\$ 68,760	\$ 70,760	3%
Savings	\$ 56,875,000	\$122,773,000	116%
Unemployed	7%	4%	-40%
Seafood Industry Profile	2000	2012	percent change
Fishing Permits	1222	1052 (2014)	-14% (00-'14)
Permit Holders	467	448 (2014)	-4% (00-'14)
Crew	440	399	-9%
Average Annual Seafood Employment [2]	592	558	-6%
Seafood Processing Jobs (Manufacturing)	335	292 (2014)	-13% (00-'14)
Gross Earnings of Permit Holders (inflation adjusted to 2013)	\$ 46,250,208	\$56,772,334	23%
Fishing Self-Employed Businesses	<i>not available</i>	475	-
Earnings per permit holder	\$ 99,037	\$ 125,881	27%

[1] Local government includes the School District, Petersburg Indian Association, City of Kupreanof, Medical Center; Borough employees, senior housing, including Mountain View Manor; public works, power and light, harbor, administration and finance. [2] Approximated at .75 of permit holders, and .5 of crew members. Sources: Alaska Department of Labor and Workforce Development, Quarterly Census on Employment and Wages, U.S. Census Bureau, 2000 Census, Non-Employer Statistics; American Community Survey 2009-2013 estimate; <http://www2.fdic.gov/SOD/index.asp>; Alaska Commercial Fisheries Entry Commission, ADFG, Alaska Department of Labor and Workforce Development, Quarterly Census on Employment and Wages, Alaska Department of Labor and Workforce Development, Quarterly Census on Employment and Wages, U.S. Census Bureau, Non-Employer

The value of Petersburg seafood continues to increase. Petersburg saw 122.6 million pounds of landings in 2013, the highest amount in at least 14 years. This was significantly more than Juneau (20.4 million pounds) and Wrangell (5.8 million pounds), and slightly less than Ketchikan (143.5 million pounds) and Sitka (126.2 million pounds). (Source: NMFS Total Commercial Fishery Landings)

Spending by tour and charter tourists in Petersburg had fallen since approximately 2005, when several cruise companies ended their visits to the town. This trend was exacerbated by the fall in travel to Alaska in the wake of the 2008-2010 recession. In contrast to spending by cruise passengers, bed tax revenues in Petersburg have stayed generally flat over the last 10 years. More recently, both cruise tour and charter revenue and bed tax in Petersburg have begun rising, in part

spurred by the upturn in the United States economy. See Chapter 7: Recreation and Tourism for more information about the tourism industry.

THE ENVIRONMENT

The Petersburg Borough is located in Southeast Alaska, an area with a temperate rainforest environment with scenic coastal mountains, glaciers and fjords. The Borough encompasses a section of mainland bordering Canada as well as islands in the Alexander Archipelago, including all of Mitkof Island and the eastern half of Kupreanof Island. The Borough boundaries extend north to the City and Borough of Juneau and south to the City and Borough of Wrangell. The region has a maritime climate characterized by mild winters, cool summers and year-round rainfall. Geologically, the Petersburg area, like the remainder of Southeast Alaska, is young and unstable.

The 2000 City of Petersburg Comprehensive Plan provides additional background on the region's climate, habitat and wildlife. While the content from the older plan is specific to Mitkof Island, much of the information is applicable to the entire Borough. To view the 2000 plan, visit the Borough [website](http://www.ci.petersburg.ak.us/index.asp?SEC=D00B4CC4-8B7F-4BB0-B360-940BCD613657&DE=525CB023-343D-480B-B85E-37CFFE7970BF&Type=B_BASIC)³.



View from Twin Creeks Road

³ http://www.ci.petersburg.ak.us/index.asp?SEC=D00B4CC4-8B7F-4BB0-B360-940BCD613657&DE=525CB023-343D-480B-B85E-37CFFE7970BF&Type=B_BASIC

CHAPTER 2: BOROUGH MANAGEMENT

Overarching Goal: Provide efficient and responsive government that supports the health, safety and welfare of the Borough and its residents, while preserving maximum personal freedom and self-responsibility.

GOALS + STRATEGIES

1. **Goal: Fiscal Sustainability.** Work towards an increasingly self-supporting and financially efficient Borough government with reduced dependency on state and federal funding.
 - a. Responsibly manage Borough size and spending through short, medium and long-term budgeting that anticipates declining availability of state and/or federal funding. Potential actions:
 - Follow the Borough’s approved financial budget policies and consider amending the budget policies to extend the length of time the recommended reserve funds will cover for the General and Enterprise Funds.
 - Look for opportunities for partnerships to share the cost of providing needed services and facilities, and to reduce Borough spending and increase efficiencies.
 - Encourage responsible economic development in the Borough to increase revenue and strengthen the local economy.
 - b. Use a data-informed decision making approach when planning for the future, including identifying lower and higher term fiscal priorities. Potential actions:
 - Identify relevant data sources and indicators.
 - Identify potential gaps in knowledge and how to collect missing data.
 - Develop clear criteria for vetting potential capital projects. Consider the long-term operations and maintenance costs of any new Borough projects.
 - Work with the successful older generation of Petersburg Borough residents to find ways that they might give back to the community, particularly those who entered the commercial fishing industry in the 1960’s and 1970’s and who have seen substantial appreciation in the value of their permits. “Giving back” could range from mentoring younger people just starting in the commercial fishing industry, to contributing to local community endowments to support important community facilities, to taking leadership roles on boards and commissions.
2. **Goal: Quality, Affordable Services.** Provide consistent, quality affordable services to residents in a fiscally responsible way.
 - a. Provide an equitable balance of services that align with the needs and desires of different areas of the Borough.
 - b. Ensure fees and taxation rates align with the level of service provided.



Entrance to the South Harbor

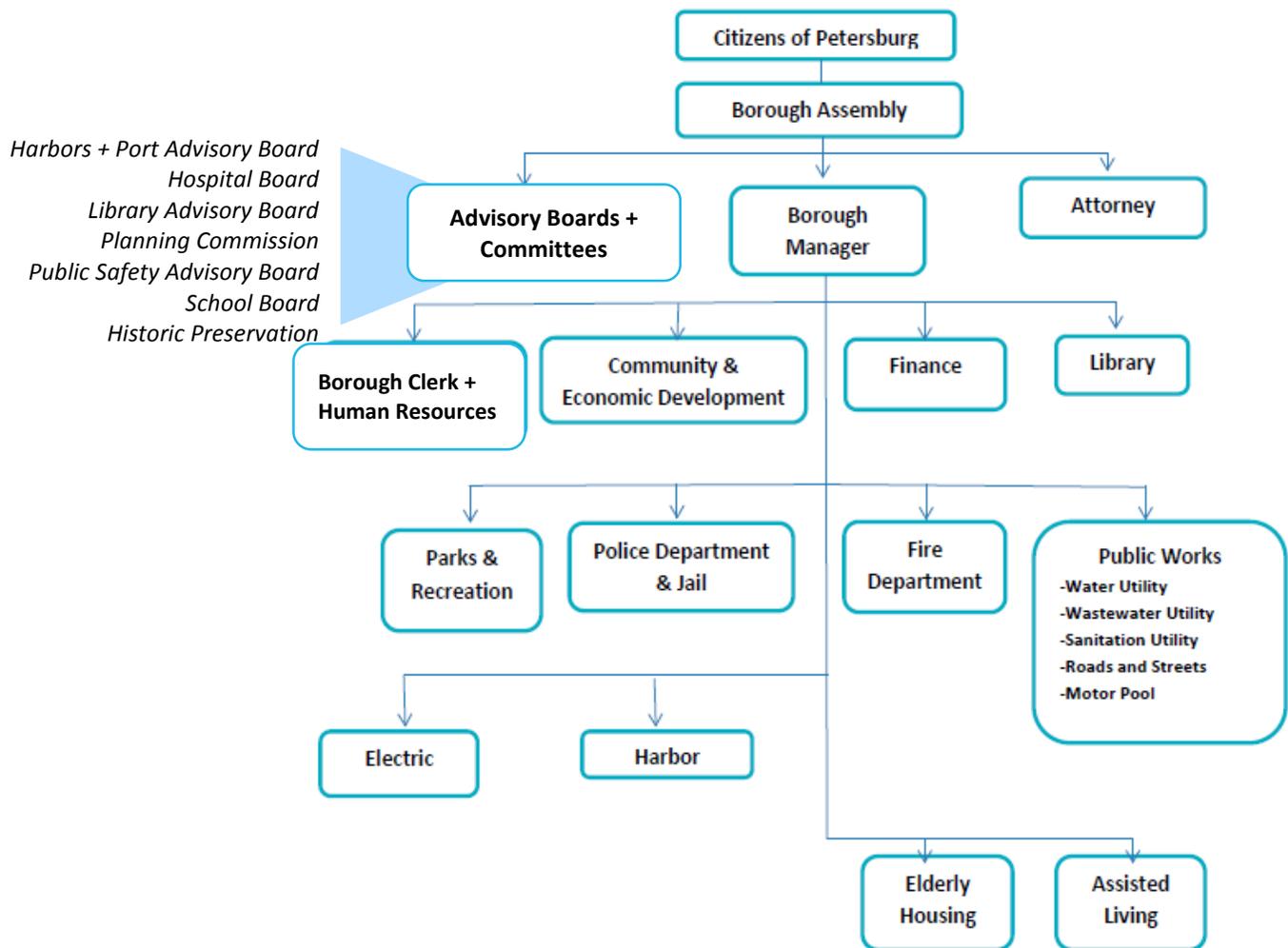
- c. Work with the senior population to better understand both their financial constraints and their capacity to contribute to needed public facilities and services, for seniors and the community in general.
- 3. Goal: Consistent, Transparent Communication.** Share and get feedback on Borough processes and fiscal information.
- a. Educate residents on service levels, benefits and costs for different parts of the Borough.
 - b. Solicit regular input from residents about desired services and facilities, and how to improve service delivery. Consider the unique schedules of different groups when coordinating meetings; for example, tourism and lodge operators are only available in summer, while fishermen are best reached during the winter. Residents who are only in town during the summer cannot easily participate in most Borough meetings, which usually occur in fall, winter and spring.
 - c. Educate residents on Borough roles, responsibilities and benefits of different planning processes and tools.
 - d. Increase communications and coordination with the City of Kupreanof.
- 4. Goal: Community Engagement and Participation.** Increase resident participation in Borough management and decision making.
- a. Provide and promote a wide range of opportunities for productive public involvement including seats on Borough Assembly, boards and commissions. Potential actions:
 - Identify potential barriers to participation.
 - Improve outreach and distribution of meeting information and representation opportunities.
 - Make participation more attractive in inactive and/or incomplete advisory boards, for example, by setting clear expectations for responsibilities that lead to tangible actions.
 - b. Consider options for the structure and work of the Assembly to ensure all areas of the Borough receive fair representation.
 - c. Create opportunities for youth involvement in Borough decision-making. Potential actions:
 - Investigate options to re-establish youth advisory committee (see existing *2000 Comprehensive Plan*).
 - Work with Petersburg High School to involve high school youth in Borough management through class work or the student council.
 - d. Encourage residents living outside of Service Area One to consider forming service areas. Service areas can provide an efficient way for small subsets of the Borough to raise and control funding to support needed services, such as road maintenance. This option can provide opportunities for more local control and give residents a direct voice in services provided in a particular part of the Borough.
 - The Borough should provide information about the advantages and process of forming service areas to potentially interested residents. If desired, the Borough could help residents navigate the service area application process.

BACKGROUND AND CONTEXT

BOROUGH STRUCTURE AND FORMATION

The Petersburg Borough was established in January 2013. The former City of Petersburg boundaries were used to define a service area providing services to residents within the former city limits, “Service Area One.” The neighboring City of Kupreanof, located across Wrangell Narrows from Petersburg, chose to remain a city within the Borough. The formation of the Borough in 2013 has brought new community development, fiscal and partnership responsibilities. The new Borough must consider which public services should be expanded outside of the former city limits, and how to provide guidance on the future use of undeveloped land in the outlying areas of the Borough. The Comprehensive Planning process is an important first step toward identifying how to address these topics.

Figure 2-1: Organizational Chart of the Petersburg Borough



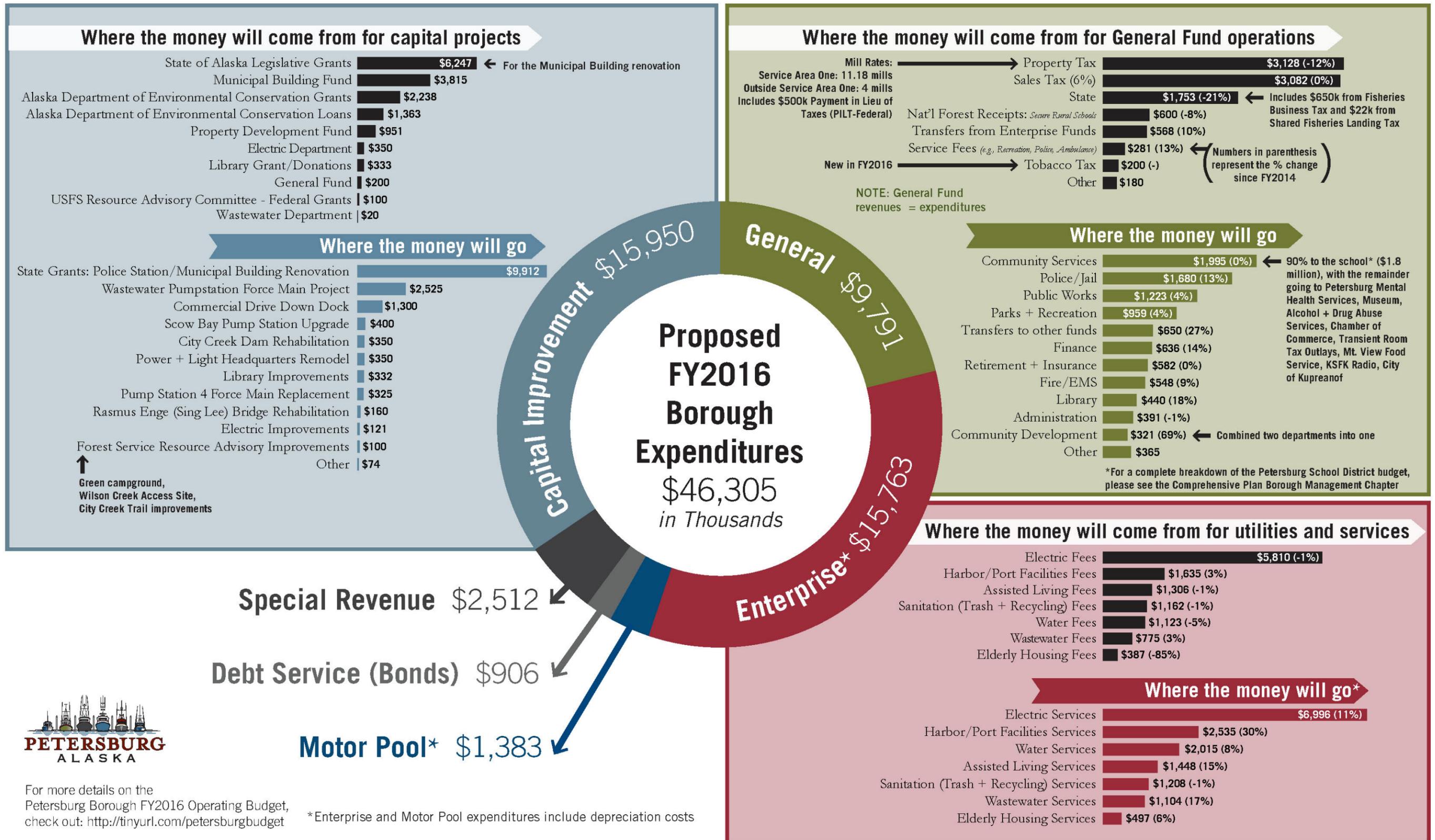
⁴ <http://www.legis.state.ak.us/basis/statutes.asp#29>

⁵ https://www.municode.com/library/ak/petersburg/codes/borough_code_of_ordinances?nodeId=CH https://www.municode.com/library/ak/petersburg/codes/borough_code_of_ordinances?nodeId=CH

- The powers and duties of the School Board and the Hospital Board;
- The management of utilities;
- Borough finance and budgeting requirements and procedures, including powers and restrictions of taxation and borrowing;
- Information on service areas;
- Recognition of the powers of the City of Kupreanof;
- Information on local improvement districts and franchises;
- The charter amendment process; and,
- Other general provisions.

HOW DOES THE MONEY WORK? The Ins and Outs of your Borough Budget

FY2014: actual budget July 1, 2013 - June 30, 2014 | FY2016: adopted budget July 1, 2015 - June 30, 2016 | All numbers are in thousands (add “,000” to all numbers)



For more details on the Petersburg Borough FY2016 Operating Budget, check out: <http://tinyurl.com/petersburgbudget>

*Enterprise and Motor Pool expenditures include depreciation costs

BOROUGH FINANCES AND FISCAL PLANNING

Each year the Borough Manager, working closely with the Finance Director and Borough department heads, presents a proposed annual operating budget for the coming fiscal year. The Borough Assembly reviews the budget, which typically includes work sessions and public hearings. The Borough Assembly ultimately approves the budget, sometimes with modifications. The Borough Assembly passed a budget policy in 2014 which provides additional guidance and instructions on the required balance and use of different Borough funds. The Budget policy is available at the end of this chapter.

Goal one of this chapter focuses on fiscal sustainability. The Petersburg Borough seeks to create a structurally balanced budget each year. On the previous page, we have included an infographic that depicts the “ins and outs” of the Petersburg Borough budget. These numbers are the planned revenues and expenditures for the Fiscal Year 2016, which starts July 1, 2015 and ends in June 30, 2016. This graphic condenses a complex and layered budget, which can be viewed on the Borough’s website: <http://tinyurl.com/petersburgbudget>. The graphic shows the sources of revenue for the Borough’s different Funds, as well as the proposed expenditures for the coming year.



Tlingit totem poles

In general, and comparatively speaking, the Petersburg Borough is financially healthy. Most communities and municipalities in Alaska are not in a position of having multiple reserve funds. Still, there are a number of potential internal challenges and external threats that could impact the Borough’s current fiscal situation. The following are some of those challenges and threats, all of which the Borough must consider in all planning and implementation efforts.

- **Finding the appropriate balance of taxation and services for outlying areas.** During the public review process and survey, residents shared concerns about Borough spending and emphasized a desire for thoughtful, prudent spending practices. In particular, rural residents are concerned about increases in taxes without a noticeable increase in services. Another challenge is how to fairly balance taxation and services available to residents who live outside Service Area One. For example, services such as trash collection and snow removal are available to residents outside of Service Area One who live on the Mitkof Island road system, while other residents not on the road system, who pay the same mill rate, do not directly benefit from these services. However, even residents who live outside of Service Area One receive some benefits from services when they travel into Service Area One and

use the infrastructure and facilities such as roads, the school and the library. There are also a variety of misconceptions about taxation and spending. For example, the Borough's Enterprise funds, which include electric, water, wastewater, trash and assisted living, are funded entirely through the fees they collect and are not supported by tax revenue.

- **Declining state and federal funding.** The Petersburg Borough, like all other governing bodies in Alaska, will have to adjust to the expected significant reductions in state and federal funding over the coming years. The State of Alaska is forecasting significant cutbacks in funding across all departments. In particular, these changes may have serious implications for the availability of funds for capital projects, the ongoing reliability and operations of the Alaska Marine Highway System, and the Petersburg School District.

Additionally, there is uncertainty about the future of the federal National Forest Receipts program, which provides significant funds to the Petersburg School District through the Secure Rural Schools program, with funds appropriated through the Borough. Eighty-five percent of the National Forest Receipts go toward the District, while the other 15 percent support local road improvements. Given the decline in timber logging and changes to the National Forest Receipts program, the Borough and the State should be prepared to seek out other means of school funding. For a breakdown of the Petersburg School District budget, including the dependence on State funding (70 percent of proposed FY16 budget) see Figure 2-2.

- **The financial burden of Senior Sales Tax Exemptions.** The Petersburg Borough offers voter-approved sales tax exemptions to its senior citizens. In 2015, there were 480 seniors in the Borough who took advantage of sales tax exemptions, or approximately 15 percent of the Borough population. While these exemptions are intended to provide support and respect for the senior population, they result in lost revenue and place a greater tax burden on younger residents. In 2014 alone, the Borough Finance Department estimates the senior sales tax exemption resulted in \$330,000 of lost revenue and the State-mandated senior property tax exemption resulted in \$280,000 of lost revenue.

- **Balancing Harbor needs and revenues with other community needs.** The Petersburg harbors support the local fishing economy, which is undeniably the most important industry in the Borough. However, harbor operations, maintenance and needed improvements are costly. Identifying a potential strategy for sustainably operating and maintaining critical harbor and waterfront facilities, while also investing critical resources in other community and economic development priorities, will be a



Resident Feedback

The Petersburg Borough benefits from having a participatory public. Forging strong relationships and open communications between the Borough and residents helps ensure the Borough is on track and is meeting the needs of its citizens. In the next section of this chapter, we have outlined some of the ways in which residents can get involved in Borough activities and decision-making.

RESIDENT VOICE AND OPPORTUNITIES TO GET INVOLVED

Goal three of this chapter emphasizes the importance for quality, transparent communications with residents, and Goal four recognizes the need to ensure residents have a variety of ways to participate in and shape the direction of Borough government. These goals reflect the robust feedback from residents throughout the planning process of wanting to be involved in Borough decision-making and wanting the Borough's activities to be driven by community needs. As one survey respondent says, "An open-door attitude by the Borough government officials goes a long way to create a healthy atmosphere and develop a sense of community pride." For example, many residents from outside of Service Area One (formerly the City of Petersburg) who have now been incorporated into the Borough shared concerns about maintaining the identities of the unique areas and communities around the Borough. These residents voiced a desire to remain culturally distinguished from the former City of Petersburg. For these types of concerns, getting involved and having your voice and unique community represented in Borough decision making is very important.

There are many ways to get involved in Borough activities and decision making processes. Participating in a planning process, including the planning effort that went into this Comprehensive Plan, is a helpful way to participate in shaping the future of the Borough. On the following pages we have included other ways to get involved and to have a voice in Borough processes and key decisions.

WHAT IS THE PRIMARY ROLE OF BOROUGH GOVERNMENT?

Survey responses

- *"Keeping the community flourishing and the people happy."*
- *"To work in partnership with the people of Petersburg to promote and maintain a safe and desirable living and working environment."*
- *"To organize and oversee the provision of public services, to provide an open and transparent public process, to represent the diversity of people and ideas which comprise this community while maintaining a focus on fiscal restraint."*
- *"See to the health and welfare of its citizens in a fiscally prudent manner."*
- *"To help facilitate the quality of life in the community, and be a voice for the community on state and federal issues that impact the area."*

Stay in Touch

We want and need to hear from you directly. Stop by our offices, call, send us an e-mail or letter. We strongly encourage Borough residents to seek out additional information from our staff and to share your ideas or concerns.

- **In-Person:** Municipal Building, 12 South Nordic Drive, Petersburg, AK 99833
- **Phone:** 907.772.4425
- Have a specific concern or want to connect with a specific department and/or person? We maintain a current [list of contact information](#)⁶ for Borough staff on the Borough website.
- **Mail:** Petersburg Borough, PO Box 329 Petersburg, AK 99833

Join a Board, Commission or Committee

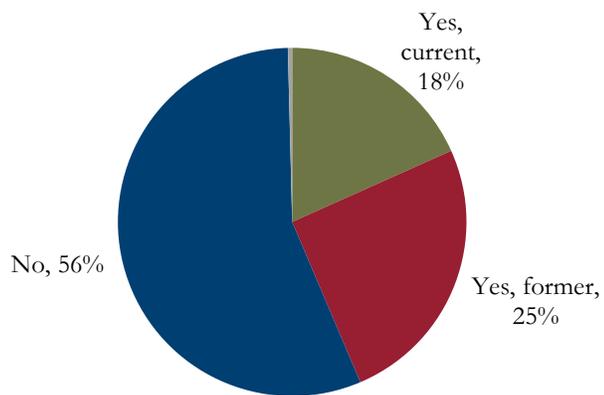
In the community survey, residents were asked if they have ever served on a local board or commission (see Figure 2-3). Eighteen percent of respondents say they are currently on a board or commission, 25 percent say they have formerly served on a board or commission, and 56 percent of respondents have not served on a board or commission.

When asked about barriers to serving on a local board or commission, survey respondents provided a range of answers. The number one response was “I don’t have enough time” with 68 votes, followed by “It doesn’t

interest me” with 45 votes and “The meetings don’t work with my schedule” with 44 votes. Over one third of respondents selected “Other.” The most commonly cited “Other” reasons included not being a full time resident, being uncomfortable getting involved with Borough politics and concerns over the financial disclosure requirements.

The Borough has a mix of appointed and elected advisory boards, commissions and committees who provide recommendations to the Borough Assembly on specific topics. There are also regional advisory and delegation spots for different organizations that operate in the area, such as the Southeast Alaska Solid Waste Authority. Meeting dates, times and frequencies vary by group, and most have 3-year term limits. To be eligible, you must be a qualified voter who has lived in the

Figure 2-3: Survey Responses to the Question, "Have you ever served on a local board or commission?"



⁶ http://www.ci.petersburg.ak.us/index.asp?SEC=02E81E2E-1796-4BE2-AE34-1F7823D19282&Type=B_DIR

Petersburg Borough for at least one year. To learn more about how to join a board or committee, including a list of current vacancies, [visit the Borough's website.](#)⁷

- **Appointed:** Southeast Alaska Power Agency – Petersburg Delegation; Local Emergency Planning Committee; Southeast Alaska Solid Waste Authority – Petersburg Delegation; Land Selection Committee; Marijuana Advisory Committee, Historic Preservation Committee.
- **Elected:** School Board; Hospital Board; Planning Commission; Harbors and Port Advisory Board; Library Advisory Board; Public Safety Advisory Board.

Attend Community Meetings

Board and committee meetings are typically open to the public. The Borough Assembly meets the 1st and 3rd Monday of each month. The Borough maintains a detailed online calendar with meeting information, including schedule, location, and agenda and minutes when available. The calendar is available here: <https://petersburg.legistar.com/Calendar.aspx>. The Borough also holds regular public meetings to solicit community feedback on plans, proposed projects and other topics. Attending these meetings is a great way to know what is happening in the community and to share your thoughts.

Vote

Elections are held the 1st Tuesday in October. To register or learn more, visit the Borough's [elections page.](#)⁸

Follow Us!

The Borough has an [active Facebook page](#)⁹ that is updated regularly. You can also sign up for the monthly community newsletter, published by the Petersburg Economic Development Council (PEDC). Sign up [here.](#)¹⁰

PETERSBURG BOROUGH BUDGET POLICIES

The Petersburg Borough adopted the following budget policies by resolution on November 3, 2014. The policies are intended to provide guidance to the Borough and ensure sustainable fiscal management of all Borough services and facilities.

General Fund Balance

The Borough should maintain an undesignated fund balance of no less than four months and no more than six months of operating expenses, in order to cover unanticipated revenue shortfalls, and

⁷ http://www.ci.petersburg.ak.us/index.asp?SEC=2EC7C874-E295-4C58-A117-112332E56FD6&Type=B_BASIC

⁸ http://www.ci.petersburg.ak.us/index.asp?SEC=98E83A89-84C2-4FED-A5C7-7077CC80AA1E&DE=6EB2C4E8-3638-4FEE-81D2-81F6906994D1&Type=B_BASIC

⁹ www.facebook.com/petersburgalaska

¹⁰ <https://app.e2ma.net/app2/audience/signup/1720887/1715270/?v=a>

to provide an adequate level of reserves to cover unforeseen needs and emergencies, as well as to cover the potential shortfall of all other Borough funds.

- a. When the level of undesignated fund balance is not within the desired range, a plan should be developed to bring fund balance within the desired range within three years.
- b. When the level of undesignated fund balance is below the desired range, withdrawals from undesignated fund balance should be limited to emergency purposes. These types of withdrawals may only be used at the discretion of the Borough Assembly and are limited to the following:
Provide temporary resources in the event of an economic downturn while expenditure reductions are implemented. Provide resources to meet emergency expenditures in the case of a flood, fire, earthquake, landslide, or other disasters.

Community Services Budget

This budget is the sole responsibility of the Petersburg Borough Assembly, and is for local nonprofit organizations that the Assembly wishes to fund for the benefit of the community as a whole.

Property Development Fund

The Borough will designate 50 percent of the previous year's annual General Fund surplus (defined as the difference between revenues and transfers-in, and expenditures and transfers-out) into the Property Development Fund for the purpose of financing major capital maintenance and repairs (defined as items in excess of \$15,000), in any year where the General Fund undesignated fund balance is within the target range of established policy levels.

- c. **Limit on Allocation of Surplus** – The allocation of surplus funds from the General Fund to the Property Development Fund should occur only when the General Fund undesignated fund balance will continue to exceed four months' reserves after the transfer is made.
- d. **Property Development Appropriation Control** – Property Development Funds are to be restricted and distributed only for major capital outlay expenses. Capital expenses are defined as those in excess of \$15,000. All expenditures from these funds in excess of \$30,000 require approval by the Borough Assembly.

National Forest Receipts Special Revenue Fund

The Borough will designate 85 percent of all US Forest Service Title One payments to Schools and 15 percent to Roads. School revenue from this program must be used only for the operation, maintenance, repair or construction of public schools and may be used as the local government contribution to public schools under AS 14.17.410. Roads payments must be used only for the operation, maintenance, repair or construction of public roads over which the municipality exercises road powers. The purchase of materials and equipment used to operate, maintain, repair or construct public roads is also permitted.

Enterprise Funds

The Borough's Enterprise Funds are used to account for operations that are financed and operated in a manner similar to business-like entities. It is the intent of the Borough Assembly that the cost of providing goods and/or services through an enterprise fund be financed or recovered primarily through user fees. The Borough maintains the following enterprise funds: Electric, Water, Wastewater, Sanitation, Harbor, Elderly Housing & Assisted Living.

a. Annual Rate Review: Rates will be reviewed by department heads to determine if they are adequate to maintain a minimum level of unrestricted reserves of not less than six months of operating expenses. Operating expenses shall be based on figures from the prior year audited financial statements. If the Enterprise Fund does not meet this equivalent of reserves, a plan will be submitted by the department head and approved by the assembly, on how compliance in the future will be obtained. Should forecasted annual financing for any future capital projects be projected to bring the enterprise fund unrestricted balance below the six months of operating expense policy, a financing plan will be submitted by the department head and approved by the assembly before beginning the project. Recommendations for annual rate adjustments should be made during the budget process to the Borough Assembly.

Capital Projects

Any capital expenditure in excess of \$5,000 must be easily identifiable in the budget in a separate line item. Capital projects in excess of \$100,000 are normally accounted for in a separate Capital Project Fund. If such projects are funded through grants, donations, or revenue generated by the project, such revenues are accounted for directly under the Capital Project Fund. If a project is funded through the transfer of equity from the General Fund or an Enterprise Fund, the transfer is budgeted as a *Transfer In* under the Capital Project Fund and a *Transfer Out* under the General Fund or Enterprise Fund.

Tobacco Excise Tax

Tax from this revenue stream shall go directly into the General Fund to be distributed through the budget process.

CHAPTER 3: LAND USE + ENVIRONMENT

Overarching Goal: Encourage and guide growth to make Petersburg town and Borough an increasingly dynamic, successful and attractive place to live, work, invest and visit.

This chapter outlines land use and environmental policies, beginning with an overview of relevant goals and strategies, followed by a more detailed explanation of strategies and potential actions. The chapter concludes with an overview of the background and context that have informed land use policy recommendations.

GOALS + STRATEGIES

1. **Goal: Support Development.** Actively work to reduce barriers to private development.
 - a. Take steps to reduce the delay, cost and uncertainty associated with compliance with the Army Corps of Engineers 404 wetlands fill permit, required of all development projects in the Borough. Reserve Borough lands as a wetlands mitigation pool; consider taking over local management of discharge of fill into wetlands within the Petersburg Borough boundaries
 - b. Investigate options for the Borough to facilitate the extension of power to homes in rural subdivisions.
 - c. The Borough administration should include a development advocate function. This position would work with projects that could bring significant public benefits, but which need assistance to move quickly through the review and approval process.

2. **Goal: Encourage and Guide Growth.** Create an improved, Borough-wide system of land use tools to help carry out goals and strategies in this chapter and the Plan as a whole.
 - a. Extend subdivision authority to the entire Borough; apply different subdivision standards outside of Service Area One to reflect the unique characteristics and needs of these areas.
 - b. Develop a new Borough-wide, generalized land use map. Within Service Area One this will be a translation and update of current zoning; outside of Service Area One this will be based on the very different scale and style of development in these areas. See proposed land use map legend tables on pages 40 and 41 and accompanying draft generalized land use maps in Appendix B.
 - c. Develop appropriate land use codes to be used to implement the generalized land use map, recognizing the different characteristics and needs of different locations.
 - d. Establish an improved system for selecting, inventorying and managing Borough-owned land.



3. **Goal: Quality.** Adopt policies that encourage high quality buildings and site development practices that reflect Petersburg’s history and setting. *(Note: this goal focuses on Service Area One).*
 - a. Identify priorities and set objectives for improving the current Service Area One zoning code.
 - b. Identify priorities and set objectives for improving the current subdivision code and how it is applied in Service Area One.
 - c. Establish guidelines that allow for and encourage higher density housing while ensuring quality of neighborhoods and individual structures.

4. **Goal: Downtown.** Help make Petersburg’s downtown is a good place to start or run a business, by taking actions so downtown is lively, attractive, walkable and inviting for residents and visitors.
 - a. Develop and adopt policies that encourage more downtown private development and redevelopment.
 - b. Evaluate options and develop strategies to respond to fire hazards.
 - c. Develop a comprehensive strategy to balance the need to provide adequate downtown and waterfront parking, with the need to maintain a compact, walkable downtown.
 - d. Increase the amount of residential, office and other uses within walking distance of downtown.
 - e. Improve circulation for vehicles, bikes and pedestrians. *See Chapter 5: Transportation for more information on roads and sidewalks.*

5. **Goal: Waterfront.** Manage the use of the waterfront Borough-wide to maximize the value of this scarce resource for business, residents and visitors.
 - a. Integrate and balance the need to support a range of waterfront uses.

6. **Goal: Environment.** Maintain the overall quality of the Petersburg Borough natural environment; protect “environmental services” like watersheds and drainage ways as well as preserving the aesthetic beauty of the community.
 - a. Inventory and identify important and potentially vulnerable environmental assets, including streams, watersheds, flood plains, fish and wildlife habitat.
 - b. Work with public and private landowners to identify strategies to protect important natural resource values.



View from the Petersburg waterfront

DETAILED ACTIONS TO SUPPORT THE GOALS + STRATEGIES

1. **Goal: Support Development.** Actively work to reduce barriers to private development

Strategy: Actively work to reduce barriers to private development. Local governments can have a large impact on the ease – or the complication – of complying with land use regulations. The objective of this strategy is for the Borough to play a role as facilitator of desired development. This would include work to make it easier for Borough residents and land owners to comply with state and federal regulations, actions to establish a pool of wetland mitigation lands, and steps to streamline how the Borough administers its own land use regulations.

Potential Actions:

- Take steps to reduce the delay, cost and uncertainty associated with compliance with the Army Corps of Engineers 404 wetlands fill permit. Development of any land in the Borough requires such a permit.
 - Near term: the planning department should work with the Army Corps to speed and smooth the process of issuing wetlands/fill permits required of individual landowners. One step would be for Borough staff to work with the Corps to set up a standardized, expedited process, where less of the burden would fall in individual land owners. This could start with a detailed list of how to apply and what documentation, including examples of drawings, is needed for this process.
 - Longer term: the Borough should apply to the Army Corps of Engineers, Alaska, for a general permit to cover discharge of fill into wetlands within the Petersburg Borough boundaries. Specific actions:
 - Review the process for transferring wetland permitting authority from the Corps to the Borough. This approach has been used successfully by several Alaska communities; templates from other communities can help.
 - Clarify additions to Borough code and staff responsibilities needed for the Borough to take on this responsibility, and approve these changes with Borough leadership.
 - Set up a streamlined wetlands development permit process. Land owners developing or improving properties would still need to go through this process, but it would be administered locally, rather than through the Army Corps, and consequently could be much simpler, quicker and more predictable.
 - Choose and set aside an area to be used as mitigation lands in exchange for development activities in wetlands.
- Investigate options for the Borough to facilitate the extension of power to homes and businesses in rural subdivisions. Under the current process, single landowners who want power often do not take that step because the cost is high and because there is no established, fair method to share costs among those who want and are willing to pay for the extension. One option would be subdivision service areas where, if a majority voted to bring in power, all affected owners would contribute, and these costs would be paid back over five to ten years of property tax payments.

- The Borough administration should include a development advocate function. This position would work with projects that could bring significant public benefits, but which need assistance to move quickly through the review and approval process.

2. Goal: Encourage and Guide Growth. Create an improved, Borough-wide system of land use tools to help carry out goals and strategies in this chapter and the plan as a whole.

- a. Strategy:** Extend subdivision authority to the entire Borough; apply different subdivision standards outside of Service Area One to reflect unique characteristics and needs of these areas.

Subdivision controls ensure basic standards for subdivision design are met, for lot size and configuration, and for infrastructure such as roads, water, sewer and power. Boroughs around Alaska have learned that if subdivisions are not developed to at least minimum standards, problems inevitably arise at a later date, and at that point finding funding to correct initial deficiencies is very difficult. Common examples of this problem are where groups seeking subdivide approvals ask for and receive exemptions from normal road construction standards. Later, when the area grows and traffic increases, users push for road upgrades, and the Borough is forced to pay to correct problems that should have been built into the original project costs.

Potential Actions:

- Extend subdivision approval authority to the entire Borough.
- Develop less stringent subdivision standards outside Service Area One, to reflect the unique characteristics and needs of these areas; for example, the option for “rural standard” narrower roads. Specific issues to address for rural subdivisions:
 - Roads of acceptable quality.
 - Adequate lot dimensions.
 - Assurance of solutions to drainage issues and water/septic needs.
 - Reservation of easements for future public services, trails and waterfront access that ultimately may be required.
 - Options for shared drives, so multiple parcels have legal, practical access, without full cost of a public road

- b. Strategy:** Create a new Borough-wide, generalized land use map. Within Service Area One this will be a translation and update of current zoning; outside of Service Area One this will be based on the very different scale and style of development in these areas. The Borough currently only exercises its state-assigned planning powers in “Service Area One,” which corresponds to the previous boundaries of the City of Petersburg

. The generalized land use plan will serve the purposes below:

- Provide a general guide for land use throughout the Borough that anticipates, accommodates and guides future growth and other land use changes, for example, by identifying space for expanded marine activities.
- Synchronize land use with current and planned future public infrastructure, so land uses have needed services.
- Allow for different levels of land use controls in different parts of the Borough. Provide for a relatively high level of land use control in Service Area One. In contrast, provide for a limited level of land use management in road-served areas on Mitkof Island outside of Service Area One, and a still further reduced level of land management in more outlying areas. The intent is to respond to the less developed character of these outlying areas, but still offer a degree of public control over potential larger scale future projects that may have significant off-site impacts.
- After the Comprehensive Plan is complete, work with land owners, residents, and businesses to use the generalized land use plan map to refine existing zoning in Service Area One, and to draft a new zoning map for Borough areas outside of Service Area One.

The draft versions of these proposed generalized land use maps were developed as a part of the comprehensive planning process. The consultant team spent a number of days with Borough staff and local residents to review current land use categories and to create and revise the detailed proposed land categories legend below and associated maps in Appendix B.

Generalized Land Use Map – Legend with Proposed Land Use Categories
Revised November 2015

Use Category	Intended Uses	Zoning “Menu” – zones to be applied within any specific general land use category
Within Service Area One		
Waterfront A - Water Dependent Commercial or Industrial	For specific areas prioritized for water dependent commercial, industrial uses; other uses may be allowed, but ideally only as interim uses (e.g., short term lease)	No current corresponding zoning category, but build from Commercial 1
Waterfront B - Water-Influenced Mixed Use	Areas on or near the waterfront, where waterfront location is key to value of the use; examples include residential, lodging, restaurants, select retail; uses must be sited and designed to take advantage of waterfront values, and maintain the scale of single family detached residential buildings	No current corresponding zoning category, but build from Commercial 1 and residential zones
Waterfront C Conservation	Tidelands, immediately adjoining uplands, intended to protect waterfront environmental values <ul style="list-style-type: none"> - On private land: development allowed, standards protect environmental quality 	No current corresponding zoning category; build from Open Space/Recreation, modified to emphasize conservation, including protection of conservation values on

Use Category	Intended Uses	Zoning “Menu” – zones to be applied within any specific general land use category
	- On public land: no/minimal development	private land
Downtown Historic	Compact, walkable, diverse; controls on building form and appearance to maintain historic character; little or no onsite parking	C-3 Commercial 3 with modifications to maintain historic character
Downtown Commercial	Commercial, higher density residential, - compact, walkable, diverse; minimal onsite parking, most parking needs met through well-managed public parking, on and off street	C-1 Commercial 1 with modifications to reduce on-site parking requirements
Commercial Outside of Downtown	Commercial outside of downtown, including larger floorplate uses; in contrast to downtown, these are generally uses requiring substantial on-site parking to meet needs of customers who arrive by automobile	C-2 Commercial 2
Medium and Higher Density Residential	Higher density residential, including attached and detached homes; option for accessory dwelling units, for home-based occupations	SF 1 Single Family 1, (SF 2 - Single Family 2 modified or eliminated), MF - Multi-Family, SFMH - Single Family Mobile Home, MHP - Mobile Home Park
Lower Density Residential	Single family or duplex residential, option for accessory dwelling units and home-based businesses, (1-4 dwellings units per acre (DUA) is most common; but allow option for densities up to 6-8 DUA)	RR Rural Residential; Single Family Mobile Home? (add option for up to 6-8 DUA with admin site plan review)
Public Facilities	Site-specific, developed public use facilities, including developed recreation facilities	P-1 Public use
Industrial	Range of industrial activities; primarily uses that tend to have impacts on surrounding non-industrial uses, such as noise, smells, bright lights, truck traffic, low visual quality, safety concerns	I Industrial
Open Space/Recreation	Land in natural state, allowing for dispersed recreation. Open space is preferred near term use, in part to concentrate development in currently developed areas. This designation may be changed in the future to allow for development if/when local economy/population grows.	OS Open Space - recreation, modified to emphasize conservation, generally for public lands, option to be dedicated for mitigation lands
Development Reserve	Areas with limited current access, and limited near term development pressures. Decision on future uses to respond to market opportunities, community and environmental standards	No current corresponding zoning category
Dispersed Recreation/Resource Development	The general category for public land managed by USFS or DNR; multi-use management including timber harvests, recreation, mineral development (same outside SA1)	No currently corresponding zoning category

Use Category	Intended Uses	Zoning “Menu” – zones to be applied within any specific general land use category
Outside Service Area One		
Rural Mixed Use	The general category for the majority of the private land outside of Service Area One (including lands held by the Alaska Mental Health Trust Authority); predominately residential but allows for a range of uses including home-based businesses; requires Conditional Use Permit (CUP) for select, higher impact uses	No current corresponding zoning category
Rural Village	Like Rural Mixed Use, but in locations with a greater concentration of residential and residential scaled-uses including home-based businesses; some Borough services provided; requires Conditional Use Permit (CUP) for select, higher impact uses	No current corresponding zoning category
Intensive Use Area	Areas intended for a specific, developed use; e.g. lumber mills, quarries, other focused industrial, resource development activities; also for other site-specific developments include developed recreation facilities (e.g., campgrounds), fish hatcheries, transportation facilities	No current corresponding zoning category
Dispersed Recreation, Resource Development	Category for the majority of public land in the Borough managed by the USFS or the Alaska DNR; more intensive uses require consultation with Borough and public engagement comparable to Conditional Use Permit; see plans of individual public agencies for more details of the policies of the agencies	No current corresponding zoning category
Land Bank	Areas with limited current access, and limited near term development pressures. Option for future development consistent with community and environmental standards	No current corresponding zoning category

- c. **Strategy:** Develop appropriate revised land use codes to implement the generalized land use map, recognizing the different characteristics and needs of different locations.

“Zoning” is a term that takes in a wide range of levels of control, and consequently can be tailored to meet needs of particular areas. Zoning can be strict and all encompassing, or limited and very flexible. In the Petersburg Borough, Service Area 1 requires the most extensive zoning rules; new but much more flexible land use policies are needed for the remainder of road accessible Mitkof Island, with even more flexible standards on the more remote, sparsely settled areas of Kupreanof Island and the mainland.

This comprehensive plan will not establish zoning rules – that task will follow the approval of the plan. This plan does, however, set forward the recommendations for the main elements of a possible future zoning code. The timing and details of that action will reflect the sense of urgency about the issue, as seen by elected officials, residents, landowners and businesses in the area. Below are recommendations for land use controls in areas outside of Service Area One. Recommendations for changes in the zoning within Service Area One are presented under Goal 2.



Mural and flowers in the downtown core

Potential Actions:

- Establish a new land use code for areas outside of Service Area One that continues to allow individual land owners substantial latitude in the way they use their land, including allowing a wide range and intensity of uses, but also sets basic land use policies to achieve the following objectives:
 - Continue to allow homes and small scale businesses with very few rules or restrictions, but set up a new process that would give affected residents and landowners a voice in large scale projects.
 - Reduce the potential for an activity occurring on one parcel to significantly impact surrounding properties.
 - Maintain property values.
 - Guide location and type of development to avoid natural hazards like landslides.
 - Recognize the differences in land use and associated land use policies between road accessible areas of Mitkof Islands vs. more remote, sparsely settled Kupreanof Island.
- Require a Conditional Use Permit (CUP) for uses likely to create notable off-site impacts, due to either the specific type of activity, or the scale of the use. Examples of types of activities that often create adverse off site impacts include auto wrecking yards, batch plants, heavy industrial uses, “adult entertainment,” jails, biomass facilities, quarries or gravel operations. Uses that are acceptable neighbors at a smaller scale, but should be subject to a conditional use review when they are large, include larger multifamily projects, large scale tourist operations or certain public facilities.
- Under the conditional permit process, uses likely to create significant off-site impacts would be required to submit a development plan to the Community Development Department for review. The Community Development Department, using standards in the conditional use section of the code, would recommend to the Planning Commission any specific conditions required to reduce or mitigate potential impacts. Conditions of approval could include, for example, increased setbacks, screening, or limits on hours of operation. This review process would include notification of adjacent land owners and the option to learn about the project and express views to the Planning Commission.

- Establish basic dimensional standards, including maximum building heights, and minimum front, back and rear building setbacks, so uses respect and maintain the values of adjoining properties.
- Continue to allow uses commonly occurring in particular areas – single family homes, home-based businesses, resident serving retail, lodges – as “by right uses.” These uses should comply with basic Borough dimensional standards (see below) but are not required to go through a review and approval process.
- In waterfront area at Falls Creek on Mitkof Island, where there are two existing residential floathomes, allow for continued use. Consider a CUP or similar review for new floathomes.
- In areas outside of Service Area One where there is relatively concentrated residential use such as Papke’s Landing, consider identifying certain high impact uses as prohibited or establishing a slightly higher level of land use controls.
- Clarify the Borough “legal non-confirming use” rules (“grandfathering”) to make clear that legal uses established prior to the new land use rules are not required to be changed to meet newly established standards.
- Establish a process for Borough staff to enforce the standards that are adopted.

d. Strategy: Establish an improved system for selecting, inventorying and managing Borough-owned land.

The Borough inherited the City’s real property code. While that code suffices for the relatively few parcels held by the city, an improved real property code is needed to better manage the land that the Borough will select and eventually receive from the State. In addition, clear criteria are needed to guide the selection process.

Potential Actions:

- Improve the Borough’s land mapping system. Establish a comprehensive Geographic Information System (GIS) mapping system, covering all lands in the Borough, that can be readily updated, and that provides a base of knowledge of land ownership, land uses and other land characteristics necessary for effective land planning.
- Establish a set of selection criteria, outlined below, to be used as a reference by the Borough’s Municipal Land Selection committee, as they review options and negotiate with the State of Alaska regarding the new Borough’s land entitlement. If parcels offered by the State do not meet these criteria, go back and request alternative properties.
 - Basic physical suitability such as slopes and drainage, accessibility, and access to services.
 - Economic development potential.
 - Properties with potential to support new jobs or new businesses. For example, this could include waterfront lands for commercial fishing or tourism, land for energy resources or land for building materials.
 - Properties that could play an important support role for nearby development opportunities; for example, access or support facilities for hydro development.
 - Wetlands or sub-tidal lands mitigation that could be used as a wetlands mitigation bank (for example, on Kupreanof Island) – see discussion under Goal 1 above.
 - Support for public services and facilities.

- Sites to support enterprise services such as power generation.
- Sites for community services, such as gravel or rock quarries.
- Alternative sites for existing public facilities currently in imperfect locations. For example, uses that do not need to be in the heart of downtown or on the waterfront such as DOT/PF's material storage yard, bus storage, power generation, utilities and the fire training tower.
- Property with high value/high amenities for residential or developed tourism uses; for example, space for future residential growth, for second homes or for lodges.
- General selection strategies.
 - Aim for broad public impact; benefit as many people as possible.
 - Generally avoid selecting state land that currently supports a unique, desired use, where this use is likely to continue into the future; for example, the gun range and the water reservoir.
 - Focus on long term economic and fiscal benefits, such as land that could support uses that will create more property tax, raw fish tax or other revenues needed to support Borough-provided services.
 - In general, avoid selecting areas for exclusively environmental protection, such as subsistence and dispersed recreation, where these values will be adequately protected under state ownership.



Hammer Slough, an area proposed to be part of a downtown historic zone where a wide variety of uses are possible, but buildings will be required to maintain the tradition of residential scaled structures

- Improve the Borough real property code. Expand the real property code section, with policies on topics below:
 - System for classifying lands for different uses, including an initial inventory, then classification into categories for sales, and/or retention and management for specific uses, such as sand and gravel extraction, waterfront facilities or recreation.
 - Protocols for sales.
 - New protocols for less-than-fee disposals such as permits and leases.
 - New policies for specific activities on Borough land; for example, rock quarries.
 - Public notice and a defined decision-making process.
- Borough boundaries – Continue to assert the logic of full extension of the new Borough boundary, including the northern boundary extending to include Hobart Bay.

3. Goal: Quality. Adopt policies that encourage high quality buildings and site development practices that reflect Petersburg's history and setting. *(Note: this goal focuses on Service Area One)*

- a. **Strategy:** Identify priorities and set objectives for improving the current Service Area One zoning code. Service Area One zoning has worked well for the City over the years, but could benefit from several upgrades that would produce a more modern code, with more flexibility, and that simplifies the review and approval process, to encourage more and higher quality development.

Potential Actions:

- Improve downtown zoning to create a more lively, attractive mixed use area (see Goal 4 below), including reducing on-site parking requirements to free up private land for development, while encouraging optimum use of on-street and off-street public parking.
- Create a new downtown historic area zoning district (see goal 3 below).
- Clarify the difference between the public uses zone in the current code (intended for developed facilities including developed parks), and the open space- recreation zone (modified to emphasize conservation, generally for public lands, and with the option to be dedicated for mitigation lands) (see goal 6 below).
- Create a new Dispersed Rec/Resource Development zoning district, a general category for public land managed by the United States Forest Service (USFS) or the Department of Natural Resources (DNR), including areas available for timber management and dispersed recreation.
- Expand options for new residential uses (see strategy c below and *Chapter 6: Housing* for details).
 - Rezone vacant or low intensity use areas adjoining the currently developed portions of downtown to allow for more housing. Work to expand the supply of relatively close in, utility-served residential property.
 - Change rules to encourage higher density residential uses, including allowing accessory dwelling units.
- Buffering incompatible uses – There are current locations in town where areas zoned industrial abut areas zoned for residential uses; new standards are needed on industrial properties to provide reasonable buffering for adjoining residential areas.
- Consider new zoning regulations to address storage and junk piles located around town.
- Consider new zoning regulations to address Airbnb operations and their potential impacts on the housing market and neighborhood quality.
- Waterfront: three new waterfront use zones – use these codes to maximize the value waterfront properties. (see more in waterfront goal below)
 - Waterfront A – water dependent commercial or industrial, for limited, specific areas currently used or intended for commercial, industrial uses that are not practical without a waterfront location.
 - Waterfront B – water-influenced mixed use – areas on or near the waterfront where the uses greatly benefit from a waterfront location, and are located and designed to take advantage of private and public waterfront values. Examples of such uses include residential, lodging, restaurants, certain types of retail.
 - Waterfront C – conservation tidelands, immediately adjoining uplands, in areas intended to be undeveloped. On private land given a waterfront C designation development is allowed, but standards will be applied to protect waterfront environmental quality; on public land little or no development is permitted.

- Add a “Conservation/Open Space Subdivision” section to the Borough code. Conservation subdivisions allow otherwise applicable minimum lot sizes to be reduced, as a way of allowing for the flexibility to protect stream corridors or other natural features, while not reducing the (or even increasing) the allowed number of lots. This approach encourages clustering of development and retention of open space, so all residents have access to quality outdoor public space and to help reduce infrastructure costs.
- b. Strategy:** Identify priorities and set objectives for improving the current subdivision code as applied in Service Area One. Several subdivisions in Service Area One were authorized without full compliance with the applicable City subdivision standards. As noted above, this often leads to the need for improvements to sub-standard roads and other infrastructure.

Potential Actions:

- Mandate the extension of infrastructure as a condition of subdivision approval.
 - Set and enforce standards for road design and construction to ensure roads taken over by the Borough are well built and can be maintained at a reasonable cost.
 - Ensure subdivisions reserve easements for, and where appropriate provide, adequate public facilities, even where these services may not be installed in the near term.
 - Ensure subdivisions are planned to support walking and biking, both within the subdivision and linking through the subdivision adjoining properties and other community destinations.
 - Consider options for expanded use of shared drives, so multiple parcels have lasting, legal, practical access, without the full cost of a standard public road.
- c. Strategy:** Establish guidelines that allow for and encourage higher density housing while ensuring quality of neighborhoods and individual structures.

As noted in the housing chapter, Petersburg is facing an unusual housing “crisis” where the population is stable or even declining, but where the housing supply is limited, particularly for rental housing, and where many people are hard-pressed to pay for housing within their salaries. This set of challenges reflects changing demographics, increasing housing construction costs, and the gap between earnings of local residents and housing costs.

Part of the solution is expanding housing supply. Building on undeveloped property is one option, however, developing such property is often quite costly due to the need to extend new roads and other infrastructure, and because much of the undeveloped, relatively accessible land within Service Area one is wetlands. As a result, one important housing strategy is to increase the supply of housing within the already developed parts of town. Higher density housing – duplexes, triplexes, accessory dwelling units, or multi-unit condo or apartment complexes can be enjoyable places to live, if they are well built and well designed, and if the potential drawbacks of living in attached housing are offset by the

benefits of being in a mixed use neighborhood where it is possible to walk out the door to places to shop, dine or recreate.

Increasing the supply of higher density housing has many benefits, but such housing can change the character of established neighborhoods, so strategies are also needed so future residential growth maintains quality neighborhoods.

- d. **Strategy** – Provide detailed plans of commonly built structures (storage shed, carport, etc.) that could serve as a prescriptive method of construction and simplify inspection for the planning department.

Potential Actions:

- Increase the supply of housing within the already developed parts of town.
 - Encourage renovation of existing dwellings.
 - Allow for higher density development in single family 1 and single family 2 neighborhoods, such as “cottage homes.”
 - Allow accessory dwelling units (ADU’s/“mother in law apartments”) in single family areas; set standards for relative size of ADU vs. size of primary unit; for entries, parking.
 - Encourage infill on vacant in-town parcels, and provide a generous variance proceeding where otherwise applicable setbacks or other policies prevent or constrain reasonable development.
 - Change zoning to encourage new multifamily housing, including housing as part of commercial projects.
- Reduce on-site parking requirements for multifamily units, especially where housing is located in or near downtown.
- Set basic standards for multifamily building form and appearance. These can include maximum length of facades in the same plane, screening of trash, orientation of entries to the street and location of parking.

4. **Goal: Downtown:** Help make Petersburg’s downtown is a good place to start or run a business, by taking actions so downtown is lively, attractive, walkable and inviting for residents and visitors

Downtown Petersburg starts today with the great advantage of a compact street grid, buildings close to the street, decent sidewalks, a relatively dense concentration of buildings and an attractive waterfront setting. Beyond these strictly physical attributes, downtown also has a distinctive character, reflecting the town’s history and pride in its Norwegian traditions and success as a fishing community. Unlike several other Southeast Alaska towns, downtown Petersburg remains an “authentic” place primarily serving Borough residents, versus a town focused on serving a large seasonal influx of cruise tourists.

At the same time, downtown Petersburg faces some clear challenges, which if addressed, could help the downtown better serve as an economic engine, a better place to live, work and visit, and act as the center of community life. These challenges include:

- A growing number of poorly maintained buildings.
- Deteriorated sidewalks in certain parts of town.
- Imperfect facilities and pedestrian pathways for tourists traveling to town by small cruise ship or private boat.
- Limited availability of commercial services, especially evening dining options in the non-summer months.
- The perception (but in large part not the reality) of parking problems.
- Reduction in the level of use by residents due to the shift of residential areas to outlying locations and a shift in regularly-visited commercial and civic destinations.

- a. **Strategy:** Develop and adopt policies that encourage more downtown private development and redevelopment.

Despite the trends and advantages described above, downtown development is challenging due to high land and construction costs, limited land area and tight lots, regulatory compliance as applied to older buildings, and the occasionally, concerns raised by project neighbors. To overcome these challenges, and to take advantage of the potential value of downtown development, most American cities have adopted strategies and incentives to proactively promote downtown development and redevelopment.

Objectives for downtown based on expressed community priorities are listed below, followed by actions to move toward these objectives. The list starts with simpler actions and moves toward more complex and ambitious options.

- Revitalize older, rundown structures.
- Maintain small, affordable space for new businesses.
- Encourage additional year-round restaurants/eateries with indoor seating.
- Maintain the charming, friendly, walkable small-town atmosphere downtown.
- Work with the Historical Preservation Committee to encourage modest changes that improve community identity and character around Sing Lee Alley, Hammer Slough and downtown streets.

Potential Actions:

- Review current code and adjust to encourage a more compact, walkable, lively and diverse downtown core. Specific changes:

- Consider new design standards in the Commercial 1 zone to maintain a main street feel, including standards for building entries, "build to" front setbacks, and standards for the location of parking
- Incorporate more "form-based" approach to zoning, where the code articulates a general physical form for future uses and is less restrictive regarding specific uses.
- The priority for application of form-based principles is creation of a "historic district zoning code" built around a strengthened version of the existing C-3 zone. This district will include the Hammer Slough area and extend into Sing Lee Alley. Within this area, continue to allow a diverse range of uses, including lodging, retail, dining, residential, service office and small scale warehouse. Establish design standards that require all these activities to use the general building form and scale of the majority of the buildings currently found in the area.
- In Hammer Slough these structures have a size and form typical of multi-story, single family residences, with simple rectangular forms, and exteriors of wood, or materials with the appearance of wood.
- In the Sing Lee alley, as illustrated below, buildings follow traditional American Main Street forms, with buildings coming to street edge, with simple cornices and inviting, human scaled doors and windows.



- Investigate options to relax building standards and streamline permitting for new structure or renovation of existing structures.
- Consider Borough-sponsored "catalytic projects" that might draw new users, including both resident and out of town visitors.
- Develop incentives for renovation and development of important deteriorated properties or long vacant parcels. Options include:
 - Tax abatement programs.
 - Façade improvement grants.
 - Low cost loan/grant program to make compliance with code requirements easier.
 - Avoid renovation or upkeep requirements that are prohibitive for owners.
- Create guidelines for signage, street names, public art and building styles in order to reinforce and support what is distinctive about downtown Petersburg's cultural character.



- Create more “reasons to linger” in downtown. Example include:
 - Four season gathering places and covered benches.
 - A central plaza, even if small, with information about Borough attractions and history.

b. Strategy: Evaluate options and develop strategies to respond to fire hazards. Fires in older downtowns are notorious in Alaska for destroying buildings and history, and sometimes taking lives, in a single tragic event. The ideal solution is to retrofit older buildings with sprinklers, but this is challenging due to costs.

Potential Actions:

- Working with land and business owners and the fire department, gauge the scale of the problem; evaluate options, costs and benefits of alternative strategies; reach agreement on a practical, phased approach address downtown fire hazards.
- Identify specific buildings, or groups of buildings most at risk and most valuable to the form and function of downtown.
- Investigate options for Borough partnerships to finance needed improvements, for example, PEDC funding for a Fire Sprinkler Loan Program, or a downtown improvement district.

c. Strategy: Develop a comprehensive strategy to balance the need to provide adequate downtown and waterfront parking, with the need to maintain a compact, walkable downtown.

Different approaches to parking have a powerful impact on the character of a place. Walkable downtowns find ways to meet parking needs, while still locating buildings close enough together to make it easy and inviting to get around without a car. Broad parking strategies include:

- Work to meet parking needs through means other than requiring on-site parking. In a downtown setting, forcing on-site parking solutions simply creates more space between buildings. This makes walking less attractive and can actually increase the demand for parking.
- Maintain and improve the supply and management of publically owned parking areas – maximize the number of spaces for both on and off-street public parking.
- Where uses include on-site parking, encourage this to be located to the rear or sides of buildings.

Potential Actions:

- Evaluate supply of downtown on street and public parking; determine how well this supply matches up against the needs of existing and anticipated downtown businesses. An informal evaluation of this supply suggests the current supply of public parking is sufficient to reduce and eventually eliminate on-site parking requirements in the downtown commercial zone.

- Phase in reduced requirements for off-street parking (currently 19.64.010 sets this requirement at one space/250 square feet). Specific policy changes include
 - To the degree that downtown appears to have enough public parking to meet demands, reduce the base on-site parking requirements from 1 space per 250 square feet to 1 space per 350 square feet.
 - Allow additional site-specific administrative reductions of parking requirements beyond the base requirements where evidence suggests that parking demands can be met in other ways. Options include:
 - Shared use of private parking areas where uses have different peak hours of operation, such as an office and restaurant or bar. This can happen for two adjoining uses, or for non-adjacent uses where there is a reasonable pedestrian route between the two sites.
 - Options to redesign adjoining private spaces to create a single shared parking area, which often provides more stalls in the same footprint
 - Evidence of reduced parking demand, for example, a specific use that is favored by users who come by means other than a private auto.
 - A program for a fee-in-lieu of providing on-site parking. The fees collected can be used to fund centralized parking areas.
- Public parking supply/parking management:
 - Continue to provide a set of well-located small public parking lots around downtown; maximize the availability of on-street public parking
 - Use signage to direct drivers to public parking lots
 - Encourage/require employees to park in places other than locations that are most convenient for shoppers.
- Better manage waterfront parking needs.
 - Shift longer term parking away from active areas to free up valuable land for other uses.
 - In areas that are most important for short term, waterfront-related parking, consider option in the future to charge for parking, as a way of keeping those areas open for short term uses.
- Parking design – review and consider reducing minimum stall size in 19.64.040.

d. Strategy: Increase the amount of residential, office and other uses within walking distance of downtown to increase spending that supports downtown merchants, and to provide more opportunities for downtown living.

Potential Actions:

- Housing – see actions under Goal 3 above.
- Office and mixed use – review and refine zoning code to encourage more, and denser, commercial development.
- Concentrate use in or near downtown.
 - Public uses – public uses like libraries, a post office, community halls generate activity and foot traffic, and should concentrate in downtown.
 - Private uses – review zoning and require future retail and dining activities to locate within or within easy walking distance of downtown.
- Establish a camping area or camping spot close to town.

- Improve infrastructure – see Goal 2.
- e. **Strategy:** Improve circulation for vehicles, bikes and pedestrians. *See Chapter 5: Transportation chapter for more information on roads and sidewalks.*
- f. **Strategy:** Implement a range of other actions to improve downtown.
- In an era of busy lives, where convenience and auto use are dominant themes, keeping downtowns economically vital, diverse, lively and interesting requires an ongoing, multipronged effort. Additional actions, adding to those above are outlined below.

Potential Actions:

- Improve wayfinding, primarily to assist visitors in navigation around the community. This includes information on practical walking routes, such as the route from dock to shopping, and also signage and other information to help visitors find services and points of interest. Elements of a successful wayfinding program include information to review prior to arrival, as well as hardcopy and on-line maps, and physical signage, kiosks and landmarks.
 - Events – continue to support a range of events that draw residents and visitors to town; work with airlines and ferry, as well as through other marketing channels, to publicize events. Consider options to create a new event, or elevate an existing event, to a higher visibility, that would increase the odds out of town visitors would make a special trip to enjoy that event.
 - Work with local merchants and the Chamber of Commerce to try and establish more reliable year round services, such as restaurants where visitors can reliably find food in winter evenings. Educate community members about their role in keeping restaurants open (they need to patronize local dining establishments).
 - Master Plan – this single section of the comprehensive plan can only offer broad direction for downtown. Consider developing a more fleshed out downtown plan:
 - Engage a range of downtown stakeholders in an honest evaluation of downtown strengths and challenges,
 - Better understand trends in use and spending in downtown, by both residents and visitors,
 - Prepare a clearer set of general goals for the future of downtown,
 - Identify and prioritize specific actions to reach goals, and
 - Seek out new funding sources, including a downtown improvement districts, and new partnerships for implementing priorities.
5. **Goal: Waterfront.** Manage the use of the waterfront Borough-wide to maximize the value of this scarce resource for business, residents and visitors.

Goals and strategies of the Waterfront Plan focus on current harbor uses and needed improvements into the future, including both on-shore and “in-the-water” infrastructure. This section of the Comprehensive Plan presents waterfront goals and strategies, to support the

policy directions of the Waterfront plan, and also add guidance where those directions overlap with on-shore land use issues.

An additional element of waterfront management is consideration of the environmental value of the “land-sea interface”. A variety of fish and wildlife species depend on waterfront environments, including the beaches, mudflats, tidelands, and estuaries that support shorebirds, a range of tideland creatures and areas critical to the lifecycle of anadromous fish. Particularly in a community where commercial, sport and subsistence activities are so important, protection of these assets should also be an important consideration in waterfront development planning.

a. Strategy: Integrate and balance the need to support a range of waterfront uses.

The starting point for both the Waterfront Plan and this land use chapter is the recognition that waterfront land is a precious and finite resource, and should be managed to maximize its value now and into the future. The economic value of the waterfront is obvious in a community dominated by commercial fishing. Waterfront economic values go beyond just commercial fishing, including tourism, recreation and transportation of people and goods. The experiential value of the waterfront – the sights and sounds of the ocean shore – is itself a powerful economic and quality of life resource. Waterfront communities are intrinsically attractive to visitors and homebuyers.

Objectives for waterfront lands include:

- Place highest priority for use of the waterfront on waterfront-dependent activities, in particular commercial fishing, that sustain the Borough economy.
- Use good planning to support a diversity of uses and to maximize waterfront values. Wherever possible, support multiple uses along the waterfront. Waterfront strategies are below, all premised on the need to support diverse waterfront uses.

Potential Actions:

- As part of the generalized land use plan mentioned above, designate waterfront areas into one of three categories:
 - Waterfront A: Areas currently used, or likely to be used in the future for intense/water focused commercial or industrial activities (examples include fish processing plants, land between the South Harbor south parking lot and the shipyard; Scow Bay). These areas are intended for the most intense, economically important water-dependent activities. Requests for uses that do not meet those criteria should be denied (examples include long term leases, expansion of current uses that are not water commercial/industrial). Miscellaneous small footprint uses, like the coffee shop and the gas station, should be allowed, as these services are used by waterfront users, and in acknowledgement that that the Nordic/Mitkof Highway corridor is a multi-function area. Such uses should be seen as interim uses, potentially subject to relocation to provide space for economically important, water dependent uses.

- Waterfront B: Intended for uses that greatly benefit from a waterfront location, including residential, retail, lodging and dining. While diverse uses are allowed in Waterfront B areas, the form and scale of such uses needs to maintain an attractive waterfront. The primary strategy to reach this goal is to require structures to be built in a scale and style of traditional Petersburg single family residential homes. An example is the set of uses he strip of uses along the water between the two access drives to south harbor
- Waterfront C: Conservation – these are areas where the intent is to preserve views, protect waterfront natural environment. On private land given a waterfront C designation development existing legal uses are “grandfathered”, but new uses are discouraged and would need to comply with standards to protect waterfront environmental quality. An example is the water side of the road just north of Ocean Beauty. On public land little or no development is permitted.
- While giving preference to commercial fishing, take actions to meet needs of other waterfront users that serve important economic and quality of life goals.
 - Promote public access to and along the waterfront.
 - Sustain and expand downtown retail, restaurant and service base to serve waterfront and harbor users. (see downtown goal above)
 - Continue to connect on-water uses with downtown businesses and adjoining residential uses. (see *Chapter 5: Transportation and Chapter 7: Recreation and Tourism*)
- Take advantage of the visible bustle of waterfront activity as a tangible economic asset and a way to convey Petersburg’s brand, to visitors and residents.
 - Keep open views and visual connections to the waterfront.
 - Provide interpretive material that explains what is going on in the harbor.
 - Provide guidelines that encourage the reuse of historic waterfront buildings and the construction of new, innovative designs that enhance the area.
- Redevelop vacant or underutilized land with appropriately dense development.
- Provide new opportunities for waterfront housing, lodging and dining.
- Over the years, it is quite possible that interest in in Southeast Alaska land on or near the water will grow. This could lead to benefits and problems. Benefits could include a growing collection of high value second homes and seasonally used properties, that generate much needed property tax, while placing relatively little burden on required services. Problems include potential for out of town buyers to push up property values, and displace residents who also appreciate waterfront living. Specific actions to address this possible, nascent future include:
 - Zone waterfront areas to allow higher density residential and tourism structures, but require a conditional use review process to ensure such structures maintain the visual quality of the waterfront.
 - Provide public access to the waterfront so residents and visitors have convenient, enjoyable access to waterfront and water-based activities. Hawaii and California both mandate access to the water, with this goal in mind.

6. Goal: Environment. Maintain the overall quality of the Petersburg Borough natural environment, including habitats that support subsistence activities, watersheds and drainage ways as well as preserving the aesthetic beauty of the community.

The ongoing health and welfare of Petersburg Borough – its economy, its daily life – rests on a foundation of environmental health. The Borough sits in the heart of a region with qualities increasingly rare in the world: an abundance of clean, fresh water and fresh air; a beautiful and isolated location surrounded by ocean water, forests and mountains with flourishing wildlife and marine resources. Almost all of these resources are publically owned and available to all.

Issues identified by the community include local issues such as continued subsistence opportunities, protection of water quality and stream side vegetation and air quality concerns in residential areas, including dust in summer and wood smoke in winter. Regional issues include the ongoing debate about logging. The prominence, if not the passions on this issue, has subsided with the dramatic decline in logging in the Tongass, and the adoption of the national “roadless rule,” and the State Forest Practice Act.

The Borough is also not immune from global environmental threats including pollution and climate change. Modeling by the University of Alaska Fairbanks Cold Climate Research Center suggests that Alaska’s coastal rain forests may be less affected by climate change than other Alaska landscapes. Potential impacts of climate change on the Borough and other fishing/tourism communities include:

- Rising sea levels and related coastal erosion.
- Ocean acidification.
- Long term warming affecting glaciers and snowpack, in turn changing seasonal stream flows and stream water temperatures, affecting anadromous fish populations.
- Extended warming could reduce the accessibility of glaciers – one of Alaska’s major tourism draws.
- Changes in the marine food chain. Among other changes, this could lead to northward expansion of new and different species, both terrestrial and marine.

The full integrity of the natural systems and landscapes that support Petersburg is well beyond the Borough’s control, but the Borough and its residents and businesses can and should do their part in sustaining their natural world, the world that in turn sustains them.

- a. **Strategy:** Inventory and identify important and potentially vulnerable environmental assets, including streams, watersheds, fish and wildlife habitat. A first step in environmental management is to inventory and identify important environmental assets, identifying which if any of these assets are at risk.

Potential Actions:

- Prepare a Borough-wide “green infrastructure” map identifying valuable and potentially vulnerable environmental assets

- Work cooperatively with other land owners, including the USFS, State of Alaska and the Alaska Mental Health Land Trust, to prepare this map. The map should include streams, watersheds, fish and wildlife habitat.
 - Use this map a reference to guide land use policy, broadly and linked to specific projects. For example, the site plan for a proposed new subdivision or development project could respond to information regarding an important riparian corridor or wildlife movement area.
- b. **Strategy:** Work with public and private landowners, federal agencies and the State of Alaska to sustain subsistence opportunities in the Borough.

The majority of the terrestrial and marine habitats that support subsistence activities, and the rules controlling subsistence, are largely out of control of local governments. The Borough can, however, be an advocate for subsistence issues that cross into topics where the Borough has influence. For examples, the Borough can work with the USFS to maintain backcountry roads and bridges that provide access to hunting opportunities, or advocate for protection of subsistence resources when state or federal government plan timber or other development projects.

Like many of the strategies of this plan, specific actions and positions will need to reflect the specifics of individual situations. The Borough may, for example, support a USFS timber harvest, as a way of creating economic opportunities, but push for this to occur in a fashion the minimizes subsistence impacts.

- c. **Strategy:** Work with public and private landowners to identify strategies to protect important natural resource values.

Potential Actions:

- Add new standards for habitat and environmental protection in the Borough land use code. For example:
 - Require minimum setbacks on development adjoining anadromous fish streams.
 - Review and confirm streams identified as anadromous in Alaska Department of Fish + Game (ADF+G) catalog. In some instances important streams are missing, while other streams identified have little or no value for anadromous fish.
 - Work with the Alaska Department of Transportation + Public Facilities (AK DOT+PF) to reduce or halt herbicide spraying.
 - Investigate and if appropriate take actions to address concerns about airborne pollution affecting residential areas and the reservoir.
 - Ensure that issues of landslides and coastal erosion are investigated and addressed when development or logging is planned in areas where these might be concerns
- Work with the Alaska Department of Environmental Conservation on policies addressing wastewater discharge.

- Work with USFS, the Alaska Department of Natural Resources Division of Forestry and the Alaska Mental Health Land Trust to establish policies that allow logging to create needed jobs, while minimizing long term impacts on rivers and streams, recreation, subsistence and viewsheds. This could be done by encouraging harvesting less timber per year on a longer harvest cycle yielding a higher grade product that will produce a higher return per acre of ground harvested.

BACKGROUND AND CONTEXT

The establishment of the Petersburg Borough creates a new entity with a bright, but unformed future. Few municipalities outside of Alaska encompass such remarkable landscapes, from glaciers and granite spires to forests, quiet bays and bustling harbors. While the landscapes within this new creation have not changed, this region is now an organized Borough. As a result, the future of this area can be considered, debated, and ultimately guided. The land use policies of this chapter of the Comprehensive Plan are an essential part of that opportunity. An overview of the context for land use policy, including current land use, land ownership and land management in the Borough is included below.

CURRENT LAND OWNERSHIP AND LAND USE

The Petersburg Borough is embedded in the 17 million acre Tongass National Forest, and the large majority of land in the Borough is held and managed by the Forest Service (USFS) (*see map below*). The use of land in the Borough reflects the dominance of land held by the USFS. The large majority of the Borough consists of publically owned, minimally developed, natural landscapes. Past timber harvests have affected significant portions of USFS property, but most of these harvest areas occurred 20-30 years ago, and are moving back to a less altered condition. The one significant area of timber harvest outside of USFS lands is in Hobart Bay, on a large tract held by Goldbelt Native Corporation. Private land and associated developed areas are limited, and concentrated at the northern end of Mitkof Island in Petersburg town. Smaller developed areas exist across the Wrangell Narrows to the west in the City of Kupreanof, and along the northwestern coastline of Mitkof, including Papke's Landing. A handful of dispersed, inholding private properties, some with single or small clusters of cabins or fishing lodges, are found in a few other locations in the Borough, including areas along the southern narrows, and more distant locations north and east of Mitkof, including Holkham Bay, Port Houghton, and Thomas Bay.

Several other land owners have significant holdings within the Borough. Goldbelt Corporation holds a substantial block of land in the Hobart Bay area. The State of Alaska Mental Health Trust Authority has significant holdings on Mitkof Island including developable lands near Petersburg and extending along the highway south out of town. The State of Alaska owns valuable coastal property along the southern and western portions of the coast of Mitkof, as well as land in the vicinity of

Petersburg town. The state sold land under its subdivision land disposal program at Frederick Point, on the Petersburg road system, on the northeastern side of Mitkof Island.

The City of Petersburg held approximately 3,800 square miles prior to the creation of the Borough. With the creation of the Borough. With the creation of the Petersburg Borough, the Borough is entitled to select an additional approximately 311,600 acres. Independent of this Comprehensive Plan, a Borough appointed committee is now working through the selection process. This plan identifies general criteria to guide that effort (see section under Goal 2).

Physical Suitability for Development

Like all of Alaska, much of the land in the Borough presents significant physical challenges for development. Large portions of the Borough are mountainous, with steep slopes and/or higher elevation alpine terrain. And equally large portions of lower lying areas are muskeg, poorly drained wetlands and coastal estuaries. The US Army Corps of Engineers has designated nearly all land in the Borough as wetlands, including many areas that are forested and generally physically suited for development (see Figure 3-1). These areas all require special permits for most development.

LAND USE MANAGEMENT AND REGULATION

Land use in Alaska is regulated at the local, state and federal level. This section provides an overview of management policies at each of these scales.

Figure 3- 9: Physical Characteristics of Mitkof Island

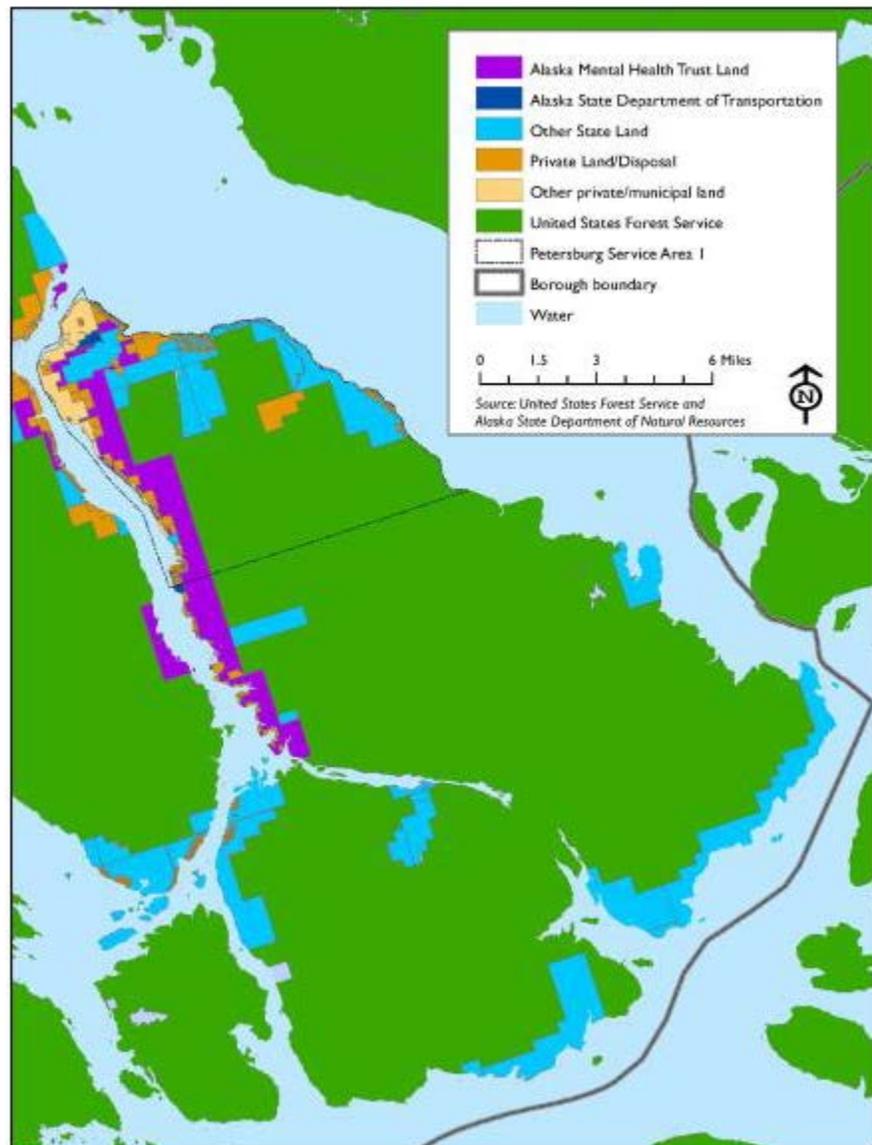


Local/Borough

The State of Alaska assigns Boroughs the responsibility for land use planning in AS 29.40.010. That section of the state code states “first or second class Borough shall provide for planning, platting, and land use regulation on an areawide basis.” A section that follows, AS 29.40.030, describes the primary tool to carry out these responsibilities, the Comprehensive Plan. State statutes define a comprehensive plan as a compilation of policy statements, goals, standards, and maps for guiding physical, social, and economic development, both private and public. The Plan may include, but is not limited to, a land use plan, as well as plans for transportation, facilities and implementation.

Local land use planning in the Borough is currently limited to the area within the previous boundaries of the City of Petersburg, and the City of Kupreanof. When the Borough was established, the City of Petersburg dissolved and became a portion of the larger Borough. Within the previous city boundaries, now labeled as Service Area One, the Borough administers both zoning and subdivision regulations. The

Figure 3-2 Land Ownership Map of Mitkof Island



Petersburg Borough boundaries encompass the City of Kupreanof, which has its own planning and zoning authority. In the remainder of the Borough there are currently no local land use regulations.

While the federal and state governments have their own land use policies, local (Borough) government planning, zoning and subdivision rules can extend to state and federal lands, where

state mental health programs. Over future years, the odds are good the Trust will actively use these properties for timber sales, land sales or other revenue generating purposes. The Trust has an evolving land management plan for all its holdings.

The Mental Health Trust and the USFS are currently negotiating land trades that would exchange Trust land holdings for USFS lands. The goal of this effort is to give the Trust access to outlying USFS lands appropriate for commercial timber harvest, while the USFS would end up holding and leaving undeveloped Trust lands located in viewsheds and watersheds.

The Department of Fish and Game (ADF+G) has management authority over fish and game on federal, state and private lands. The Department is most directly involved in land use regulation through Alaska Statutes Title 16, which requires approval from ADF&G whenever something is placed in an anadromous stream, with the objective of protecting fish runs. Numerous freshwater streams in Petersburg are listed as water bodies containing anadromous fish. Developments affecting these water bodies are subject to ADF&G review.

The Department of Environmental Conservation (ADEC) implements many programs dealing with public health and safety. Most significantly ADEC is at least nominally responsible for the approval of on-site water supplies and wastewater disposal systems. In practice limited funding and other priorities have meant there is little supervision of the installation and maintenance of such systems. ADEC standards are, however, generally followed. Petersburg's public water and sewer systems are licensed and monitored by ADEC. ADEC administers several other environmental and health programs such as restaurant and seafood processing inspections, and hazardous materials storage, transfer and disposal.

Federal Land Use Policies

The USFS Tongass National Forest is the manager of the large majority of land in the Borough. The 2008 amended Forest Plan for the Tongass establishes the overall management direction for this area. The plan sets out resource management practices, levels of resource production and management and the availability, location and suitability of lands for different kinds of resource management. In 2011, a court case challenged the exemption of the Tongass from the national 2001 “Roadless Rule” (Organized Village of Kake, et al. v. USDA, et al.). Thereafter, the Tongass National Forest was declared subject to the provisions of this rule. In simplest terms, this means the Forest is greatly limited in the future expansion of roads on Forest Service land anywhere in the Tongass, including the Borough.

As the rise and then the steep decline of timber harvests on the Tongass shows, Forest Service policies can have a significant impact on life in the Borough. These effects include impacts on the local economy, impacts on the natural environment, related habitats and recreation and subsistence opportunities, and impacts affecting access, including roads, trails and waterfront facilities.

Under current USFS policy in the Tongass little logging is taking place. Large scale timber harvests are much reduced from historic highs, and a return to earlier scales of timber harvests appears unlikely. The majority of USFS land is currently managed for protection of natural systems and low intensity recreation use. Remaining areas include areas designated for future timber production, or that were logged in the past.

The USFS recently was planning a limited timber sale on Mitkof Island to provide units for small timber sales (green saw timber, fuelwood offerings and young-growth commercial thinning). The sale also proposed a one-time, predominantly helicopter-based offering with a limited number of ground-based (cable) harvest units requiring road construction to support a microsale program. The area proposed for timber harvest and road construction are outside of inventoried roadless areas. The Selected Alternative included harvesting approximately 35 million board feet of timber on about 4,117 acres of National Forest land. Full implementation includes an estimated 1.3 miles of new road construction, 4.7 miles of temporary road construction and approximately 4.5 miles of road reconditioning. The USFS withdrew this sale in the face of a lawsuit raising concerns over the adequacy of the assessment of habitat and subsistence impacts. It is currently expected they will bring back a revised proposal, with a more extensive environmental review.

On the regional scale, the Tongass is now working a limited revision to the 2008 Forest Plan. Based on public scoping and the internal five-year review of the forest plan, four issues were identified as a the focus for this revision: 1) young-growth timber transition; 2) renewable energy; 3) roadless areas; and 4) wildlife habitat. The Tongass National Forest is working to complete the amended forest plan by August 2016. The plan aims to accomplish the transition to young growth management as provided in the Secretary's Memorandum (1044-009), and changes to make renewable energy development more permissive on the



Tongass identified in the five year review of the forest plan. Changes to the forest plan are being developed under the new National Forest System land management planning rule, and embody the provisions of the National Forest Management Act.

USFS funding for recreational services is declining in the Tongass and nationwide. With this reality in mind, the USFS is aiming to follow a nationwide “sustainable recreation policy.” A central goal of this policy is to ensure the USFS can afford to manage its inventory of cabins, trails, campgrounds,

buoys and boat launch facilities. In Alaska, as in other western states, this policy is leading to closures of facilities, particularly more outlying, less used trails, campgrounds and public use cabins.

Wrangell Narrows/Frederick Sound has been designated as an All American Highway under the National Scenic Byways System. The system's objective is that its byways "be developed and managed to serve the communities through which they pass, recognize and address the needs of the traveler, and development strategies should be a product of the local communities of people who live near the byway." The majority of land along this corridor is in public – mostly USFS – ownership. The plan addresses scenic and wildlife values through recommendations in this chapter, including those in goals 2 and 6 above.

The US Army Corps of Engineers is responsible for management of development in "navigable water of the US," including regulation of fill or alternations of wetlands. The Corps has designated essentially all land in Southeast Alaska as freshwater wetland. This requires all projects, including individual homes, to obtain an Army Corps 404 permit prior to construction. The Corps aims to reduce adverse impacts to the aquatic environment through offsetting mitigation requirements, which may include restoring, enhancing, creating and preserving aquatic functions and values. Goal 1 proposes strategies to lessen the delays and other issues tied to this requirement.

FUTURE LAND USE DEMANDS

Residential

Growth in residential demand will be driven by changes in population, which in turn is largely driven by changes in economic activity. This includes both increases in base economic activity, that is, activities that bring money into the Borough from outside as well as import substitution. A secondary driver is demand for amenity based living (second homes, retirement homes). Expectations and needs for residential land:

- Limited population growth may result in a limited increase in the number of homes. However, there is a need for space for housing that is affordable for lower wage and seasonal residents. Space for these needs can best be provided within the existing developed area of Service Area One, ideally within convenient walking distance of downtown.
- Possible growing need for second home, retirement homes – in high amenity locations, including existing road accessible Service Area One locations, and possibly new locations Borough-wide.
- Possible need for increased supply of housing, if economic activity and population grows – best met through a combination of infill, and if demand is strong, through developing currently vacant land near of downtown

Commercial & Industrial

With limited population growth, demand for new, local serving commercial uses are modest. Industrial uses, particularly those related to commercial fishing, are driven by a combination of larger market forces, changes in regulations, and local economic development strategies. While substantial growth in commercial and industrial uses is not anticipated in the near term, there are prospects for growth in these categories, including:

Industrial

- Expansion of on shore-based fish processing and related marine support services – Scow Bay is the primary location.
- Expansion of warehousing/processing for value added and/or new seafood products. Locations for these uses include existing in town or Scow Bay area waterfront facilities, or by air, with the option for expansion of facilities adjoining the airport.

Commercial

- Growth in tourism related businesses such as lodging, dining and shopping.
- Increased local provision of services currently provided by businesses/services located outside the Borough.
- With infill and reuse of underutilized structures, Service Area One and downtown in particular are the appropriate locations, and have capacity to meet these needs.

Recreation & Subsistence

Continued, and perhaps expanded demands for outdoor recreation, tourism and subsistence activities, tied to the potential for growing tourism, the possibility of more second/recreational homes in the area, and the possibility that more local residents rely on subsistence resources to augment other ways supporting themselves and their families.

CHAPTER 4: PUBLIC FACILITIES AND SERVICES

Overarching Goal: Provide efficient, high quality and cost effective public services and facilities to meet the needs of existing and future residents.

GOALS + STRATEGIES

1. **Goal: Supported Seniors.** Plan for and expand senior services and long-term care options to meet current and projected future demand.
 - a. Ensure education opportunities for residents about available resources and planning for aging.
 - b. Ensure that there are necessary in-home and community-based services to support seniors as they age to stay safely in their own homes.
 - c. Promote development of additional elderly independent living housing. Possible sites include near Mountain View Manor, the Petersburg Medical Center or the ball fields.
 - d. Explore new housing models for seniors who need low level supports.
 - e. Explore options for a memory-care assisted living wing addition to Mountain View Manor or near the Petersburg Medical Center.
 - f. Ensure affordable housing for care workers.

See Chapter 6: Housing for more details regarding housing-specific strategies for senior and other specific populations.



Inside Mountain View Manor

2. **Goal: Excellent Schools.** Provide quality primary and secondary education for Petersburg's young people as a way of preparing them for future educational and employment opportunities.
 - a. Incorporate workforce development opportunities into school programming.
 - b. Partner with the School District to hire and retain qualified staff and leadership.
 - c. Develop a long-term funding strategy for the Petersburg Borough School District.
 - d. Encourage and facilitate partnerships between the Borough and related community groups.
 - e. Support alternative educational and life skills programs and activities for youth with developmental disabilities and for transition-age youth, ages 16-24.
 - f. Support continuing education classes for adults and more activities and opportunities for youth leadership.
3. **Goal: Quality Health and Wellness Care.** Petersburg residents are healthy and well and have access to quality medical and behavioral health care services.

- a. Maintain and enhance medical care in the community. Identify the minimum level of desired care for the Petersburg Borough and prepare strategies on how to maintain that care. Work with regional partners to meet the health care needs of the greater region.
- b. Ensure the financial viability of the Medical Center.
- c. Address substance abuse through enforcement, early intervention and policy. Potential actions:
 - Explore transitional care options to support those returning from treatment.
- d. Ensure all residents have access to quality behavioral health services.
- e. Expand child care opportunities.
- f. Offer healthy activities and wellness programs.

See also Chapter 7: Recreation and Tourism for more on recreation programs and activities.

- 4. Goal: Affordable, Reliable Energy.** Work with regional partners to ensure an affordable, reliable energy supply for the Borough.
- a. Work with Wrangell and Ketchikan to develop a long-term plan for addressing the region’s energy needs, including evaluating options to expand the power generation capacity and options for providing excess power, if available, with other communities in the region.
 - b. Improve energy efficiency and encourage energy conservation.

- 5. Goal: Provide Quality Infrastructure.** Provide adequate local infrastructure to meet existing and future needs.
- a. Evaluate community interests and needs for expanding water, sewer, power and other services to areas of the Borough that are not yet served in order to support practical residential, commercial, and industrial growth. Potential actions:
 - Review current services and identify future need for public services outside of Service Area One.
 - Clarify intentions regarding needs for things like land use controls, public safety, road maintenance, fire and emergency services.
 - Identify mechanisms to pay for these services.
 - Standardize records management system at the police department to ensure integrity of records and efficient sharing of information with different agencies.
 - Standardize physical addresses, especially outside Service Area 1, to improve emergency response.
 - b. Perform upgrades to deteriorating sections of the water, sewer and power systems.
 - c. Repair or replace aging public facilities; Borough services should be conveniently located, cost-effective and combined into multi-purpose facilities when appropriate. Potential actions:
 - Complete renovations of the municipal building and police station, including upgrades to the police information technology, record management and communications systems.
 - d. Upgrade internet service at the library, and consider expanding public internet access to other locations in town.

See also Chapter 7: Recreation and Tourism for enhancing and improving facilities aimed at service parks, recreation and tourism needs.

BACKGROUND AND CONTEXT

This section provides information on the public facilities and services in the Petersburg Borough. This overview, as well as the Borough Management and other chapters of this plan provide important context for the goals, strategies and potential actions outlined above. In general, the Petersburg Borough has extensive and quality infrastructure for a community of its size, and has always been a forward-thinking and innovative community. To better understand the costs and sources of revenue for providing various Borough services, please see the infographic in the Borough Management chapter. For more specific information and details on currently available facilities and services, please visit the Petersburg Borough webpage.

“Though the high level of public service available to community members is taken a bit for granted, there are high expectations by the general public for these services. This is a good indicator of a fairly healthy community, where people are engaged in the policies and activities of our Borough government.”

– Community survey participant

WHAT THE COMMUNITY HAS TO SAY ABOUT PUBLIC FACILITIES AND SERVICES

In the community survey, Borough residents were asked about their satisfaction with Borough programs and services. Programs and services with the highest level of satisfaction are Solid Waste (82 percent very satisfied or satisfied), Harbor (80 percent very satisfied or satisfied), Electric Utility (79 percent very satisfied or satisfied), Fire/Emergency (78 percent very satisfied or satisfied) and Education (74 percent very satisfied or satisfied). Programs and services with the lowest satisfaction ratings include Housing (19 percent unsatisfied), Medical Services/Hospital (19 percent unsatisfied), Business Development Support (13 percent unsatisfied), Zoning/Building Inspection (11 percent unsatisfied).

“I feel Petersburg and its people do an outstanding job given its size and location to provide for both basic services, education, health, social services and arts/culture.”

– Community survey participant

Petersburg Aquatic Center



Figure 4-1: Survey Responses to the Question, "How satisfied are you with the following programs or services?"

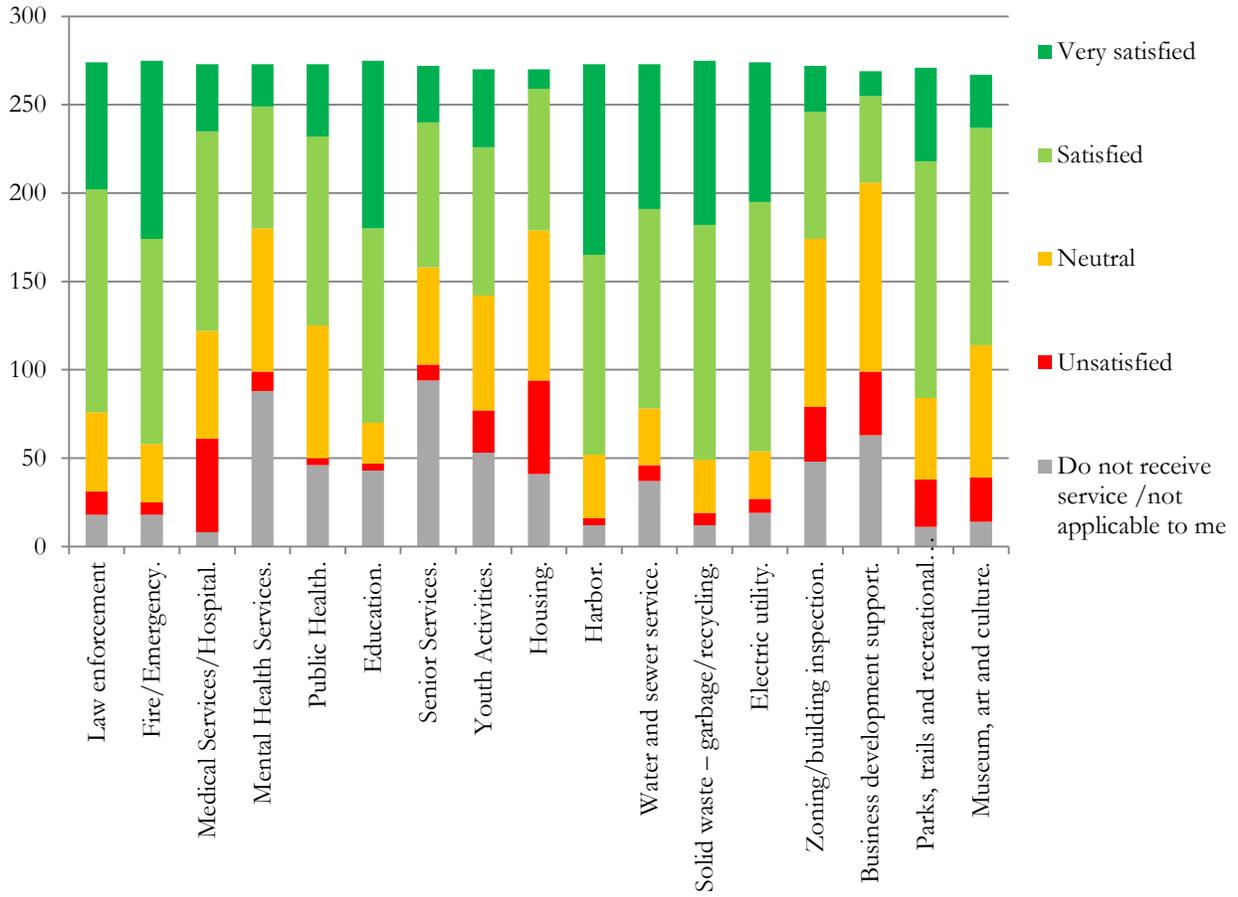
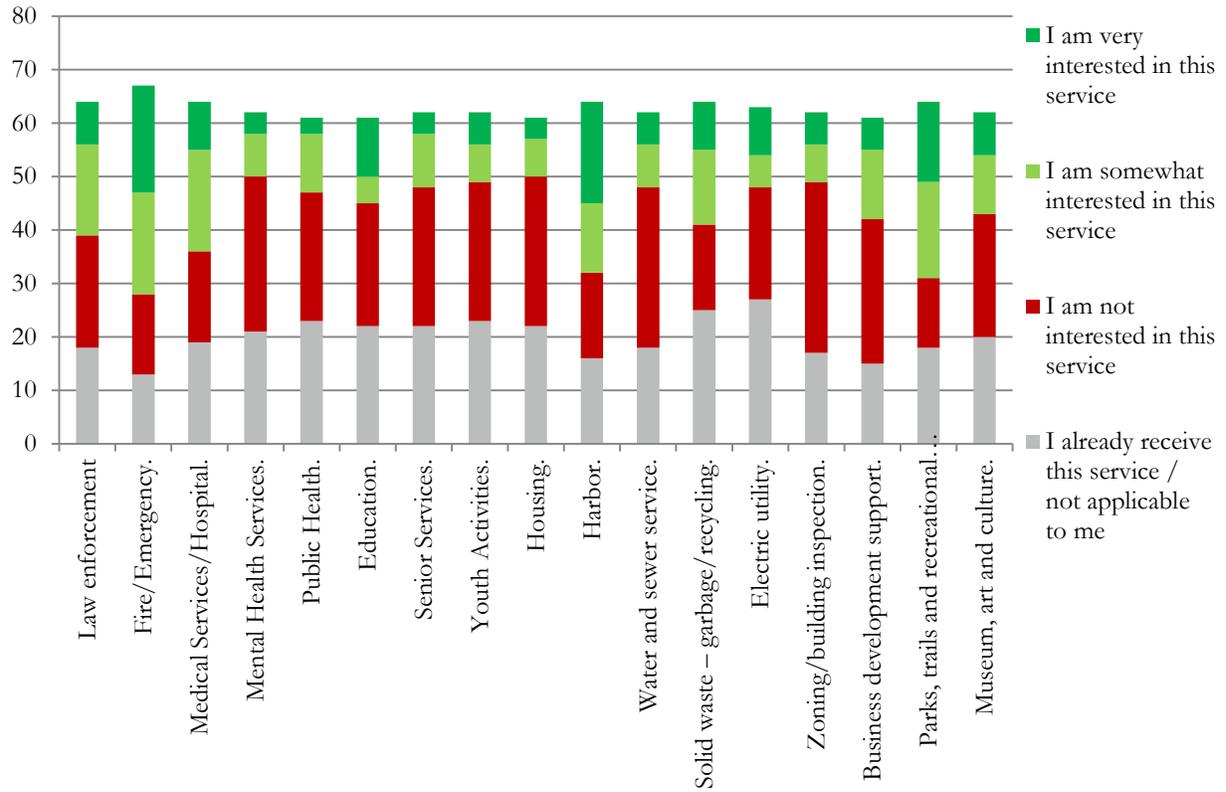


Figure 4-2: Survey Responses to the Question, "If you live outside of Service Area One, which service(s) would you like provided?"



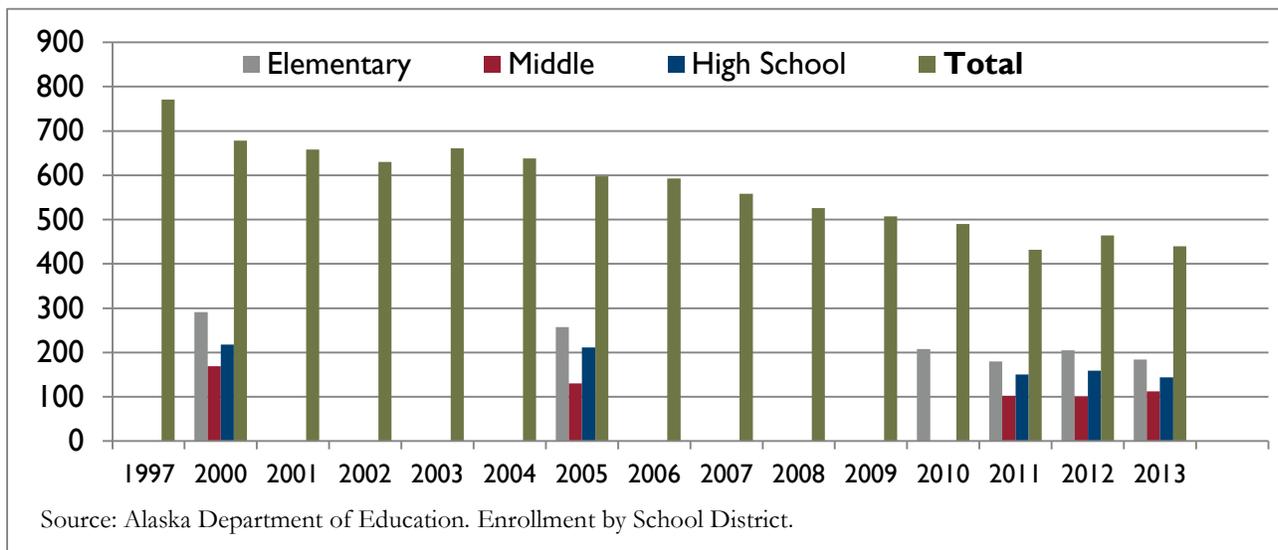
Respondents living outside of Service Area One were also asked about the services they would like provided (see 4-2). Of those not already receiving services, survey respondents outside of Service Area One are most interested in receiving Fire/Emergency services (30 percent very interested, 28 percent somewhat interested), Harbor services (30 percent very interested, 20 percent somewhat interested) and Parks, Trails and Recreation opportunities (23 percent very interested, 28 percent somewhat interested).

EDUCATION

The Petersburg Borough School District oversees the operations of three schools in the Borough: Rae C. Stedman Elementary School, Mitkof Middle School and Petersburg High School. All three school facilities are centrally located at a shared site within the community, which is adjacent to the Community Center. Many residents list the Borough’s schools as the community’s biggest asset, and the schools experience a high level of community support. The School District’s mission is to “provide a safe environment, promote continuous improvement, and advocate for the highest educational opportunities for all students.”

“Petersburg is a great community to raise a family. School district has a staff that is dedicated to the kids of our community. Petersburg is the best place to live for a commercial fishing family with the harbors and location to fisheries”
 – Community survey participant

Figure 4-3: School Enrollment, 1997-2013

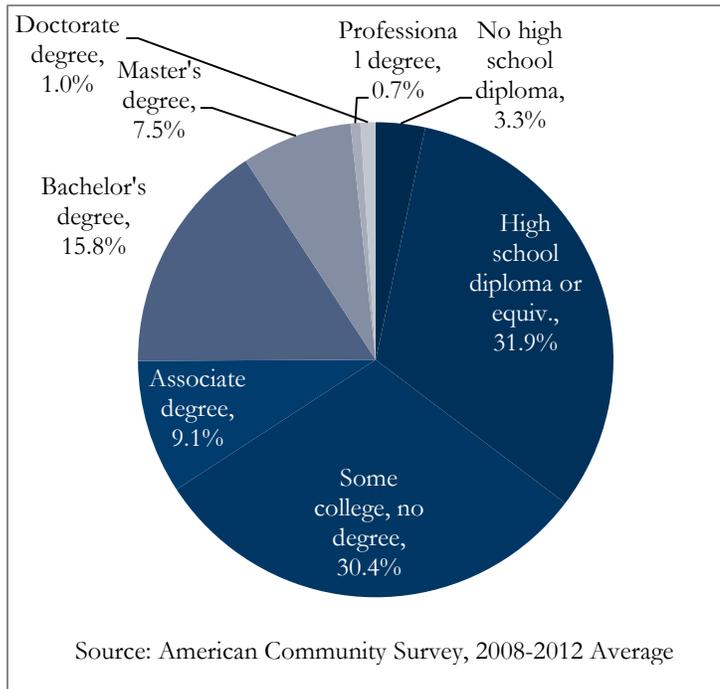


The School District is experiencing declining enrollment, which reflects a broader population trend in the Petersburg Borough. The potential loss of the Secure Rural Schools federal funding source over the coming years is a concern, as well potential changes in the State of Alaska’s local contributions funding formula.



Over one quarter of Borough residents have a bachelor’s degree or higher, and over 96 percent of residents have a high school diploma or equivalent. The University of Alaska Southeast, with locations in Juneau and Sitka, offers a variety of distant delivery university and adult continuing education courses to Petersburg Borough residents. Petersburg also offers several preschool and early childhood learning centers, although according to public comments and survey results, current facilities are insufficient to meet local demand.

Figure 4-4: Educational Attainment for Population 25 and Over, Petersburg Census Area 2008-2012



“With timber receipts drying up citizens need to step up and pay a bit more about in taxes to support the schools.”
 – Community survey participant

HEALTH AND WELLNESS

Access to health care is an important factor in maintaining a high quality of life in remote Alaska communities. Residents in Petersburg Borough have access to a variety of health care services. The nonprofit Petersburg Medical Center (PMC) provides most health care services in the Borough. Services include basic emergency medical services, alcohol detoxification, limited surgery, critical care, and a recently-expanded physician clinic. PMC is housed in a Borough-owned building. The facility has received a variety of upgrades in recent years including a new roof. However, the building is aging. A 2015 condition assessment of the PMC facility reached the following conclusion:

“We stay in Petersburg because of the availability of high quality medical care and mental health and alcohol treatment. If you have high need and little money you can still get better care here than other places, especially with mental health.”
 – Community survey participant

The hospital has not changed significantly for 30 years, yet health care services, technology, regulations, policies and building codes have changed. Some spaces are underutilized and inefficient, inadequately sized and poorly located. Other spaces are not large enough to meet

the increased demands of service, especially the Physical Therapy Department and the Long Term Care Unit.

On the whole, the facility is well maintained. However, due to the age of the facility, changes in technology, and changes in health care delivery, the facility has reached a point where replacement of systems and finishes will be critical to maintaining reliable high quality health care delivery. A majority of the systems and components have exceeded or are near the end of their expected service life and should be replaced. (Jensen Yorba Lott Inc. Condition Assessment report as summarized by Elizabeth Woodyard, 2015).

The assessment concludes the estimated cost of upgrading the existing building is 16 million dollars, and the estimated cost of constructing a replacement facility of equal size would cost \$33 million dollars, excluding the cost of land. ¹¹

The community also has a long-term care facility, a public health nurse, an inpatient treatment facility and dentists. PMC recently added telemedicine capabilities, thereby bringing additional opportunities for access to specialized care. In addition to the hospital, the nonprofit Petersburg Mental Health Services, Inc. and True North Consulting provide crisis intervention, psychotherapy, life skills rehabilitation, substance abuse counseling and other programs.

The Petersburg Borough also has a variety of other services that support community health and wellness. Restorative justice is available for both young people and for adults returning to the community after being incarcerated. The Petersburg Indian Association (PIA) offers family service programs for tribal members. Working Against Violence for Everyone (WAVE) is a nonprofit group that helps and advocates for those who experience violence, including domestic violence and sexual assault. The nonprofit REACH Incorporated provides developmental disability services for children, adults and families. Members of the Petersburg Ministerial Association also provide supportive services through the various churches and religious organizations in town. While there are a variety of outpatient services available in the Borough, there are no options for residents who need more intensive treatment, and even options outside the community are typically full with long waitlists.

Petersburg Borough faces a variety of challenges related to health and wellness. Substance abuse remains a community concern and priority. In particular, there are perceptions that heroine and methamphetamine use are becoming a growing problem in the community. The Count Health Rankings provide information on a variety of different health indicators for the



Sign at Sandy Beach Park

¹¹ Jensen Yorba Lott Inc. Condition Assessment of the Petersburg Medical Center, July 2015.

former Wrangell-Petersburg Census Area, with data available through 2011. Overall, the County Health Rankings ranks the Wrangell-Petersburg Census Area as number eight out of 23 regions in Alaska (four additional regions are excluded due to limited data). As of 2011, adult obesity was at 30 percent, which is higher than the statewide rate of 28 percent and the nationwide rate of 25 percent. At 19 percent, adult smoking rates are higher than the nationwide average of 14 percent but lower than the statewide average of 21 percent. According to the County Health Rankings, excessive drinking rates are also higher at 20 percent for the Wrangell-Petersburg Census Area compared to ten percent nationwide and similar to 19 percent in Alaska. The rankings indicate the Wrangell-Petersburg Census Area has very reliable access to primary care physicians, with one physician for every 694 people compared with one physician per 1,191 people in the rest of Alaska.

Limited access to affordable child care is also a concern. In addition, the aging population of the Borough is putting an increased demand on medical services and assisted living/retirement housing. At the same time, financial support for some of these services is decreasing, in part due to lost revenue from senior tax exemptions. Many residents also cite frustrations with the lack of obstetrics or delivery services in Petersburg. PMC is no longer able to provide delivery services because of inadequate surgical infrastructure and insurance costs. As a result, expecting mothers must travel and stay in other communities to deliver. This can have both an emotional and economic impact on families, due to the time away from family, friends, and local support systems, and the time away from work and resulting lost wages.

“We’re becoming a retirement destination. We need to reconsider the senior exemptions and look at how it impacts the Borough and all residents.”
- Community meeting participant

PUBLIC SAFETY (POLICE, FIRE, EMS)

Petersburg Volunteer Fire Department | The Petersburg Volunteer Fire Department (PVFD) responds to emergencies throughout the Petersburg Borough. While the primary response area is Service Area One, the PVFD does respond to emergencies outside Service Area One. The Department has vehicles and equipment for use on the road system, as well as marine support for more remote emergencies. The PVFD includes three branches: Fire, Emergency Medical Services (EMS) and Search and Rescue (SAR). The PVFD has two paid staff, the Fire/EMS Director and the Fire Marshal, and a team of approximately 65 volunteers. Petersburg has a nonprofit volunteer association called the Petersburg Volunteer Fire Department, Inc., to support the efforts of the PVFD. The PVFD also has a Junior Firefighter program for youth ages 15-18. Trainings for the volunteer firefighters are typically held three times per month, and trainings for EMS and SAR personnel are each twice per month.

There are two Fire Stations in the Borough. Station 1 is the primary station, located in Service Area One. Station 1 was built in 2012 with state funds. Station 2 is a smaller unmanned station with an engine and tanker located at Scow Bay.

Response time within the urban area averages four minutes. Response time from the Scow Bay station to the nine-mile post is approximately six minutes. Although outside its area of responsibility, the PVFD will travel south to the end of Mitkof Highway. The demand for firefighting services is reflected in the number of fire calls. Fire calls can reach up to 70 per year.

Firefighting services in Petersburg have been evaluated by the Insurance Services Office (ISO), a private organization which rates the fire protection level of communities across the nation for insurance companies. The ISO evaluated the Petersburg fire protection system in 1975 and in 1980. The 1980 evaluation was for lands outside the urban area. Lower numbers indicate higher levels of service. Most recently, the ISO gave the community a rating of “four” in the majority of town, a rating of “eight-B” in Borough areas without water service, and a rating of “ten” in areas outside city limits.

Petersburg Borough does face some challenges related to fire risk. Businesses in older downtown buildings face challenges related to maintenance and safety, including fire risk. There are two large vacant lots in town from former fires. Fires can result in lost revenue and a loss of jobs, housing units and commercial space.

Police | The Petersburg Police Department employs nine full time officers, including the chief, one police captain, one police sergeant, five full time officers, and one full time officer assigned to a multi-jurisdictional drug task force. The Department also employs six full-time dispatcher/correctional officers, one chief dispatcher, a supervisory dispatcher and four dispatchers/patrollers. The Borough also has one Alaska Wildlife Trooper, who monitors and enforces regulations related to fish and wildlife activities, one National Marine Fisheries officer who enforces federal fisheries regulations, and one Forest Service officer.

The Police Department is responsible for a variety of activities, including enforcement of Borough ordinances, state and federal law as well as assisting citizens with public safety. The Petersburg Police Department cooperates with other municipal police departments in nearby Southeast communities and in Anchorage. The Alaska State Troopers, Forest Service law enforcement, United States Coast Guard, National Marine Fisheries Service and the Department of Justice also work cooperatively with the Petersburg Police Department for law enforcement. Petersburg Borough contracts with Emergency Communications Network for an emergency notification system called CodeRED, which enables the police dispatch center to deliver messages to targeted areas or the entire Borough when needed during emergencies.



Entrance to the Municipal Building

The Police station and jail, both of which are housed in the Municipal Building, need replacement. The current facility is structurally unsafe, outdated and inefficient. This project has been the number one priority on the Borough’s Capital Improvement List for the past several years.

“It is unfortunate that the police and fire were not combined in the new fire hall. The city offices are way overdue for remodeling. Glad to see things moving in that direction.”

– Community survey participant

The project is moving forward, with design work largely completed and construction scheduled to begin in 2016. In the community survey, some residents say they are disappointed the police station was not included in the final design and construction of the new fire hall, and would like to see the Borough be more strategic in the future about co-locating space in order to reduce construction, operation and maintenance costs. The police department looks forward to an updated information technology, communications and record management system in the new building, which will improve record-keeping, data management and related decision-making for the department.

Court System | The Petersburg Borough has one Magistrate Judge. The district attorney is based out of Juneau. In 2015, the Borough went nine months without a trial on cases that if tried could provide appropriate sentencing that would reduce the recidivism rate in the Borough.

ENERGY

Electrical Power | Petersburg Municipal Power & Light (PMP&L) is a municipally owned electric utility. PMP&L provides electric service to approximately 2,000 customers on Mitkof Island. The

utility's primary source of energy is the Tyee Hydroelectric Power Project, which started commercial operations in 1984. The Tyee project is managed by the Southeast Alaska Power Agency (SEAPA) and can produce 20 megawatts of hydropower for the communities of Petersburg, Wrangell and Ketchikan. PMP&L also has a supplementary power source coming from the Blind Slough hydro power project at Crystal Lake, which supplies approximately 25 percent of PMP&L requirements. In the event of an outage, the utility has stand-by diesel generation to supply customers. The community's standby generators are housed in the PMP&L building at the corner of Haugen and Nordic Drive. The large, industrial-looking building's location in central downtown Petersburg is not ideal, given the limited amount of space for growth and development in the downtown area.

Home Heating | According to Alaska Retrofit Information System energy audits, as reported in the Alaska Housing Finance Corporation (AHFC) 2014 Housing Assessment, the majority, or 63 percent, of Petersburg Borough households use fuel oil to heat their homes. Twenty percent of residents use electricity, 14 percent use wood and three percent use propane. In more recent years, the number of Borough residents converting to electric heat has risen due to increased fuel oil costs and stable, relatively low electricity costs, a direct result of the Tyee hydropower project. This trend has resulted in the demand for electricity coming close to outpacing supply during winter when electrical generation capacity at the lake is lower.

According to AHFC's 2014 Housing Assessment, approximately 20 percent of housing in the former Wrangell Petersburg Census Area has completed at least one of the Home Energy Rebate, Weatherization, or Building for Environmental and Economic Sustainability programs since 2008. According to the same report, average annual energy costs equate to approximately \$5,030, or about eight percent of census median area income for occupied housing.

SERVICES AND FACILITIES

As previously mentioned, the Borough provides fairly extensive services given its small population. Many Borough services operate using enterprise funds. Per the Borough website, “An enterprise fund is a department that relies on a business based approach to providing services to its customers. This approach relies on customer fees and charges as the revenue stream which funds a department’s annual operating costs. In Petersburg, the enterprise funds include sanitation, water, wastewater, power and light, ports and harbors and Mountain View Manor. With the exception of a General Fund subsidy for Mountain View Manor, all of these departments operate on funding from ratepayers. No taxes are utilized in their operations.”

The Borough faces a number of overarching challenges related to the sustainability of quality facilities and services. For example, seniors currently receive both property and Borough sales tax exemptions. As indicated in the Background chapter, Petersburg is outpacing most Alaska communities in the number of seniors that comprise the total population. As the Borough population ages and declines, a higher percentage of residents will receive tax exemptions, resulting in fewer taxpayers supporting local services. This will result in lower revenues for Borough services and an increased burden on younger residents. Additionally, the Borough may experience challenges related to funding capital improvements and updating and maintaining community infrastructure, especially as critical federal and State of Alaska resources decline.



- For information on Harbors, please see the Waterfront Master Plan.
- For information on Transportation (including airports, streets, ports and bike paths), please see Chapter 5.
- For information on Recreation and Tourism Facilities, please see Chapter 7.

The following table provides an overview of services and facilities in the Borough. For more specific information and details on currently available facilities and services, please visit the Petersburg Borough webpage.

Service	Current Provider	Service Recipients * = service added since Borough formation			Notes/Issues/Needs
		Service Area One (SA1)	Mitkof Island Road System (outside SA1)	Off the Road System	
PUBLIC WORKS					
Power	Southeast Alaska Power Agency, supplemented by Petersburg Power + Light	Yes	Yes	Limited (only on Mitkof Island)	<ul style="list-style-type: none"> Serves approximately 2,000 residents on Mitkof Island.
Water	Petersburg Public Works Department	Yes	Yes, by delivery (service fee)	No	<ul style="list-style-type: none"> Recent upgrades to the water plant, including rehabilitation of the water filter tanks and chemical feed equipment upgrades, provide a production capacity of four million gallons per day. A two million gallon storage tank serves the community. System ends at 4.5 mile of the Mitkof Highway. There is some delivery of water outside Service Area One by tanker truck; most people outside the city system use on-site sources such as rain water or wells. Raw water sources: Cabin Creek is primary; City Creek secondary. Rehabilitation of the Cabin Creek dam is needed. A few aging distribution lines need to be replaced. Some residents have concerns regarding airborne pollution affecting the reservoir.
Sewer	Petersburg Public Works Department	Yes	No	No	<ul style="list-style-type: none"> The plant is 40 years old, and relies on a primary treatment waiver. System is simple and depends on screening, sedimentation and floatation of wastes prior to discharging wastewater into ocean with no biological treatment. Elimination of waiver would require a much higher level of a treatment and a substantial investment.

Service	Current Provider	Service Recipients * = service added since Borough formation			Notes/Issues/Needs
		Service Area One (SAI)	Mitkof Island Road System (outside SAI)	Off the Road System	
					<ul style="list-style-type: none"> • Fish processors have their own individual permits with the State, which also discharge into channel. • Collection system relies on 20 lift stations; some force mains are in tidal areas. It requires maintenance and is difficult to predict when any given section of the aging system will have a problem. • The Borough is slowly upgrading the system, for example, by replacing corroding iron pipes. Like water, there are some issues with asbestos in older concrete pipes. • Water, sewer and solid waste are paid for through enterprise funds which are funded through user fees and rates; water use is metered and used to assess user fees for both water and sewer.
Solid Waste: garbage service and baling facility	Petersburg Public Works Department	Yes (fee service)	Yes (fee service)	Kupreanof Island – yes Other areas - no	<ul style="list-style-type: none"> • Waste is baled and shipped to the Roosevelt Regional Landfill in Washington State. • Scrap metal is separated and sold to a contractor. • Wood products and metals are processed within the Petersburg landfill. • Garbage services for Kupreanof are provided through a cooperative agreement with the Harbor. • The Sanitation Utility hosts annual Household Hazardous Waste collection events that help to remove hazardous chemicals from the community and lessen the risk of these chemicals damaging the environment.
Septic Pumping, Septic Receiving	Petersburg Public Works Department	Yes	Yes	No	<ul style="list-style-type: none"> • Fee service. • There is no sewage pump out for harbor boat traffic.
Recycling	Petersburg Public Works Department	Yes, curbside pickup	Yes, curbside pickup	Yes, at drop off locations in Service	<ul style="list-style-type: none"> • The Borough is transitioning from a contractor to in-house operations, which will include the purchase of a new truck and pickup bins to replace the existing recycling bags.

Service	Current Provider	Service Recipients * = service added since Borough formation			Notes/Issues/Needs
		Service Area One (SAI)	Mitkof Island Road System (outside SAI)	Off the Road System	
				Area One	<ul style="list-style-type: none"> The cost to ship regular refuse is \$110/ton and recyclables are only \$13.60/ton, so incentive to maximize recycling is strong. Some residents would like to see recycling drop-off locations at the Harbors. There is also interest in metal recycling. One suggestion includes a monthly drop-off metal recycling day at Papke's for lodges, businesses and other residents.
Wastewater System Approval	State of Alaska Department of Environmental Conservation	Yes, if they are connecting to the municipal system	No – approved by DEC	No – approved by DEC	<ul style="list-style-type: none"> The State of Alaska nominally regulates on-site systems outside of Service Area One.
Snow Removal	Petersburg Public Works Department	Yes	Yes, in some areas*	No	<ul style="list-style-type: none"> Roads and sidewalk improvement and maintenance are funded through the general fund. The Petersburg Indian Association (PIA) has partnered with the Borough in the past using federal Indian Reservation Roads (IRR) funds for sidewalk maintenance. However, AK DOT+PF sidewalks remain a local concern.
COMMUNICATIONS					
Telephone/ Cellular	Local phone service: Alaska Power and Telephone Company Cellular: GCI, AT+T	Yes	Limited	Limited	
Broadband	ACS, Alaska Telephone	Yes	Limited	Limited	

Service	Current Provider	Service Recipients			Notes/Issues/Needs
		* = service added since Borough formation			
		Service Area One (SAI)	Mitkof Island Road System (outside SAI)	Off the Road System	
	Company, AT+T, GCI, Hughes Network Systems, Skycasters				
FACILITIES					
Cemetery	Petersburg Public Works Department				<ul style="list-style-type: none"> The Borough, through a State of Alaska Legislative grant, recently added a columbarium to the existing Cemetery.
Cold Storage	Petersburg Economic Development Council				<ul style="list-style-type: none"> Constructed in 2006, the cold storage building provides overflow storage for small processors, public storage, direct marketing.
Churches					<ul style="list-style-type: none"> A list of local churches is available on the Petersburg Chamber of Commerce webpage: http://www.petersburg.org/businesses/churches.html
Fire Stations	Petersburg Volunteer Fire Department				<ul style="list-style-type: none"> Station 1 is the main station where you can find the Career Staff, three 750 gallon Engines capable of pumping 1,250 gallons per minute, one 250 gallon Engine/Squad, two Basic Life Support/Advanced Life Support Ambulances, one SAR vehicle, and one Admin vehicle. Station 2 is located at Scow Bay and is unmanned. It houses one 750 gallon Engine capable of pumping 1,250 gallons per minute and one 3,500 gallon Water Tanker with a portable tank. A Training tower/burn room and pump test pit are also located at Station 2. The Borough should begin the process of identifying an alternate location for this facility to open up additional space for commercial, waterfront development.
Mountain View Manor Elderly Housing and	Petersburg Borough				<ul style="list-style-type: none"> Petersburg's Mountain View Manor Elderly Housing is a 24-unit low-income HUD-subsidized housing facility for independent 62+-year-old or disabled residents.

Service	Current Provider	Service Recipients * = service added since Borough formation			Notes/Issues/Needs
		Service Area One (SAI)	Mitkof Island Road System (outside SAI)	Off the Road System	
Assisted Living Facility					<ul style="list-style-type: none"> Mountain View Manor Assisted Living Facility contains 22 units complete with dining room, reading room, laundry room and library. Facility is subsidized by property tax revenue from service area one residents.
Municipal Building (includes Police Station and Jail)	Petersburg Borough				<ul style="list-style-type: none"> The Municipal Building is in very rough shape and need replacement. The current facility is structurally unsafe, outdated and inefficient. This project has been the number one priority on the Borough's Capital Improvement List for the past several years.
Museum (Clausen Memorial Museum)	Clausen Museum Nonprofit				
National Guard Armory					
Post Office					<ul style="list-style-type: none"> The relatively new post office is located on Haugen Drive near the Fire Station and is no longer within an easy walking distance of downtown or the Harbor. No home delivery of mail; residents may rent one PO Box per home address at the post office at no cost.
Public Library	Petersburg Borough				<ul style="list-style-type: none"> Newly constructed facility in 2013. Fee service for some programs.
Public Restrooms	Varies				<ul style="list-style-type: none"> Public restrooms are located at the harbor master's office, library, municipal building, and visitors' center. There are also seasonal public restrooms located at Outlook Park and Sandy Beach Park.
State Legislative Information Office	The Alaska State Legislature				<ul style="list-style-type: none"> Offers options for staying current on and participating in legislative activities, including providing session materials, teleconferences to committee hearings, sharing public

Service	Current Provider	Service Recipients * = service added since Borough formation			Notes/Issues/Needs
		Service Area One (SAI)	Mitkof Island Road System (outside SAI)	Off the Road System	
					opinion messages
SERVICES					
911 Dispatch	Petersburg Borough Police Department	Yes	Yes	Yes	
Police Response	Petersburg Borough Police Department	Yes	Yes	Yes	<ul style="list-style-type: none"> In coordination with the Alaska State Troopers and Forest Service Law Enforcement.
Police Investigation	Petersburg Borough Police Department	Yes	May assist	May assist	<ul style="list-style-type: none"> At times, at the request of an outside agency, the PD will do minor investigations such as accidents or vandalism outside of Service Area One.
Ambulance Response	Petersburg Volunteer Fire Department	Yes (fee service)	Yes (fee service)	Yes - limited (fee service)	
Fire Response	Petersburg Volunteer Fire Department	Yes	Yes (limited)	Yes (very limited)	<ul style="list-style-type: none"> When responding to areas outside of town, must leave enough resources in town to project Service Area One.
Search and Rescue	Petersburg Volunteer Fire Department	Yes	Yes	Yes	
Welfare Checks	Petersburg Borough Police Department	Yes	No, unless emergency	No, unless emergency	<ul style="list-style-type: none"> Within certain range, the Borough may ask for assistance from the State Troopers and/or the Coast Guard in some situations.
Fire Investigation	Petersburg Volunteer Fire Department	Yes	Yes	Yes	
Chimney Cleaning Equipment Loan	Petersburg Volunteer Fire Department	Yes	Yes	Yes	<ul style="list-style-type: none"> Ladders, chimney brushes and handles loaned at no charge.
Fire Inspection	Petersburg Volunteer Fire	Yes	Yes	No	<ul style="list-style-type: none"> Free service.

Service	Current Provider	Service Recipients			Notes/Issues/Needs
		* = service added since Borough formation			
		Service Area One (SAI)	Mitkof Island Road System (outside SAI)	Off the Road System	
	Department				
Property Information	Borough Finance Department, Community + Economic Development	Yes	Yes*	Yes*	<ul style="list-style-type: none"> Copies of maps, recorded deeds, etc., when available.
Elections Support – State and Federal	Borough Clerk and Human Resources Office	Yes	Yes	Yes	
Election Support - local	Borough Clerk and Human Resources Office	Yes	Yes*	Yes*	
Voter Registration	Borough Clerk and Human Resources Office	Yes	Yes	Yes	
Economic Development Support	Petersburg Economic Development Council	Yes	Yes	Yes	<ul style="list-style-type: none"> Consultation with PEDC Director and Board for help with business development
Building Code Enforcement	Borough Community + Economic Development	Yes	No	No	
Zoning	Borough Community + Economic Development	Yes	No	No	
Building Inspection	Borough Community + Economic Development	Inspection required for all new constructi	Yes by request	No	<ul style="list-style-type: none"> AHFC and other lenders are now requiring a building inspection for new loans. As a result, the Borough may see an increase in requests for inspections outside Service

Service	Current Provider	Service Recipients			Notes/Issues/Needs
		* = service added since Borough formation			
		<i>Service Area One (SAI)</i>	<i>Mitkof Island Road System (outside SAI)</i>	<i>Off the Road System</i>	
		on.			Area One.

CHAPTER 5: TRANSPORTATION

Overarching Goal: Maintain and improve the diverse transportation systems that meet the needs of the Borough, link the Borough to the outside world, and promote a growing economy including commercial fish processing, tourism and other economic activities.

GOALS + STRATEGIES

1. **Goal: Robust, Affordable Road System.** Maintain and improve the existing road system, within the means of public finances.
 - a. Work with other partners including the Petersburg Indian Association through their Tribal Transportation Program and *Long Range Transportation Plan*, the State of Alaska Department of Transportation and Public Facilities, and the Alaska Mental Health Trust Land Office, to develop a Borough-wide road master plan, and to define priority improvements to the current road system and possible future expansion. Potential actions:
 - Service Area One upgrades to existing roads: Review, update, and revise list from 2000 Comprehensive Plan. (See Appendix C). Address other priorities for paving, reconstruction. Conduct regular, ongoing maintenance of Borough owned roads.
 - Service Area One new roads: Identify strategic in-town locations where construction of new roads could provide access to buildable land for new housing developments.
 - Mitkof Island, outside of Service Area One: Work with United States Forest Service (USFS) to identify expected future of USFS maintained road system.
 - b. Analyze options and develop a practical approach to pay for maintenance and/or replacement costs for eroding original roadbeds.
 - c. Address parking capacity and requirements. *See also Chapter 3: Land Use and Environment.*
2. **Goal: Access and Connections.** Work creatively with the State of Alaska and private businesses that provide essential linkages for residents, visitors and freight moving in and out of the Borough.
 - a. Ensure access for commercial fishing, tourism, recreation and subsistence boating. *See Waterfront Plan.*
 - b. Explore and be open to new policies that could help, at a minimum, to sustain and preferably improve current levels of water and air based transportation. Potential actions:
 - General action: Work to lessen the vulnerability of Petersburg to potentially dramatic changes in service by striving to sustain Borough population and increase economic activity (*See Chapter 8: Economic Development*).
 - Freight service. As part of the Waterfront Master Plan, provide needed infrastructure to support continued freight and Marine Highway connections. Work with Alaska Marine Lines (AML) and Samson Tug and Barge to ensure continued quality service, including adequate space for container transshipment terminal in Scow Bay.

- Air. Work with Alaska’s Congressional delegation to sustain subsidies that support daily scheduled commercial airline service.
- Marine Highway ferry service. Band together with other Alaskan coastal communities and their legislative representatives to push for continued funding for the Alaska Marine Highway System (AMHS) and critical ferry connections and services to and between Southeast communities. Be open to new operational strategies that could reduce ferry operational costs. Continue to support other ferry systems providing service within the borough.

3. Goal: Seamless Sidewalks and Trails. Make Petersburg a safe, enjoyable place to walk, hike or bike; take steps so many people can live or visit Petersburg and get around conveniently without a car, all through the year.

- a. Work with the United States Forest Service and other public and private landowners to create a robust and well-connected Borough trail system. Develop and adopt a Borough-wide trails plan, for both summer and winter use. Potential actions:
 - See *Chapter 7: Recreation and Tourism* for current trails, in two categories:
 - Trails that are formally reserved, and
 - Traditional trails without formal protection, for example, crossing private land.
 - Working with core team and trail user groups, identify and map priorities for new trails. Encourage development of connected trail systems.
 - Develop plans for trail maintenance/construction, with particular focus on partnerships between agencies and with local user groups, businesses and non-profits.
- b. Focus on walkability as a way to sustain a healthy, active community where it is practical and desirable to get around without a motorized vehicle. Potential actions:
 - Identify and prioritize in-town sidewalks in need of maintenance.
 - Identify and prioritize in-town sidewalks in need of construction.
 - Develop a land use policy that reduces parking requirements and promotes infill to create a more compact downtown. See *Chapter 3: Land Use + Environment, Goal 4*.
 - Require any future subdivisions to include a safe system for walking, within and connecting to other destinations around and beyond the community; use the trails map referenced above. See *Chapter 3: Land Use + Environment, Goal 4*.
 - Provide for trail easements when subdividing property.
 - Explore new options for in-town sidewalk snow and ice removal, including, for example, a downtown improvement district.
- c. Add a provision to the Borough subdivision ordinance that requires identification and preservation of key trail linkages; allow for shifting of trail routes as long as connectivity is protected. See *Chapter 3: Land Use + Environment, Goal 4*.

BACKGROUND AND CONTEXT

This section provides background information about current transportation in the Borough. For a small, remote location, Petersburg has remarkably good transportation systems, with a relatively extensive road system, scheduled daily jet service, reliable freight barge service and regular, if not always convenient, ferry service.

Because of Petersburg's remote location, relative to most US communities, access for people and freight is relatively costly and/or slow. The community currently benefits from transportation subsidies that may change in the future. The federal government, by way of the USFS, pays to maintain a relatively extensive road system on Mitkof, and on adjacent Kupreanof islands. The Federal Essential Air Subsidy supports a very high level of commercial air service, an "only in Alaska" benefit. If the air carrier subsidy were to go away, Petersburg would likely see a reduction in air service, and would become more reliant on ferry service. As is the case with many of the state's highways, the Alaska Marine Highway System (AMHS) is subsidized by the Alaska Department of Transportation + Public Facilities (AKDOT+PF). Funding for the ferry is declining, and AMHS is planning a transition from running ferries through the length of Southeast Alaska to a day boat plan, which would utilize a combination of short island to island boats connecting to on-land roadways. This could create challenges with travelers needing to make connections with other ferries and at airports, and would often require travelers to make overnight accommodations. Cargo changeovers would also be very difficult to manage. Overall, Petersburg Borough is vulnerable to disruptions in state and federal transportation funding, and reductions in transportation subsidies could negatively impact visitation and increase the business and living costs in the community.



Chalk art on the road following high school graduation

As is the case with many of the state's highways, the Alaska Marine Highway System (AMHS) is subsidized by the Alaska Department of Transportation + Public Facilities (AKDOT+PF). Funding for the ferry is declining, and AMHS is planning a transition from running ferries through the length of Southeast Alaska to a day boat plan, which would utilize a combination of short island to island boats connecting to on-land roadways. This could create challenges with travelers needing to make connections with other ferries and at airports, and would often require travelers to make overnight accommodations. Cargo changeovers would also be very difficult to manage. Overall, Petersburg Borough is vulnerable to disruptions in state and federal transportation funding, and reductions in transportation subsidies could negatively impact visitation and increase the business and living costs in the community.

ACCOMPLISHMENTS SINCE THE 2000 PLAN

- Airport upgrades.
- Main Street reconstruction.
- Construction of South Mitkof terminal.
- Paved highway to South Mitkof island, including the currently closed ferry terminal.
- Blaquiere Point ramp and parking.
- Various street surfacing upgrades to asphalt or chip seal.

ROAD SYSTEM

Relative to many remote Alaska communities, the Borough has an extensive road system. Highlights of the road system, pulling from the 2000 Plan, are below. Figure 5-1 includes an AKDOT+PF map of all roads on Mitkof Island, including the traffic volumes for each road.

Within Service Area One

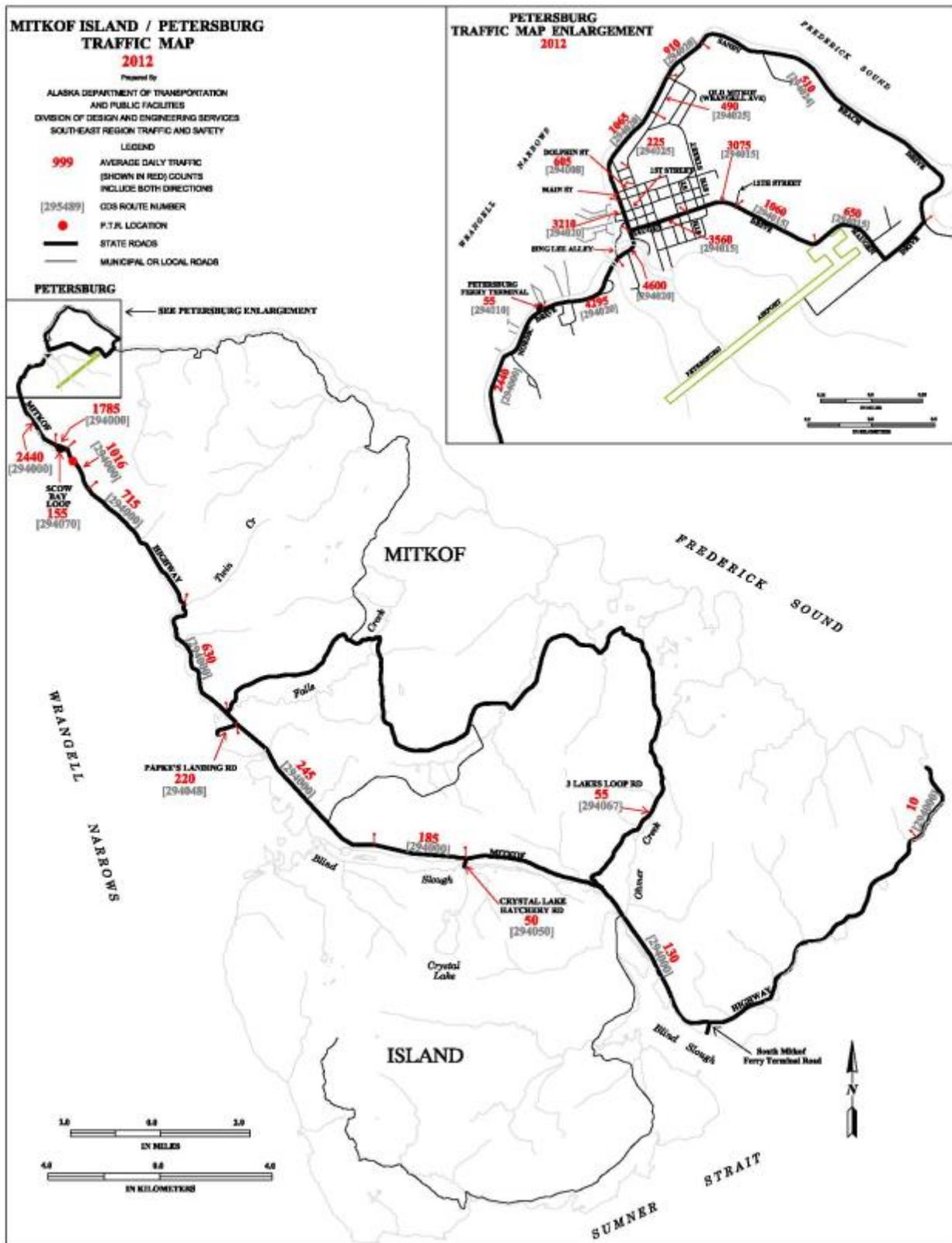
- Roads operated and maintained by Petersburg Borough – approximately 25 miles of roadway, all within Service Area One.
- Roads operated and maintained by the State of Alaska – North & South Nordic Drive and Haugen Drive.

Outside of Service Area One

- Mitkof Highway along the east shore of the Narrows, running 36 miles beyond the town to the southeastern tip of Mitkof Island.
- Branching off the Mitkof Highway are collector and local access roads servicing residences, commercial establishments and industry along the edge of the Island, and along Cabin Creek Road.
- The USFS operates and maintains several miles of former logging roads, providing access into large portions of Mitkof Island; a relatively extensive road system is also available on the eastern side of Kupreanof Island. See Figure 5-1 for 2012 traffic counts along the road system.



Figure 5-1: Mitkof Island Traffic Map



MARINE TRANSPORTATION

The AMHS operates several vessels, which provide ferry service to Petersburg and other communities in Southeast Alaska.

For over ten years, efforts have been made to establish a new ferry service in southern Southeast Alaska. The plan has been to provide a reliable link between Mitkof Island, Wrangell, and Prince of Wales Island, with a connection between Thorne Bay and Ketchikan. An Inter-island Ferry



Banana Point

Authority (IFA) was established to implement this plan. This ferry service was proposed as an alternative to the AMHS, to be run by the six affected cities (Craig, Klawock, Thorne Bay, Coffman Cove, Wrangell, and Petersburg). While the Ketchikan-to-Hollis southern route of the Inter-Island Ferry Authority (IFA) has been operating steadily for several years, the northern route (Coffman Cove to Wrangell to South Mitkof Island (Petersburg)), was cancelled. A new North End Ferry Authority has launched the Rainforest Islands Ferry and is attempting to resurrect the northern route that began Intermittent service in the summer of 2015. This service is not be using the southern Mitkof terminal since it isn't compatible with their vessel. The state would not pay for overhaul of the terminal, so the ferry is using Banana Point.

The system is designed to provide better opportunities for commerce, school sports travel and recreation opportunities. A new ferry terminal was built at the south end of Mitkof Island as one stop in this system. While meeting a genuine need, the costs of operating the system have proven too high to support ongoing operations.

The 2014 Draft Southeast Alaska Transportation Plan (SATP) outlined the following trends related to marine transportation projects.¹²

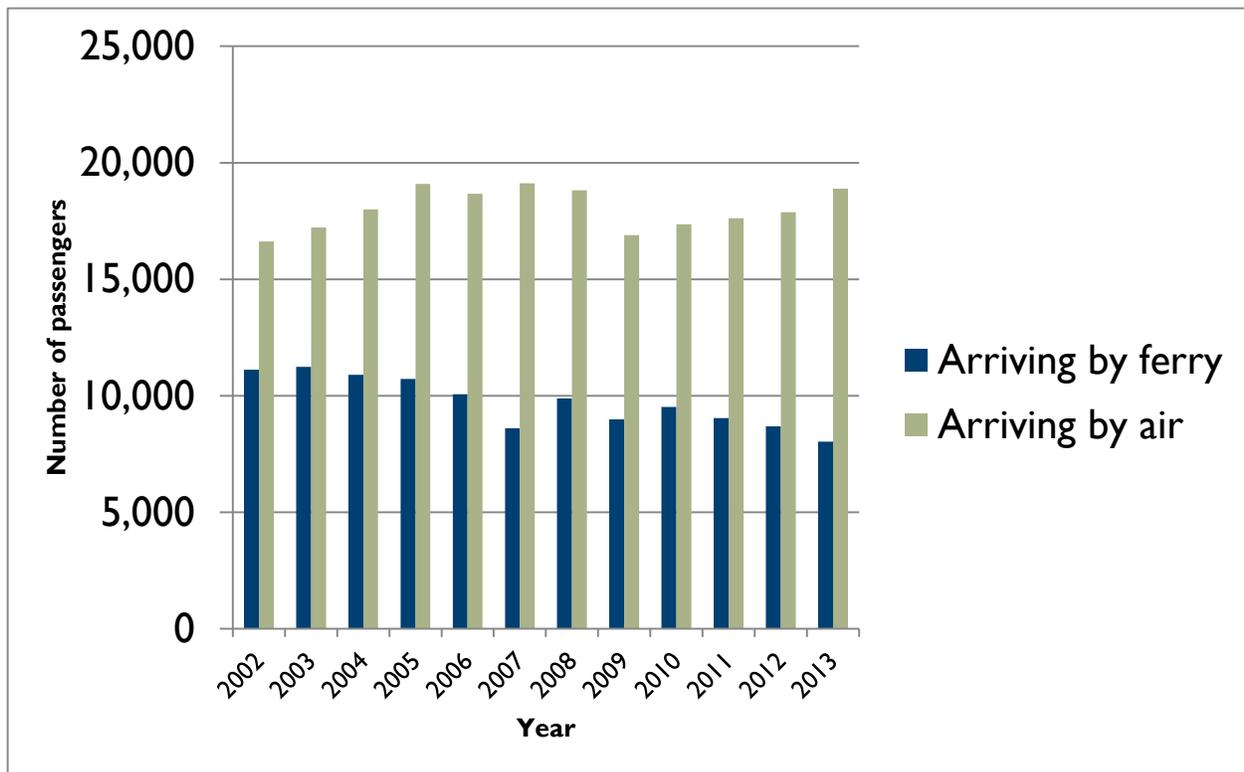
- Since 2006, AMHS Southeastern System annual maintenance and operation costs have increased from about \$110M to nearly \$140M, while ferry sailings have dropped from about 6,500/year to 6,000/year in that period.
- From 1991-2012, passenger ridership has declined from approximately 370,000 to 310,000/year, with vehicle traffic holding fairly steady at approximately 100,000 vehicles/year. Over that time, the ferry fleet has increased from six to ten ferries.

¹² Extracted from Southeast Alaska Transportation Plan 2014 Draft Petersburg, Alaska / Meeting Summaries

In the community comment during the SATP 2014 fall meeting, people noted that ridership has decreased because of changes in scheduling rather than the other way around. People are no longer staying in small communities because of the frequency of service.

See the Waterfront Plan for trends, facilities related to commercial fishing, tourism, and recreation, as well in information on freight services.

Figure 5-2: Arrivals by mode of transportation



Source: AMHS Annual Traffic Volume Report, and Air Carrier Statistics (Form 41 Traffic)- US Carriers

AIR TRANSPORTATION

The Petersburg airport and the scheduled daily jet service it supports is now an integral part of Petersburg daily life, and a significant change from the town’s historical reliance on water-borne transport. The James A. Johnson airport is state owned and managed by the State of Alaska DOT+PF, Division of Aviation. There is also a state-owned public use seaplane base, the Lloyd R. Roundtree Seaplane Facility.



Petersburg Harbor

OTHER REGIONAL TRANSPORTATION PLANS

The Alaska Department of Transportation and Public Facilities (AK DOT+PF) is involved in planning for and funding many of the region's transportation initiatives. This section summarizes two relevant planning documents, the Statewide Transportation Improvement Program (STIP) and the Southeast Alaska Transportation Plan.

2015 Statewide Transportation Improvement Program

AK DOT+PF produces an updated Statewide Transportation Improvement Program (STIP) each year. The STIP lists transportation-related improvement projects within Alaska that are partially or fully funded with federal dollars within a four-year period. It includes interstate, state and some local highways, bridges, ferries and public transportation, but does not include airports or non-ferry-related ports and harbors. It covers all system improvements for which partial or full federal funding is approved and that are expected to take place during the four-year duration of the STIP. STIP documents and information are available [here](#)¹³.

There are three projects on the STIP that are located in the Petersburg Borough:

- Ohmer Creek Trailhead and Trail.
- Kake Access Road.

Southeast Alaska Transportation Plan

The State of Alaska also prepares regularly-updated transportation plans for different parts of the state. The Southeast Alaska Transportation Plan is currently being updated, with a draft released in Fall 2014. The AK DOT+PF shared the draft plan at a community public meeting in Petersburg in

¹³ <http://www.dot.state.ak.us/stwdplng/cip/stip/>

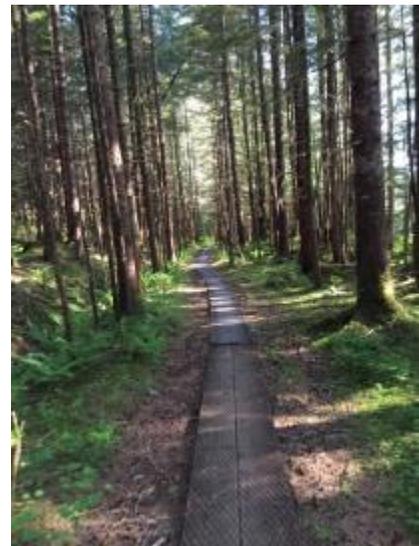
the fall of 2014. Planning documents are available [here](#)¹⁴. The plan includes the following proposed actions relevant to the Petersburg Borough:

- 2020 – Kake-Petersburg Road (gravel single land).
- Wrangell Narrows shuttle ferry, and terminals completed.
- 2025 – New mainline ferry on-line; potential for a second mainline ferry to follow.
- 2028 – Fast ferry replacement.

Proposed Road to Kake

As noted above, both the AK DOT+PF Statewide Transportation Improvement Program and the draft Southeast Alaska Transportation Plan contain a proposed road to Kake. However, many Petersburg Borough residents are unsupportive of a road. Concerns include:

- The proposed starting location is in the City of Kupreanof, which is a roadless town by City ordinance.
- The road would require maintenance, a ferry, and ferry terminals, which are currently unfunded.
- The proposed route is built along exposed sections of land and over unstable soil, and would be “next to impossible” to maintain in winter.
- The Borough, by default, would likely end up providing public safety and emergency response along the road, which could put a strain on the Borough’s limited public safety resources.



Trail in City of Kupreanof

¹⁴ <http://dot.alaska.gov/sereg/projects/satp/index.shtml>

CHAPTER 6: HOUSING

Overarching Goal: Expand the range, affordability and quality of housing in the community while maintaining attractive, livable residential neighborhoods.

GOALS + STRATEGIES

1. **Goal: Housing Supply.** Increase availability of affordable, quality housing, particularly “starter homes” and rentals, while avoiding overdeveloping housing for a stable or declining population.
 - a. Renovate and rehabilitate existing housing stock. Potential actions:
 - Provide direct links to private and public sector partners that can work with residents to estimate cost and identify funding options for home upgrades and improvements.
 - The Borough should condemn unhealthy, dilapidated housing and either rehabilitate or replace such structures, preferably with higher density, more affordable homes.
 - b. Increase infill in already developed areas. Potential actions:
 - Encourage higher density, less expensive housing options such as duplexes, four-plexes, apartments, “mother-in-law,” or “tiny houses” where appropriate. These units could be used for vacation residences, low-impact living, lower income housing and singles housing options.
 - Develop appropriate zoning and building standards to allow for “tiny house” dwelling, including multiple-dwellings on a single lot.
 - Encourage re-development of older low-density single homes into higher-density housing.
 - *See Chapter 3: Land Use + Environment* for specific land use strategies to encourage infill.
 - c. Reserve land adjacent to existing infrastructure to allow for increased supply in new areas, as needed. Potential actions:
 - Expand the concentrated residential downtown core of Petersburg.
 - Add two more streets with utilities to Tlingit-Haida Regional Housing Authority (THRHA) subdivision. Build on sites with appealing views.
 - Identify locations along Mitkof Highway for housing.
 - Encourage small housing developments with shared green spaces, maintenance and parking.
 - Adjust land use restrictions to allow for smaller lots.
 - Open up portions of land the airport access road focusing on areas closer to town for new housing development.
 - Where the land is physically suited, consider building housing on the large platted Borough-owned subdivision north of the ballfields.



Tiny houses and “cottage homes” offer alternatives to traditional single family housing. Instead of a lot with a single home, the lot can be used for multiple detached homes on land held in common with landscaping for privacy.
Image from tinyhouseblog.com

- See *Chapter 3: Land Use + Environment and land use plan map* for land use designations for new housing.

2. **Goal: Partnerships.** Work in partnership with neighboring land owners, agencies, and nonprofits to share resources and reduce costs to identify and develop housing.
 - a. Conduct a comprehensive housing needs assessment.
 - b. Explore options for the Borough to play a role in reducing time and cost for development. Potential actions:
 - Infrastructure. Expand road, water and sewer systems. Assist with coordinating extension of power.
 - Permitting. Work with the Army Corps of Engineers to make the permitting process for new construction and development on existing private property easier (see Goal 1 in Land Use chapter).
 - Continue to offer a one-stop “concierge” for permits for desired uses.
 - Land. Expand areas open to housing, including land selections, and residential areas outside of town.
 - Funding. Waive fees till occupancy.
 - Host a fair for sharing innovative technologies such as renewable energy options and composting that could help interested residents and developers explore new opportunities for home construction both on and off the grid.
 - c. Work in partnership with THRHA, taking advantage of the Regional Housing Authority’s ability to leverage a mix of private and public funding sources.
 - d. Expand partnerships to offer subsidized housing to lower income households.
 - e. Encourage development of one-room studio condos for less than \$100,000.
 - f. Work with partners to offer rent-to-own housing and sweat equity options to make it easier for people to purchase homes.

3. **Goal: Seasonal Housing.** Ensure populations that are seasonal or transitional are living in housing that best meets their needs.
 - a. Develop land use policies that allow for appropriate and accessible seasonal housing for fishing workforce. Potential actions:
 - See *land use plan map* related to designating certain waterfront properties for workforce housing.
 - Learn more about the availability and use of vacation rentals in the Borough and examine the potential impact on the overall housing market.
 - b. Develop land use policies and Borough processes that facilitate, enhance and market Petersburg as a place for second homes. Potential actions:
 - Encourage development where there are appealing views.
 - See *land use plan map* for specific areas that have good views and access to existing infrastructure.

4. **Goal: Senior Housing.** Expand senior housing options across all levels of care.
 - a. Ensure adequate support services at lower levels of in-home care. Potential actions:
 - See *Chapter 5 Public Facilities + Services* for specific strategies related to supporting seniors to live safely in their own homes. This will prevent need to build as much housing for higher levels of care.
 - b. Promote development of additional elderly independent living housing. Potential actions:

- Identify possible sites including near Mountain View Manor, the Petersburg Medical Center or the ball fields.
- Partner with non-profit developers whereby the Borough and/or other partners, such as the Alaskan Mental Health Trust Authority, provides the land for a senior housing project.

“Housing and childcare is seriously short for folks. And this is not a need for me, but I see and hear about this often.”

– Community survey participant

- c. Explore new housing models for seniors who need low level supports. Potential actions:
 - Partner with regional Aging and Disability Resource center to pilot shared housing; for example, the Golden Girls Network.
 - Explore King Cove model of four independent housing units with one caregiver unit.
- d. Explore options for a memory-care assisted living wing addition to Mountain View Manor. Potential actions:
 - Conduct a senior needs assessment to determine future demand for higher levels of care in Petersburg.

BACKGROUND AND CONTEXT

This chapter outlines the current housing profile of Petersburg Borough and identifies where there is need for additional housing in the future. The chapter begins with an overview of housing supply, quality and affordability. Next, the factors that affect the supply are considered; these factors include land supply, seasonal housing and the need for senior housing. The chapter concludes with a simple quantitative housing needs assessment that sets the stage for future analysis.

RATIONALE

While providing housing might not be the first priority of a borough government, there are public benefits to having an adequate supply of housing for its population. A diversity of housing options of different sizes and prices ensure that people who come to the Borough to work and live will have a place they are willing and able to pay for. Without housing for workforce, it is more difficult for new economic sectors to develop. Additionally, poor housing quality has negative impacts on the health and wellness of the community, including young children. It also makes those homes undesirable and unsellable, which makes them poor investment choices for first time home buyers. While Petersburg Borough does not need to construct



or directly subsidize housing, there are policies that the Borough can support to make it easier for the private sector to supply and/or redevelop existing housing stock. Land use policies can direct development of more expensive homes that seasonal and second homeowners might prefer to areas that will not put pressure on the supply of housing for year-round residents. Strategic infrastructure investments, such as water, sewer and roads off the existing grid, can ensure that future growth does not put a burden on Borough services in the future. Partnerships with developers such as Tlingit-Haida Regional Housing Authority and funders such as the Alaska Housing Finance Corporation also lower the cost of home ownership and redevelopment.

HOUSING SUPPLY + QUALITY

The supply of housing units in Petersburg is relatively stable. The number of housing units decreased one percent between 2000 and 2010, from 1,367 to 1,356 units (6-1). At the same time, the amount of vacant housing decreased 18 percent. Decreasing household size and an increase of seasonal housing use is likely putting pressure on available housing. The average household size decreased from 2.6 people per household to 2.3 people per household between 2000 and 2010, while seasonal or recreational housing doubled.

The quality of the available supply does not meet the needs of residents. One real estate agent stated, “In speaking with prospective home buyers in Petersburg, it generally seems that the quality of available housing is below expectations.” Additionally, 25 percent of online community survey respondents agreed with the statement, “many homes in my community are in disrepair and need to be replaced or renovated.”

What is driving these trends? Much of Petersburg’s housing stock is older. Fifty-five percent was built before 1980 and only four percent was built in the last 15 years. The climate is hard on buildings. Building materials are also expensive and specialty materials are not readily available locally. Some people believe building standards for renovation of older structures create a barrier for redevelopment. It is also possible that some people are being forced to live in subpar housing due to lack of supply. Units that in other contexts might be vacant are now occupied.

There is also anecdotal evidence that some multi-family units are going off the market, further reducing the available housing stock. However, there are some favorable signs. Since the 2000 Plan, the Tlingit-Haida subdivision was constructed through a partnership with the Petersburg Borough and the Tlingit-Haida Regional Housing Authority.

Figure 6-1: Petersburg Housing Profile [1]

Housing Type	2000		2010		Change 2000-2010	2013 [2]
	Number	Percent	Number	Percent		
All Housing	1,367		1,356		-1%	1,466
Occupied Housing	1,240	1	1,252	100%	1%	1,319
Owner Occupied	888	72%	849	68%	-4%	936
Renter Occupied	352	28%	403	32%	14%	388
Vacant Housing	127	100%	104	100%	-18%	147
For rent	37	29%	30	29%	-19%	n/a
For sale only	18	14%	13	13%	-28%	n/a
Rented or sold, not occupied	20	16%	3	3%	-85%	n/a
For seasonal, recreational, or occasional use	25	20%	50	48%	100%	n/a
For migratory workers	0	0%	0	0%	0%	n/a
Other vacant	27	21%	8	8%	-70%	n/a
Vacancy Rates						
Vacancy rate (all housing)		9%		8%		10%
Rental		10%		7%		8%
Owner		2%		2%		1%
Vacancy rate (excluding seasonal occupied)		7%		4%		
Average Household Size	2.60		2.35			

Source: 2000 Census, 2010 Census

[1] Most recent accurate data for housing is from the 2010 census before the Borough was created. To most accurately capture the current Borough profile, Petersburg City (now termed a Census Designated Place) was used to compare past housing trends with current housing trends.

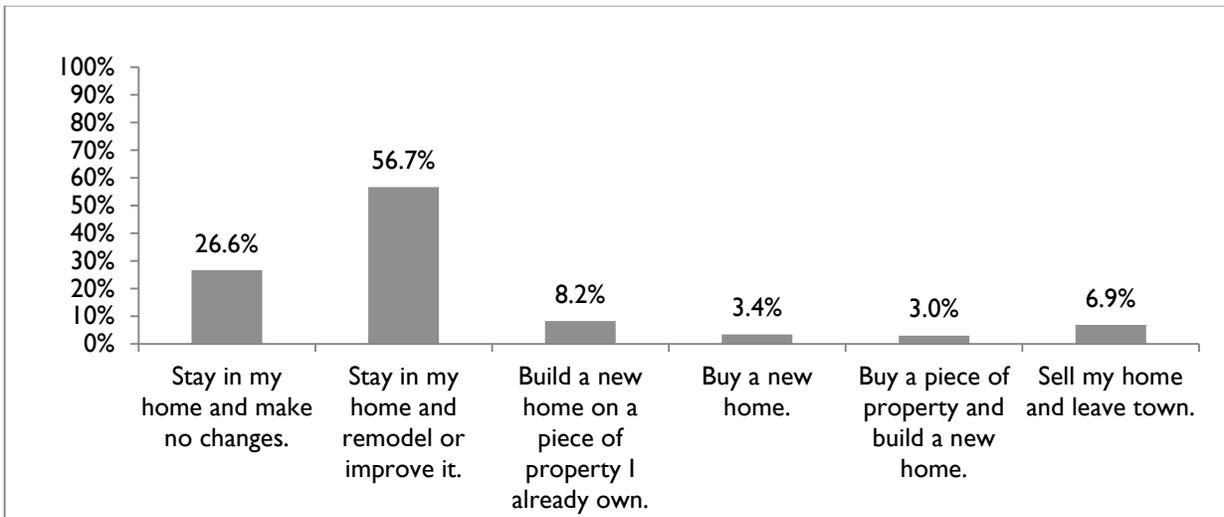
[2] 2013 year estimate based on 2009-2013 American Community Survey of Petersburg City and Kupreanof. As an estimate, not a census, the numbers have a high margin of error.

Note: Housing data are limited. According to residents, 2010 Census numbers do not reflect what they observe in the community.

In general, the Borough supports remodeling or redeveloping existing housing supply in order to avoid overdeveloping large houses in the face of population decline. Homeowners tend to agree with this tactic. Around 55 percent of homeowners responding to the survey said they planned to stay in their home and remodel it within the next five years (Figure 6-2).

The Borough is reluctant to encourage increasing the supply in light of anticipated population declines. However, two categories of desired new housing needs came out of the community survey: additional rental housing for families and affordable starter homes. A survey respondent highlighted, “It can be difficult to find rental options in town unless you know the right people.” Renter plans for the future reflect a much greater desire to acquire a new piece of land and build a home (Figure 6-3). Twenty-four percent of renters in the survey indicated they would like to buy an existing home.

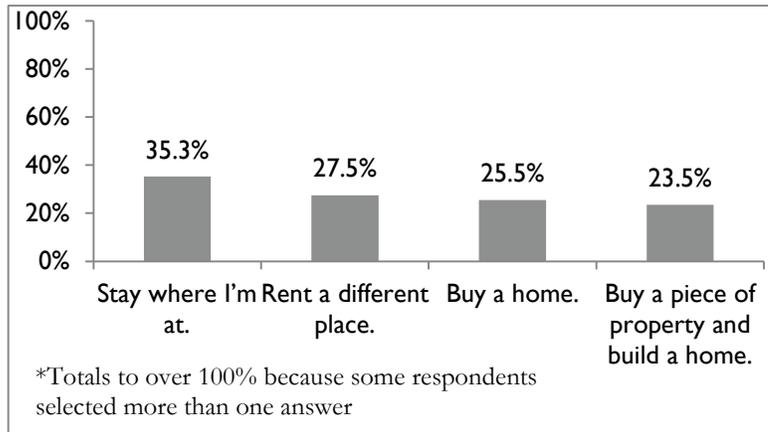
Figure 6-2: Homeowner Plans, Next Five Years (community survey)



AFFORDABILITY

The Petersburg Borough has limited affordable and low income housing. Constructing and maintaining buildings is expensive. Affordable starter homes often require expensive repair work and do not qualify for a bank loan. As a result, the community has very high and very low end housing options, but little mid-range housing. Families are relocating along the Mitkof Highway to save costs, as the land is cheaper and the ground is better, but the location requires a longer commute and is less convenient. This pattern will eventually cost the Borough more in the long run if the infrastructure isn't there to support the density. Residents cite a variety of housing concerns in the community, particularly related to affordability. For example, 43 percent of survey respondents say the Borough needs "different, less expensive housing options from what we currently have."

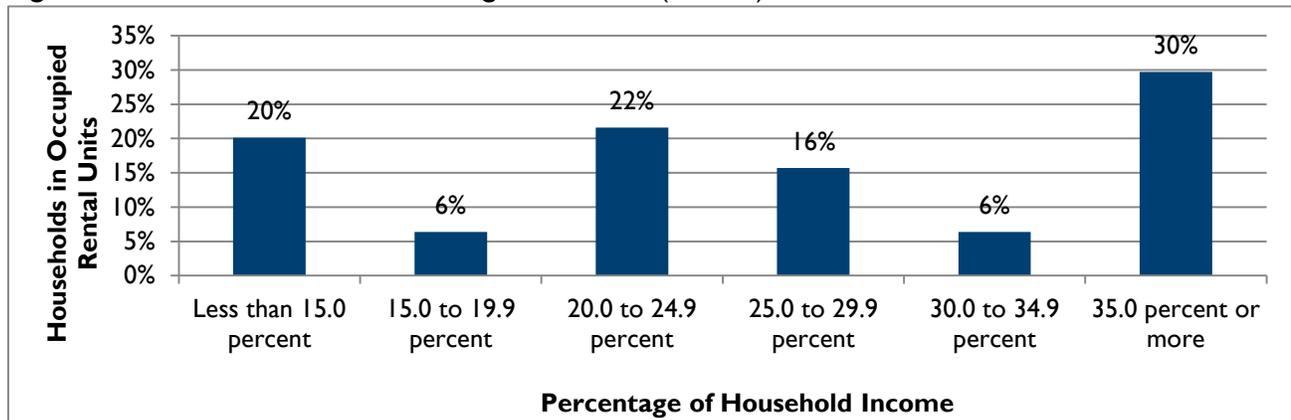
Figure 6-3: Renter Plans, Next Five Years (community survey)*



"I actually think most homes in Petersburg are reasonably priced, but we could use more starter homes and rentals than we currently have. Most rentals advertised are roughly \$900/month. That leaves very little left over for a \$12/ hour job."
 -Community survey participant

Affordable rental options are also lacking. The number of housing units used for renting increased 14 percent between 2000 and 2010 (Figure 6-1). According to survey respondents, rental spaces are “rarely empty,” although according to census data, the former Petersburg City had a vacancy rate of seven percent in 2010. Others noted the rental market is low quality and high priced. According to interviews and conversations, rental cost estimates are \$1,000-\$1,200 for a two-to-three bedroom,

Figure 6-4: Gross Rent as a Percentage of Income (GRAPI)



Source: U.S. Census Bureau 2009-2013 American Community Survey for Petersburg City/Service Area 1

\$700-\$850 for one bedroom “in rough shape.” Thirty-six percent of renter households do not have affordable housing (Figure 6-4). These households pay 30 percent or more of their income for rent. Additionally, most rentals are rented by word of mouth so they never make rental listings, making it very difficult for someone who is new in town to find reasonable housing. These factors combine to make it difficult to develop new economic sectors that need workforce to relocate from other areas to Petersburg.

“Petersburg is a wetland and difficult to develop land as per Corps permitting. If Petersburg could set aside some otherwise unused land for a blanket exemption from Corps permitting, developing property would be more attractive.”

– Community survey participant

LAND SUPPLY

Land supply is one part of the challenge for meeting housing needs. While Petersburg has a greater supply of road-accessible, potentially developable land than most Southeast communities, including private land, and land held by the Borough, the Alaska Mental Health Trust Authority (AMHTA) and the University, the costs to develop these areas constrain supply and increase housing costs. Much of the land within the Borough, both private and public, is steep or wet, which greatly increases the cost and the time required for development. These costs include:

- Rain water collection and storage
- On-site septic solutions
- Power
- Roads

In addition to infrastructure costs, the process to obtain a wetland fill permit can be difficult to navigate, with long wait times. Construction requires working with the Army Corps of Engineers, since the island is mostly wetlands. Altogether, total development costs per lot can run up to \$100,000 for a typical residential lot outside of Service Area One, which make it difficult to develop affordable housing. Anecdotal evidence suggests that many of the properties for sale in Petersburg are empty parcels.

SEASONAL HOUSING + SECOND HOMEOWNERS

There is a growing use of local housing on a seasonal basis. Seasonal or recreation use doubled from 25 to 50 units between 2000 and 2010. Thirty-two percent of community survey respondents indicated that they planned to live in Petersburg as a seasonal resident after retirement.

One survey respondent noted that vacant homes appear to be vacation or summer homes only, a sentiment that is echoed by real estate professionals. According to residents, oceanfront real estate is inexpensive by comparison to the continental United States, which make a thoughtfully developed seasonal or second homeowner economy one potential economic development strategy.

Some residents have plans to capitalize on the seasonal market. When asked about their future plans for housing, one survey respondent said they own a sustainable cabin and plan to add a guest house and another indicated they intended to use part of the housing as income such as for a bed and breakfast.

Thirty-two percent of community survey respondents indicate they plan to live in Petersburg as a seasonal resident after retirement.

SENIOR HOUSING

Across Alaska, and especially Southeast, communities are facing an impending and rapid increase in the number of seniors. As outlined in the Background chapter, 24 percent of Petersburg residents will be 65 years of age or older by 2022, up from around 13 percent in 2012. This will represent a significant shift in resident demographics and housing needs will likely also change. Though the population categorized as “seniors” is a diverse group of people, when addressing community needs for senior housing and services, it is helpful to reference these three categories of seniors:

- **Active seniors** often desire smaller and/or more conveniently located housing that fits lifestyle changes that accompany aging and retirement, such as the desire to travel and maintain a house less frequently, be near family and friends or recreational and cultural amenities.
- **Seniors who require in-home supports** to remain independent and with a high quality of life benefit from having family, friends, businesses and nonprofits that can provide in-home care for a range of activities including chores, meals and transportation. Sometimes, this group of seniors might need help with “activities of daily living,” such as bathing, feeding and toileting. Respite and adult day services allow unpaid caregivers time for chore and themselves and allow seniors who need support to stay in their home.
- **Seniors who require regular personal or medical care** need to have access to assisted living homes or even skilled nursing outside of their home. Some people can no longer stay in their home due to medical needs or need for specialized memory care. Communities that do not have these services risk losing their elders to hub communities or Anchorage. By 2032, there will be 112 seniors older than 85, up from 48 people today. Given that the Alzheimer’s rate in Alaska for age 85 and older is 46 percent, there will be a need to address memory care options both in the home and outside of the home.

“I love my home. I do not like the lack of upkeep of my neighborhood, and the fact that folks are permitted to store back hoes and old junk cars and shipping containers on their lots in a single family mobile home zone. I am bothered by the lack of mutual respect in neighborhoods.”
 – Community survey participant



Thirty percent of community survey respondents said they intended to stay in the Borough when they retire. When asked about the top three reasons to stay in Petersburg as they age, survey respondents indicated 1) small-town atmosphere, 2) sense of community, and 3) cultural and recreational opportunities (Figure 6-5). In contrast, availability of support services for seniors factors less in the decision to age in Petersburg. The survey results, though not statistically valid, seem to indicate that people will continue to live in the Borough for quality of life reasons and are not factoring possible needs for senior services and supports. These results also support the need for housing for seniors to continue to enjoy the area even if they become seasonal residents as they age.

Figure 6-5: Three Most Important Reasons to Stay in Petersburg as You Age (community survey)

Reason	Percent
Small town atmosphere.	48%
Sense of community.	42%
Cultural and recreation opportunities.	37%
Employment/work opportunities.	35%
Family near-by.	34%
Available medical services.	25%
I want to stay in my home.	21%
Lived here since childhood.	12%
Available support services for seniors.	11%
Other (please specify)	10%
Climate.	8%

As residents age, there will be demand for different types of housing to accommodate changing needs and desires. While many seniors desire to live in their own home as they age, some will move to be closer to family, enjoy a new location or access to better

“Transportation is the problem. I'd prefer a tiny house so I can remain independent.”
 –Community survey participant, Age 60+

medical and personal care. However, it is also important that there are housing options in the Petersburg Borough for seniors so they are able to age safely in their homes. Simple home modifications such as railings can serve that purpose. Other seniors may choose to downsize into smaller houses or apartments with one floor and handicap accessibility. In the absence of these “senior housing” options, they might stay in houses that would otherwise serve larger families. While the majority of survey respondents age 60 and over are happy with their current living situation (85 percent), around five percent are looking for less expensive housing.

Some seniors will require caregiving as they age. This can be provided by family, friends, or paid caregivers. Assisted living homes allow seniors to age in their communities even if they require more help than can be provided in their home. Mountain View Manor has recently reached capacity and has a waitlist of seven people as of 2014. A senior needs assessment would help determine the need to expand capacity of the Manor.

QUANTITATIVE ASSESSMENT OF FUTURE HOUSING NEEDS, 2015-2025

A comprehensive housing needs assessment is beyond the scope of this Comprehensive Plan. However, the simple model on the following page indicates that population growth is not a driver of housing needs in the next 20 years. The need for housing is based primarily on need to replace dilapidated older housing, trailers, and due to crowding. Over the next twenty years, an additional eight houses would need to be built or remodeled each year to replace deteriorated properties or alleviate overcrowding. See Appendix D for supplemental tables.

Figure 6-6: Petersburg Housing Needs Assessment, 2015-2025

Item	Units	Notes
2014 Estimate of Housing Units	1,509	American Community Survey (ACS) 2009-2013 5-Year Estimate and Petersburg Community Development Department new construction building permits.
Current Estimate of Seasonal/Recreational Units	61	2010 Census. Seasonal/recreational unit count not available for inter-censal years.
Total Permanent Units	1,448	Current number of housing units less housing units vacant for seasonal or recreational use.
New Units Needed Due to Population Change 2015-2025	0	See Table 2. Alaska Department of Labor and Workforce Development 2012-2042 Population Projections for Petersburg Borough, published in 2014.
New Units Needed Due to Housing Condition	134	See Table 3. ACS 2009-2013 5-Year Estimate.
New Units Needed Due to Overcrowding	38	See Table 4. Overcrowding is defined by Census and HUD as homes with more than one occupant per room. Rooms are defined as the total number of rooms, not just the bedrooms. ACS 2009-2013 5-Year Estimate.
Total New Units Needed	173	
Estimated annual absorption	8.6	Calculated over a 20 year period.
Estimated number of single family units	136	Based on current estimate of 79 percent single family units in Petersburg. ACS 2009-2013 5-year estimate.
Estimated number of multi-family units	7	Based on current estimate of 21 percent multi family units in Petersburg. ACS 2009-2013 5-year estimate.

Housing unit counts and estimates are based on the (former) City of Petersburg and City of Kupreanof because the U.S. Census Bureau has not updated geographies to reflect Borough status. Estimates were compared to methodology in the Tlingit Haida Regional Housing Authority Housing Needs Assessment, published in 2014, and results were consistent.

Sources: See “Notes” column. Numbers compiled and calculated by Agnew::Beck.

CHAPTER 7: RECREATION + TOURISM

Overarching Goal: Support cultural and recreational opportunities and tourism attractions that benefit both residents and visitors.

GOALS + STRATEGIES

1. **Goal: Thriving Community Spaces.** Maintain and improve arts and recreational opportunities in the Petersburg core.
 - a. Maintain and expand the in-town trail and bike path network. Potential actions:
 - Create a Safe Routes to School program.
 - Create more lighted paths.
 - Create more loop trails for pedestrians and visitors to enjoy.
 - Improve drainage on Hungry Point Trail.
 - Develop more hiking trails near town, including a connection through Hammer Slough, past the Borough maintenance yard, and connecting to existing trail systems.
 - Continue pedestrian/bike path from the airport to where it currently ends at Sandy Beach.
 - Maintain and enhance trail from Sandy Beach Park to City Creek.
 - Build a trail to the beach, northwest of Frederick Point.
 - Build a pathway past the ferry terminal, on the water side of the road.
 - Along Fredrick Sound Road, keep trail on beach side of road, Sandy Beach to Cabin Creek.
 - Connect Twin Creek Road to Fredrick Point Road for a looped bike trail.
 - See also *Chapter 5: Transportation* for more strategies related to the use of trails as transportation infrastructure.
 - b. Work in partnership with neighborhoods to develop and maintain neighborhood parks that serve the needs of adjacent neighborhoods. Focus efforts on higher density, lower income neighborhoods, where such facilities are particularly needed. Potential actions:
 - Possible neighborhood projects include: community garden spaces, pocket parks, or dog parks.
 - Apportion funds for “neighborhood challenge grants” to match volunteer or matching funds for neighborhood projects.



Petersburg Borough Library

- Protect and keep “green infrastructure”, such as waterways and habitat corridors, as the community develops. See *Chapter 3: Land Use and Environment Goal 2 and Goal 5* for more about protecting environmental quality as a part of community infrastructure.
 - Consider parks or green spaces outside of downtown in areas currently lacking such facilities. One option is in the area across from Community Cold Storage.
- c. Maintain, and as demand requires and budgets permit, upgrade existing recreation facilities and services. Potential actions:
- Expand and improve the museum.
 - Expand morning and weekend hours at the library and recreation center, and consider expanding open gym at opportunities at the recreation center.
 - Allow community events before or after open public hours at the library.
 - Continue to maximize advantage of the cost savings and other efficiencies that come from co-locating the Visitor Center and the Chamber of Commerce.
- d. Identify need for new facilities where the benefit of expansion is strong, but also considering the need to support existing facilities, including operation and maintenance needs. Wherever possible, partner with community organizations. Potential actions:
- Better “rainy day” facilities for small cruise boat visitors (see tourism section).
 - Performing arts studio, potentially at the school, for dances and plays. The current stage space is often booked with other community events such as movies.
 - Children’s museum or related place for fun youth learning.
 - Outdoor track and/or football field.
 - Indoor multi-purpose court for hockey, soccer, skating and other activities.
 - Indoor tennis courts.
 - Bowling alley.
 - Ice rink for skating and hockey.
- e. Work with community partners to encourage additional community activities and events for all ages, especially alcohol-free events and arts activities. Potential actions:
- Establish a Boys and Girls Club program.
 - Encourage the community at large to get more involved in school events.
 - Create more artistic/creative social spaces, such as coffee houses or co-ops.
 - Host weekly speakers or host different events to create a setting for public entertainment and social activity outside the bar. Possible activities include book clubs, thespian, poetry, musicians.
 - Offer movies during the week.
 - Offer more adult education classes.



Mayfest decorations

“The museum could use a facelift. [It] would be great to get kids more interested in art. Incorporate more children's activities at our local museum.”
 – Community survey participant

- Offer free classes, such as exercise classes, dance classes, cooking classes.
- Bring back the fitness challenge.

2. Goal: Borough-wide and Regional Recreation Network. Sustain, enhance and create opportunities to enjoy the waterways, trails and other recreational and cultural attractions in and surrounding the Borough.

a. Develop a Borough-wide trails plan – *See also Chapter 5: Transportation, Goal 3.* Potential actions:

- Consider installing a floating dock at Banana Point to improve access and safety. *(see Waterfront Master Plan for more discussion in outlying locations)*

“We need to focus on recreation improvements that are good for residents and for visitors.”
 – Community survey participant

b. Promote, connect and enhance the recreation amenities available on the Mitkof Island Road system. Potential actions:

- Support improvements at the State’s Ernie Haugen Public Use Area.
- Conduct necessary detailed site planning work to use the area of Sandy Beach for a combination of trails, public park and open space and residential development. More on-site work is needed to determine how this important area can best meet this combination of objectives. The specific area to be addressed is the area bordered by Sandy Beach Park, Frederick Sound, City Creek and the Frederick Point Road.

c. Maintain public beach access throughout the Borough. Potential actions:

- See also *Chapter 3: Land Use and Environment, Goal 4*

d. Partner with the Forest Service to provide access to and support for Forest recreation for visitors and residents. Potential actions:

- To the degree the USFS is considering the need to reduce recreation facilities such as cabins, trails, day use or camping facilities, work with the agency to identify priority recreation and tourism facilities.
- Work with the USFS to ensure outfitter/guides continue to have full opportunities to share USFS lands with local residents and visitors
- Identify opportunities for trail continuity as trails cross land ownership.
- Partner with the USFS, the State of Alaska and the City of Kupreanof to plan future uses at Petersburg Creek and its drainages, in particular to take advantage of and protect the area’s public use and ecosystem values.
- See also *Chapter 5: Transportation, Goal 3*

3. Goal: Locally Beneficial Tourism. Grow and capture the economic benefits of tourism, while protecting the qualities that make Petersburg a good place to live and visit.

a. Develop a simple, overall tourism strategy to make Petersburg a more attractive and visitor-friendly community. Potential actions:

- Community goals for tourism. Previous plans have made clear the community supports small scale, small group and independent visitors, and wants to draw visitors who appreciate that Petersburg’s downtown, unlike Juneau or Ketchikan, is still a “real town”, focused on fishing and local life.



Holiday event in the Sons of Norway Hall

- Target markets. Who is coming today, who does the community want to invite; what markets offer the best prospects for growth? Sample markets could include:

- Small cruise boat market
 - Independent travelers, by plane or ferry
 - Specific motivations: fishing, hunting, wildlife viewing, culture, hiking, biking, climbing, boating, kayaking.
 - Second homes, seasonal homes.
 - Seasonal employees.
 - Yachts
 - Attractions and features. What are the distinctive features of the Petersburg area that could draw more/different types of visitors? What improvements are needed to build upon the base of natural, cultural, historical attractions? What destinations need to be protected from heavy use?
- b. Marketing strategy. Consistent with results of the steps above, and working with local businesses and the Chamber of Commerce, take steps to increase visitation (and spending) by targeted groups. Potential actions:
- Improved community website, for example, adding itineraries around different themes, develop design consistent with established community brand
 - Expand marketing partnerships with others businesses and organizations, especially for trade shows and advertising. Continue implementation of community brand plan.
 - Active use of social media, to get out the word about current events and



City Creek Trail

- experiences available in Petersburg Borough.
- Marketing partnerships with similarly situated small Alaskan non-cruise destination communities.
- Expand and enhance traditional events that are part of “who and what Petersburg is” (Mayfest, for example), that also draw visitors.
- Market recreational activities to seasonal employees.
- Continue to dedicate tourist occupancy tax for ongoing tourism marketing.

c. *See also Chapter 8: Economic Development.*

- 4. Goal: Welcoming and Publically Accessible Waterfront.** Ensure continued public access to the waterfront, allowing visitors and residents to safely recreate, work, and enjoy waterfront locations throughout the Borough. Recognize this goal must be balanced against other considerations, including respecting private property rights and the needs for commerce and safety in “working waterfront” locations.

In developed waterfront areas

- a. Improve and increase walkability along and within the waterfront and between the waterfront and downtown.
- b. Identify needs and locations for small cruise infrastructure.
- c. Install seasonal signage and/or a comprehensive wayfinding strategy.
- d. Ensure adequate restroom facilities.
- e. Identify, acquire, and develop an area (parking and camping) for recreational vehicles and other visitors separate from harbor parking lots.

In outlying areas

- f. Reserve public access easements when waterfront areas are developed, to allow public access to publically owned tidelands or upland areas adjoining the waterfront.
- g. Provide a range of waterfront access points, from simple pathways, to more developed day use recreation facilities, for example, with parking, restrooms and trash cans.

See also Chapter 3: Land Use and Environment, and the Waterfront Plan.

BACKGROUND AN CONTEXT

Like many Alaskan communities, Petersburg and surrounding environments offer a wealth of recreation and cultural attractions to residents and visitors. This is an active, outdoor-oriented community with frequent community events and happenings. Residents enjoy easy outdoor access for recreation and subsistence. Popular activities include fishing, hiking, kayaking, hunting, boating and camping (See Figure 7-1). Popular community amenities include the library, aquatic center and gym. The community has a strong local radio station, KFSK.



At the same time, also like many Alaskan communities, maintaining facilities and connecting visitors to these attractions is challenging. Challenges include:

- Limited budget to maintain local amenities in light of declining population and tax base.
- Declining United States Forest Service (USFS) funding for recreation such as trails, cabins, and other facilities.
- Limited tourism marketing budgets, distance to markets, limits on waterfront access, and mixed local views about the desirability of expanded tourism.

For a Borough of 3,000 people, Petersburg – at least for the moment – has a remarkable tourism asset: daily jet service from the Lower 48 and Anchorage. There is also ferry service via the Alaska Marine Highway Systems that provides residents with transportation and visitors with a unique and affordable experience for travel to and between Southeast Alaska communities. However, both ferry and jet service are highly subsidized, and consequently, vulnerable to reductions in service or even elimination.

This section outlines the context for the goals, strategies and challenges related to recreation and tourism in the Petersburg Borough. The section begins with an overview of existing

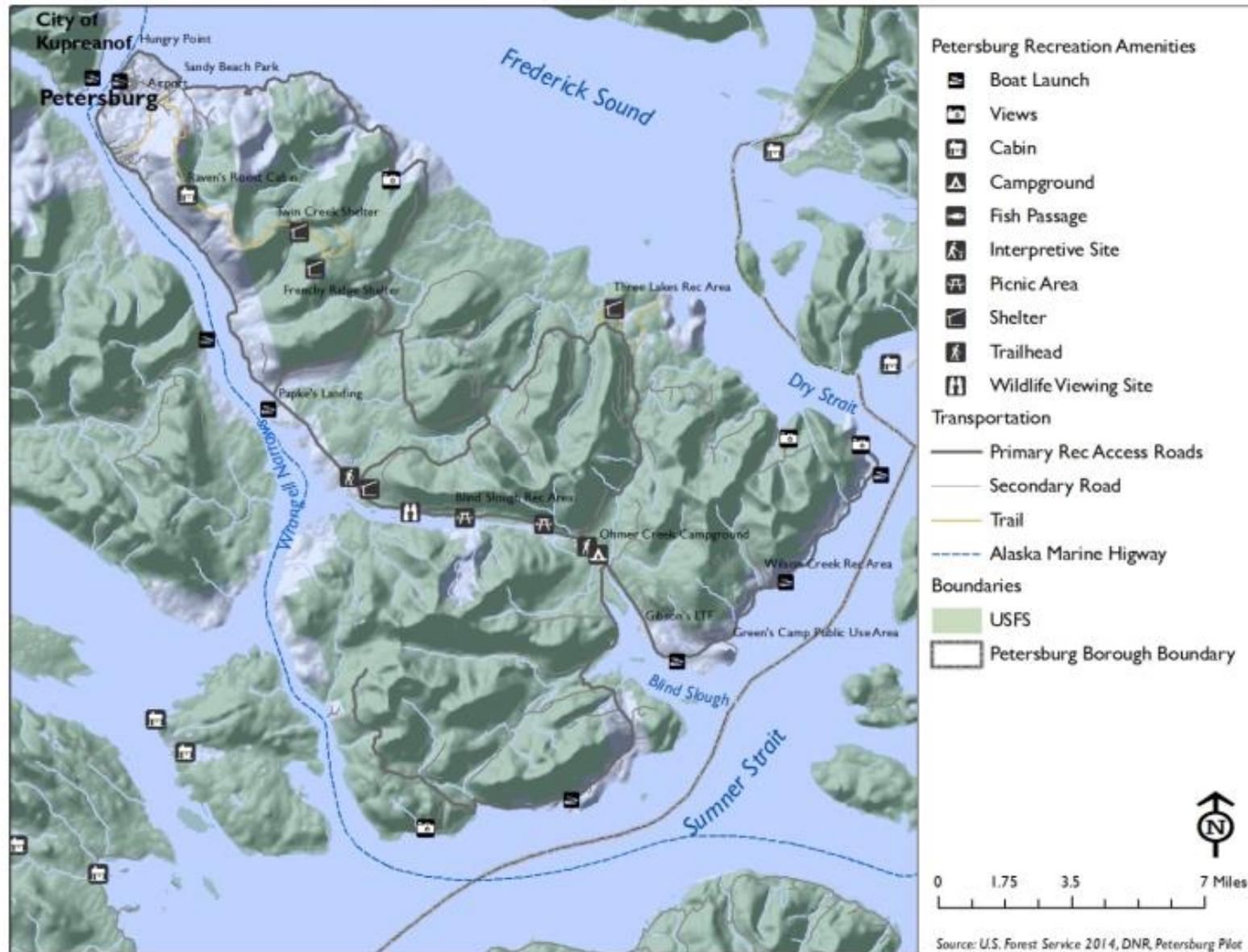
infrastructure and recent improvements. It follows with an overview of community support for tourism based on the recent community survey and conversations with different community groups

“The library plays a very important role in our small remote town. It is one of the few gathering places available in the evenings here. The programming offered by the library is varied, enriching, very well received, and available to all.”

– Community survey participant

and residents. Current trends in tourism are presented next, with a focus on the Forest Service and the unique opportunity presented by Petersburg's proximity to the Tongass National Forest.

Figure 7-10: Recreation Facilities on Mitkof Island



EXISTING INFRASTRUCTURE

The Petersburg Borough Parks and Recreation Department maintains the following recreation facilities:

- Bojer Wikan Fisherman's Memorial Park (maintained by Sons of Norway)
- Buschmann Park
- City Creek Trail
- Community Center
- Eagles Roost Park
- Ferry Terminal Dock Park
- Hungry Point Trail
- Ira II Mini Park
- Mort Fyer Ballfields and Park
- Nature Boardwalk
- Outlook Park
- Petersburg Memorial Cemetery
- Sandy Beach Park
- South Harbor Viewing Area
- Totem Park (maintained by the USFS)
- William Musson Trail
- Yiel Ka Ch'aak (Park)

“We have a vibrant community with good schools, a good pool/gym and a beautiful library. To me the challenge is how to keep these facilities going and encourage growth in our lovely community.”

– Community survey participant

The map on the previous page shows recreation facilities like cabins, trails, recreation areas and boat launches across Mitkof Island. Many of these are owned and maintained by the United States Forest Service.

RECENT IMPROVEMENTS

Since the 2000 Plan, the community of Petersburg has added the following amenities:

- Construction of the new library.
- Improvements at Sandy Beach park.
- Raven's Roost trail extension, accessibility.
- Two new ball fields constructed.
- New trails – coastal bike path, Raven's Roost trail extension, Sandy Beach to City Creek.
- New neighborhood parks.
- Greens Camp culvert and campground.
- Banana Point Ramp Improvements.

What would improve community health and wellness in Petersburg Borough and the region?

“More close accessible multi-use recreation trails, areas, facilities for unstructured individual health/wellness would go a very long way.”

“More cooperation and activities that take place in cooperation with and together with neighboring communities.”

– Community survey participants

SUPPORT FOR THE TOURISM INDUSTRY

Community survey respondents generally support the visitor and tourism industry, with support at eighty-one percent (Figure 7-2). Seventeen percent are neutral to the visitor industry. Other community survey question results indicate that while there is not opposition to the tourism industry, respondents might have higher priorities. For example, only 33 percent of community survey respondents identified the 2000 Comprehensive Plan objective, “Develop visitor industry in Petersburg Borough that fits the character of the community and retains the quality of the existing community,” as one of the top five priorities for the Borough. Objectives related to value-added manufacturing, housing and education scored higher. However, the objective related to maintaining ferry transportation garnered the highest support; 62 percent of respondents identified it as one of the top five priorities. Improving ferry service is an example of an objective that benefits both the visitor industry and residents. Additional visitor use of the ferry system can help make the ferry a viable operation in light of decreasing state budgets and subsidies. Other objectives from the 2000 Plan that benefit both residents and the tourism industry, and were identified as a “top five priority” include:

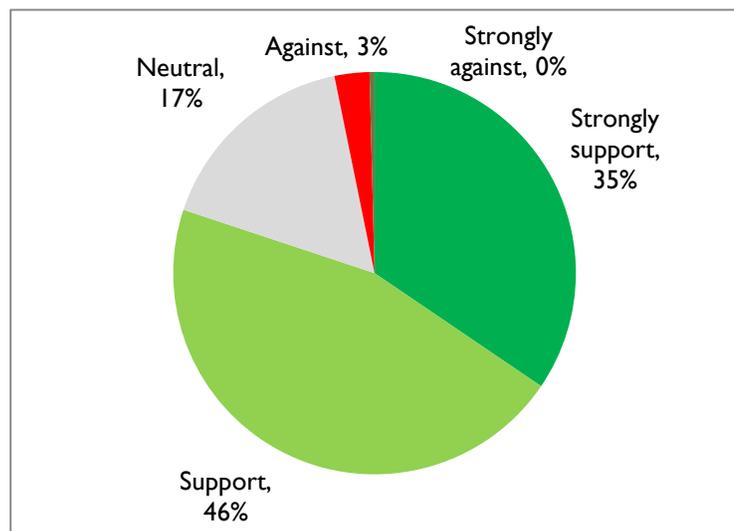
- Maintain a strong downtown business district (40 percent).
- Build, improve, and maintain suitable street, road, and pedestrian/bike path systems. The availability of these systems will contribute to increased land use density in developed areas, and the efficient use of available land (50 percent).

Petersburg Borough survey respondents



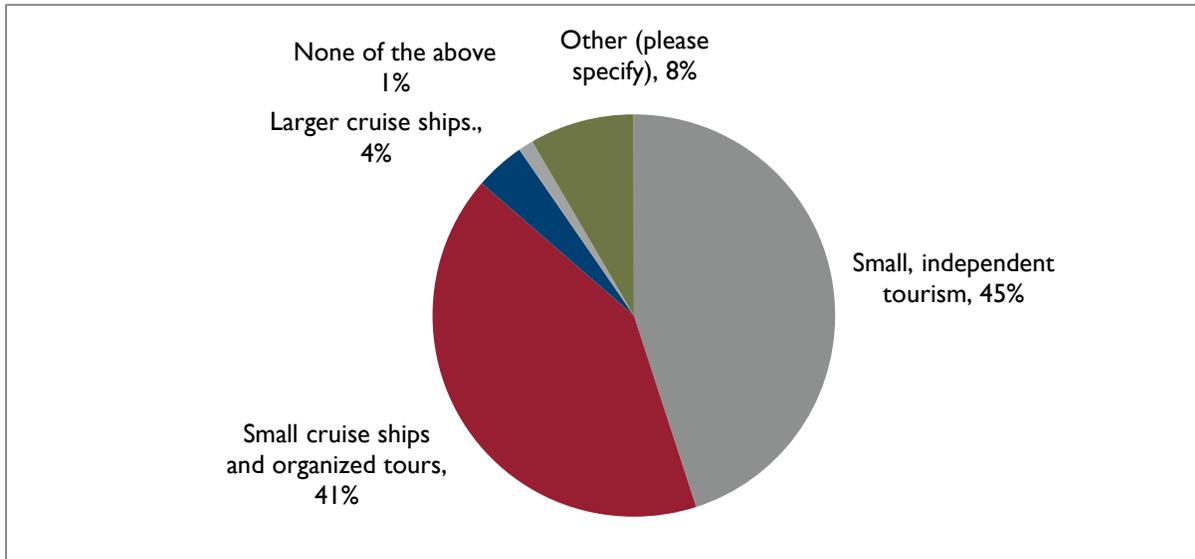
Visitors at Mayfest

Figure 7-2: Level of Support for the Visitor and Tourism Industry in Petersburg Borough (community survey)



also support the type of tourism that most seeks out amenities that benefit both residents and the visitor industry. The vast majority of survey respondents (86 percent) supported small cruise ships and small, independent tourism (Figure 7-3). This target market values “authentic” experiences such as the opportunity to learn or participate in local activities, which is in line with the same amenities that survey respondents also identified. Additionally, small independent tourism is reliant on ferry and jet service, both of which Petersburg residents need and enjoy.

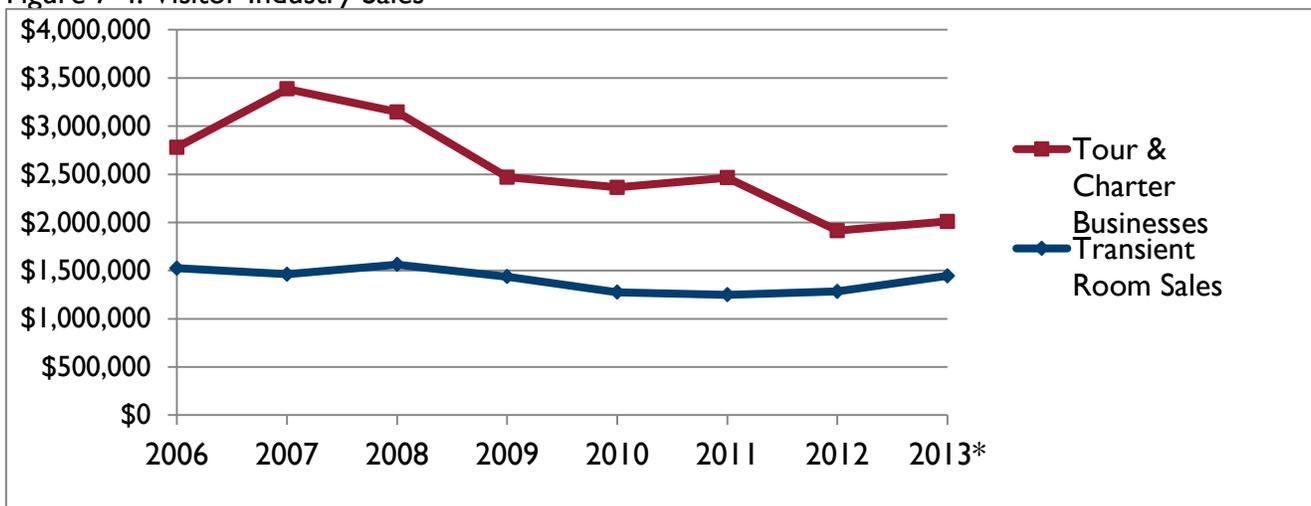
Figure 7-3: Type of tourism supported by Petersburg survey respondents



PETERSBURG TOURISM TRENDS

While trends show a slight decline in visitation, with a decrease in sales receipts (Figure 7-4), and decreased ferry disembarkments (down 27 percent from 2000 figures), tourism prospects for 2015 look optimistic, with a potential increase, given the low price of gasoline and the improving United States economy. While these disembarkments do not distinguish between residents or visitors, the overall decline of ridership threatens the sustainability of the ferry system by decreasing the share passenger tickets contribute to the operation of the ferry. Also, arrivals by air to the community increased ten percent between 2002 and 2013.¹⁵

Figure 7-4: Visitor Industry Sales



Source: Petersburg Finance Department

- The Alaska Visitors Statistics Program most recent (Summer 2011) profile of the then City of Petersburg highlights the following trends:¹⁶
 - Over 90 percent of visitors to Juneau, Ketchikan, Skagway, Glacier Bay, and Hoonah were cruise visitors. Sitka (84 percent) and Haines (74 percent) had a slightly lower rate of cruise visitors, while Petersburg (31 percent) and Wrangell (36 percent) had a much lower rate. Most of the differences in trip behavior and visitor characteristics among these markets relate to their proportion of cruise visitors.
 - Prince of Wales Island, Petersburg, Wrangell, and Sitka were more likely to attract business and travelers visiting friends and relatives compared with the other communities.
 - Wrangell, Petersburg, and Haines averaged the longest length of stay in Alaska, at 14.4 nights, 13.1 nights, and 11.1 nights, respectively.

¹⁵ <http://www.bts.gov/>

¹⁶ Page 48

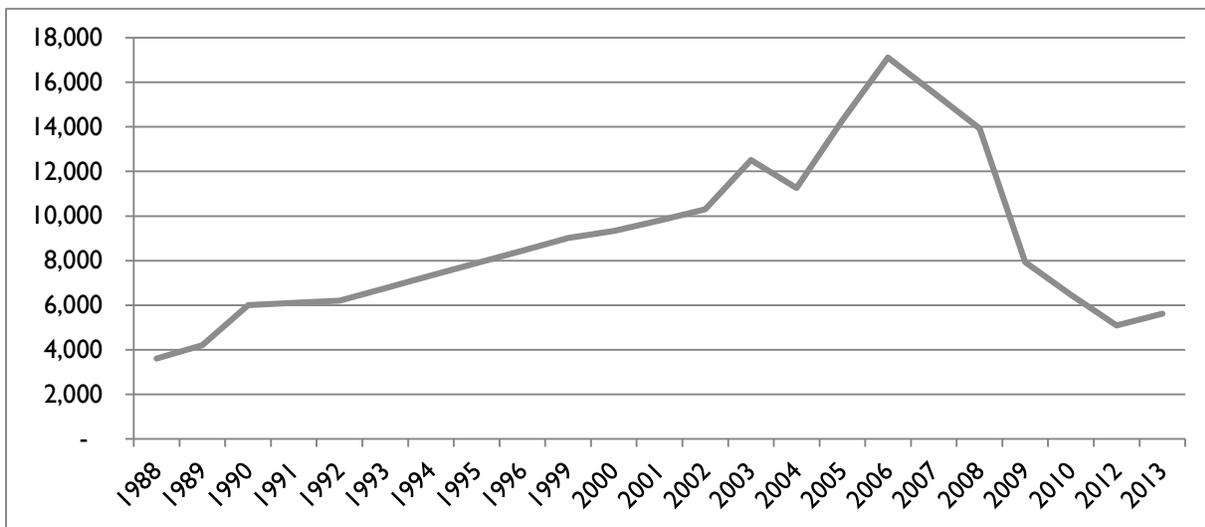
- Nearly half of Petersburg visitors said they were very likely to return to Alaska in the next five years, in contrast to just 27 percent of Southeast visitors as a whole. Similarly, more than half said they had been to the state previously for vacation.
- Only 43 percent of visitors to the City of Petersburg purchased a multi-day package, compared with 47 percent of those to Wrangell and 77 percent of those to Haines. Adventure tours made up just eight percent of the trip packages in Petersburg, compared with 24 percent of Wrangell's package purchases.

THE SMALL CRUISE INDUSTRY

Cruise visitation has declined in recent years from a high of around 17,000 in 2006 to around 5,500 in 2013 (Figure 7-5).

A change in a port of call for one boat can have drastic effects. The Safari Legacy used to bring 88 passengers, 18 times per year in 2006 and 2008 for a total of 1,584 passengers. The Safari Legacy did not return again until 2013, when it made two port of calls in Petersburg. Similarly the Safari Endeavor stopped coming to Petersburg in 2010, removing 1,500 to 1,700 visitors to the community spread over 18 to 20 port of calls.

Figure 7-5: Cruise Ship Passengers on Boats that Made a Port of Call in Petersburg



Source: Compiled by David Berg

In general, small cruise passengers spend four to six hours in Petersburg, and participate in the few available tours. Available tours include glacier and wildlife viewing, and visiting the museum and the Norwegian cultural contact for local history and dances. Tours are occasionally pre-sold to passengers. Visitors enjoy the working fishing community feel of Petersburg, but the steep gangway and transportation to downtown can pose a problem to visitors arriving at the harbor. Around 65

percent of large yachts spend more than one day, fueling, provisioning, picking up water, and picking up guests. Some make use of Alaska Airlines services and a few stage their private jets picking up owners.

Currently, several small cruise companies include Petersburg as a port of call (Figure 7-6). They include:

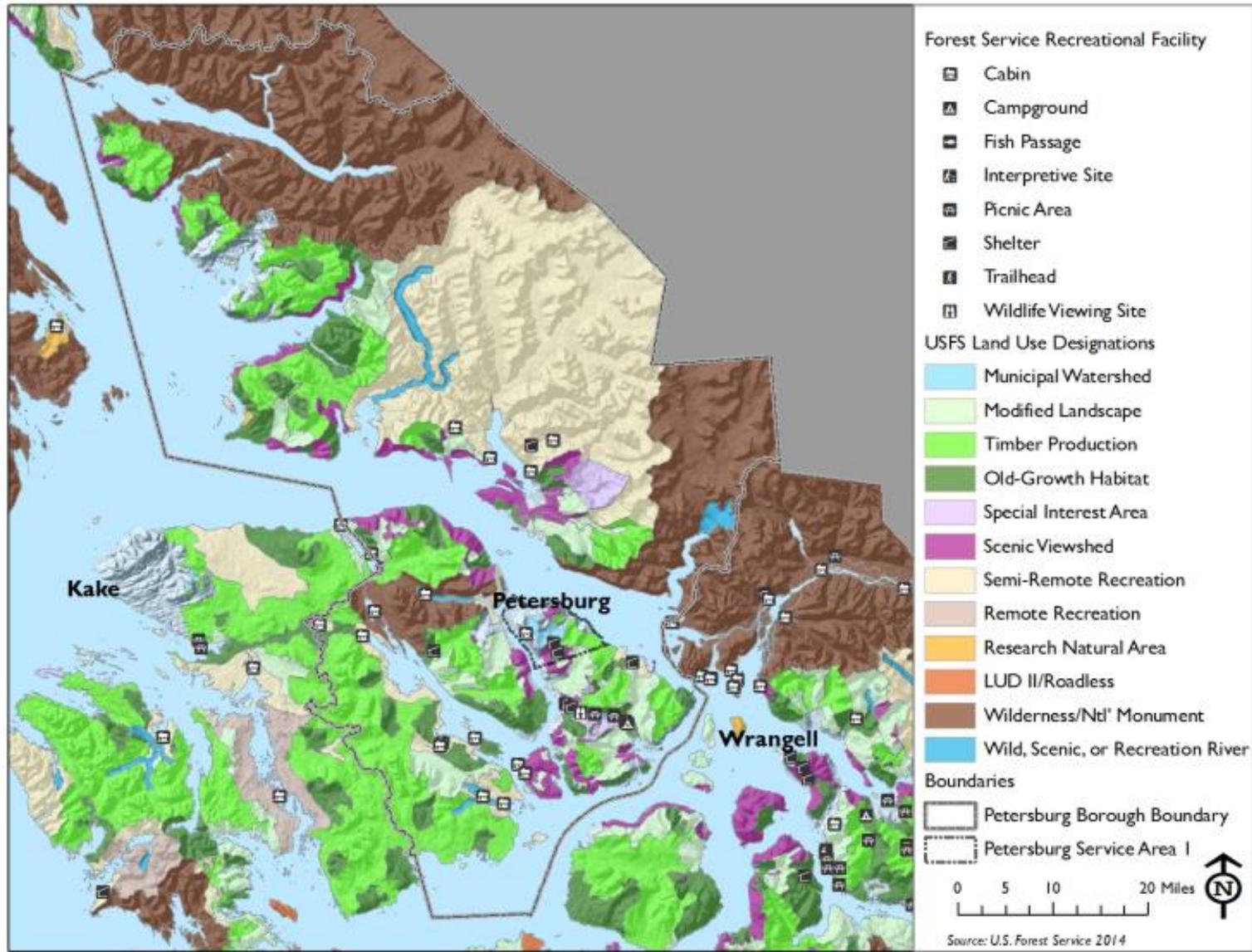
Figure 7-6: Cruise Companies that Visit Petersburg

Company	Ships
Alaska Dream Cruises	Alaska Dream Admiralty Dream Baranof Dream
American Cruise Lines	American Spirit Island Spirit
National Geographic Cruises	Sea Bird Sea Lion
Tauck Cruises	L'Austal
Un-Cruise Adventures	Safari Quest Safari Spirit Safari Endeavour Safari Legacy Wilderness Adventurer Wilderness Discoverer
Fantasy Cruises	Island Spirit

THE FOREST SERVICE

The majority of Mitkof Island is within the Tongass National Forest, with the exception of some lands within Service Area One and a coastal strip south of the city. The Tongass Forest is and has the potential to be an even more powerful driver of tourism and local recreation opportunities in the Petersburg Borough. Figure 7-7 shows the land use designations and Forest Service amenities in the Petersburg Borough. There are no cabins on the road system. Designated view sheds abound on Mitkof Island and a variety of wilderness experiences are available a short boat ride away. Visitors also have the opportunity to hike through old growth forest. Community workshop participants raised concerns regarding potential cuts to funding that currently supports Forest Service recreational facilities, including cabins and trails. The USFS has already closed the Ohmer Creek campground facility and several nearby cabins, including Harvey Lake Cabin. 79 percent of community survey respondents said they recreated in the Forest.

Figure 7-7: USFS Facilities and Land Use in the Petersburg Borough



CHAPTER 8: ECONOMIC DEVELOPMENT

Overarching Goal: Strive to increase the diversity and size of Petersburg’s job base and sustain the Borough population.

Many of the critical services that Petersburg Borough enjoys – harbor infrastructure, daily commercial jet service, Marine Highway service – are based on funding from state and federal governments. These critical services are all vulnerable as state and federal support declines. The best strategy to sustain and even expand the quality of these services is to increase local demand. Sustaining the current population is important so the Borough maintains a strong tax base and the fiscal capacity to support local public services such as police, fire, education and senior services.

This chapter presents economic development goals and strategies to sustain or increase the local population beginning with an overview of economic development. The chapter ends with an overview of the economic context that informs the policies represented by the goals and strategies.



Rocky's Marine Home Port

WHAT IS ECONOMIC DEVELOPMENT?

The International Economic Development Council (IEDC) is a global leader in economic development policy and education. The IEDC characterizes economic development in the following way:

“No single definition incorporates all of the different strands of economic development. Typically economic development can be described in terms of objectives. These are most commonly described as the creation of jobs and wealth, and the improvement of quality of life. Economic development can also be described as a process that influences growth and restructuring of an economy to enhance the economic well-being of a community”¹⁷

¹⁷ http://www.iedconline.org/clientuploads/Downloads/IEDC_ED_Reference_Guide.pdf

The IEDC goes on to describe the main efforts of economic development under these four components:

- Job creation
- Job retention
- Tax base enhancements
- Quality of life

Economic development is an activity that is pursued by a range of organizations including local government, chambers of commerce, nonprofits, regional entities and state agencies. The Economic Development chapter of the Comprehensive Plan can provide guidance for all organizations to work with. Economic development is not about the Borough creating jobs but rather creating a business climate that encourages job creation within the private sector. The Borough can ensure that investments in infrastructure benefit the types of businesses and industries it wants to support. Local, regional, state and federal, public, private and non-profit partners can then reach out to these businesses through its existing branding and marketing campaign, for example. While it is important to identify the long term economic development goals the Borough wants to pursue, it is also important to have the capacity to respond to economic opportunities as they arrive.



Petersburg Chamber of Commerce Booth during Mayfest

How do organizations pursue economic development activities? How are jobs created and retained, tax bases expanded, and quality of life improved? The IEDC outlines overarching tools in their reference guide, the following of which are relevant to Petersburg:

Figure 8-1: Economic Development Tools Relevant To Petersburg

• Business climate	• Entrepreneurship
• Business expansion and creation	• Public-private partnerships
• Cluster development (focus on particular industry clusters, e.g. fishing industry)	• Small business development
• Downtown development	• Technology development
• Incentives	• Tourism
• Infrastructure	• Export/Trade Development
• Marketing	• Workforce development
• E-commerce	

The following two sections describe potential economic development goals and strategies, as well as the background/context for these recommendations.

GOALS + STRATEGIES

1. **Goal: Strong Base.** Support and expand established economic sectors:

- a. Support commercial fishing and other economically significant waterfront uses. *See Harbor Plan and Chapter 3: Land Use and Environment* for details regarding commercial fishing. The community needs to work closely with the industry to maximize the local economic benefits of commercial fishing.
 - Recognize and support the three elements that collectively support the commercial fishing industry: harvesters, processors and community.
 - Maintain community infrastructure and amenities that motivate commercial fishing businesses and commercial fishing families to choose to operate and live in Petersburg Borough. Infrastructure includes water, affordable power, harbor facilities, and the airport. Community amenities are critical to the decisions by commercial fishing families to stay in the Borough. These amenities include the full range of community services and facilities enjoyed by all residents, from schools, to the Medical Center, to trails and parks, to programs like community social events and recreation classes.
 - Support the needs of commercial processors; work to expand on shore processing and related job opportunities and borough tax revenues. – *See waterfront plan for details.*
 - Work with Alaska Airlines and other regional partners to maintain and expand capacity for transporting fish economically and efficiently to distant markets.
- b. Develop strategies for expanding the Borough’s capacity for maintaining the commercial fishing fleet, as well as other types of boats and marine equipment. Examples include the proposed improvements at Scow Bay, and job training programs that will produce the skilled workers who are necessary for viable marine services. Expand options for convenient, affordable gear storage. Work to find niches for marine services that fit and do not directly compete with Wrangell’s capacities, and that take advantage of Petersburg Borough’s particular strengths, including a strategic location and a much larger concentration of processing capacity. Support the needs of seafood processors. Encourage improved efficiency and capacity of local plants, and expansion of the diversity of species and product forms produced locally. Convene commercial fisheries committee meeting every ~~other~~ three years.
- c. Support expansion of forms of tourism that provide local jobs, and help protect and sustain resources and Petersburg’s authentic character that attracts visitors; focus on small cruise, ferry, ecotourism, independent travelers. Ensure options are available



for travelers with mobility challenges, including short trails, boardwalks and similar features that make for easy movement. *See Chapter 7: Recreation and Tourism.*

- d. Work with the Forest Service and other public land owners, and congressional delegation to support appropriate planned and scaled timber harvests, and associated milling and processing. Building from the policies in the Land Use Chapter, work to have a more consistent, effective voice in land management decisions of state and federal agencies, aiming to guide their decisions to meet local goals. Encourage opportunities for public input and involvement in decision-making related to timber harvests.
 - e. Encourage and provide space for value-added activities.
 - Fish processing and shipyard businesses.
 - Value-added timber products such as cedar lawn furniture, paneling, siding, cabinetry, or decking material; arts and crafts for sale to visitors.
 - Locally milled timber and secondary processed wood products to reduce the construction costs associated with using imported timber and wood products.
 - f. Maintain existing and work to improve transportation options for people and freight coming and going from Petersburg. *See Chapter 5: Transportation.*
 - g. Promote local agriculture and the sale of local food.
 - Consider property tax breaks on agricultural lands.
 - Encourage the use of local agricultural products in municipal food programs including the school, Mountain View Manor and the Medical Center.
 - Develop and support the Farmers Market in Petersburg Borough.
 - h. Offer support to entrepreneurs and those interested in starting businesses in Petersburg Borough.
 - Continue to offer training and entrepreneurial support through PEDC.
 - Work with public and private partners to explore the creation of a public co-work space with resources, tools and design space.
2. **Goal: Emerging Markets.** Support new and emerging industries, to potentially include:
- a. Seaweed farming, soil and composting, fertilizers made from fish waste.
 - b. Telecommuting jobs such as engineering, programming, accounting and other web-based occupations. This requires reliable, affordable high-speed internet.
 - c. A local brewery.
 - d. Develop the Petersburg Borough as a hub for health, conferences and education. Take advantage of the community's central location in Southeast Alaska.
 - Provide meeting space and conference information on the Borough website, Chamber website, library and other spaces around town.
 - e. Encourage residents to consider resource jobs outside of Petersburg; for example, working two weeks on/two weeks off on the North Slope.
3. **Goal: Land Use.** Take advantage of land use planning opportunities to maximize the highest and best use of land.
- a. Work to sustain a vibrant, compact, diverse and walkable downtown mixed-use commercial and residential core. *See Chapter 3: Land Use + Environment.*
 - b. Land Selection. During land selection, take advantage of land-based economic development opportunities.
 - The Land Selection Committee should take into account the economic development potential of land parcels as a part of the selection process. This

includes the proximity to development opportunities, waterfront and existing infrastructure.

- See additional notes under *Chapter 3: Land Use + Environment*.

- c. Create a short policy document to share with the Forest Service to use during their next Tongass Forest Plan update. Emphasize:
 - Importance of Tongass in economic development of the community.
 - Importance of Forest to health of salmon populations and commercial fishing.
 - Need to provide more sustainable recreation opportunities that are supported by Borough residents, meet recreation demand, are compatible with environmental constraints, and are economically feasible in the long-term.
 - Need to provide more clear process for permitting.
 - Lack of support for large scale old growth clear cut style of commercial timber harvest. Some small scale harvest will be required to produce the high grade timber products necessary to make small mill operations profitable. If done properly this could be done in a sustainable manner by allowing second growth to mature for a longer period to produce high grade logs. But until this occurs some additional climax forest trees will need to be harvested.
 - Need to protect subsistence resources and subsistence access for residents though responsible habitat management.
4. **Goal: Quality Workforce.** Ensure education, housing and continued quality of life amenities to retain and attract a quality workforce.
- a. Increase opportunities for Petersburg students to be exposed to different professions and industries, including those outside of the Petersburg Borough. Encourage school partnerships with the Borough, the Forest Service the Medical Center and local businesses.
 - Use technology to connect students with special training that is otherwise unavailable in Petersburg.
 - Build new, stronger partnerships between local employers and job training programs, including programs at the High School. Borough/PEDC staff should be the facilitator, who could arrange employers to come to schools and talk to students about their specific needs, the fact that many existing employees are nearing retirement, and that employees in those positions with the right skills can make a very good living in Petersburg.
 - Encourage students to consider high-demand occupations in the community such as health care, refrigeration, welding, mechanics and bookkeeping.
 - Establish Petersburg as a destination to attract driven, skilled young people who want to develop certified skills such as welding, mechanics, or plumbing.
 - b. Ensure housing at levels that match wages that can be earned locally, so young people who grew up in Petersburg, or who might want to live there, can afford to stay and contribute to the future of the community. See *Chapter 5: Housing*.

BACKGROUND + CONTEXT

Petersburg faces a variety of economic development challenges and opportunities. The most striking trends related to the next ten to twenty years of economic development include:

*“We’re a two-tier economy – a wealthy community and a poor community.”
– Community survey participant*

- Fishing jobs have declined while gross earnings from fishing have increased; the value of Petersburg fish continues to increase.
- Government jobs are the most numerous; funding for these jobs are likely to be stagnant or decline.
- The commercial fishing industry produces very large revenues, but jobs in the industry are declining, and entry into the fishing industry can be prohibitively expensive.
- Major seafood processing companies are not owned locally, and the community has little leverage over management decisions.
- While residents have traditionally expressed hesitations about tourism, 80 percent of Petersburg Borough survey respondents “support or strongly support” the visitor and tourism industry.
- As shown in Table 1 of the special feature, “A Closer Look: The Economic Impacts of Petersburg Borough Harbors”, spending by harbor users is estimated to total \$16 million, accounting for 185 jobs and \$5.3 million of labor income in the Borough. As this money travels through the economy, it is estimated to result in an additional \$10 million of spending, 137 jobs, and \$863,000 of labor income. In the same special feature, Table 2 provides estimates of the impacts of harbor construction and maintenance spending in the Borough. The impacts vary by type of construction or maintenance activity. For every one million dollars spent, impacts are estimated to include \$1.2–\$1.3 million of total spending, 9.4–10.5 jobs, and \$360,000–\$389,000 of labor income.
- Creation of the Borough may create new economic development opportunities.

This section begins with a series of data tables that give an overview of the trends Petersburg Borough and residents are experiencing. The figures are followed by an overview of challenges and opportunities. The last section provides additional insight about the role of the Forest Service as an economic driver in the Borough. See the Background Chapter for the economic profile table.

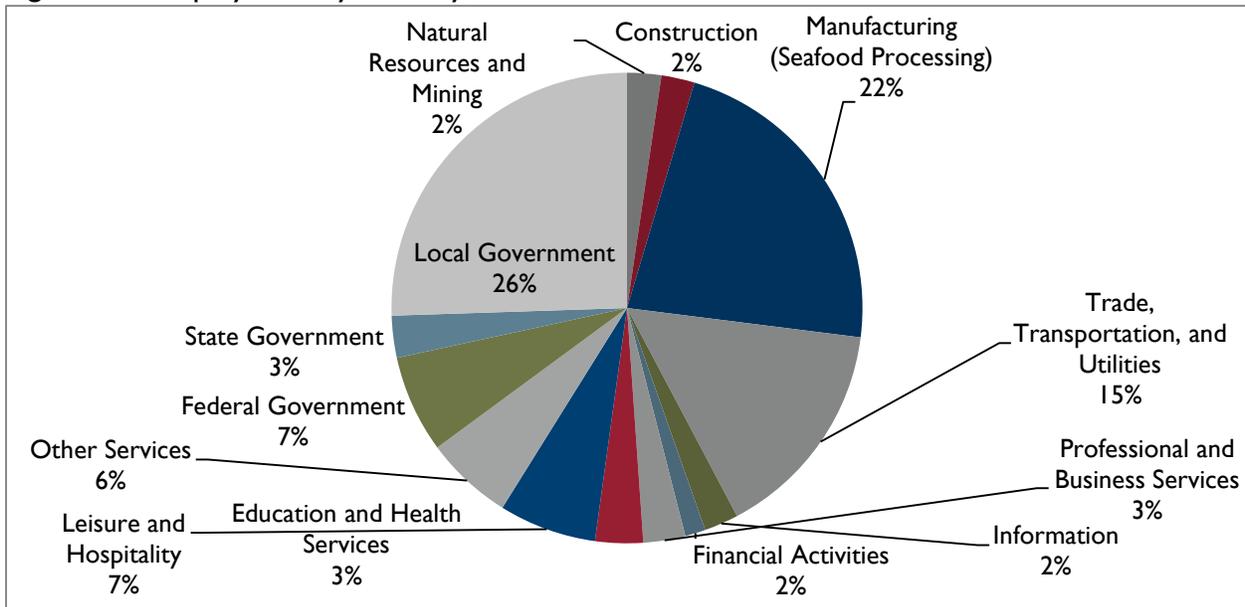


Ocean Beauty Processing Facility

THE PETERSBURG ECONOMY TODAY

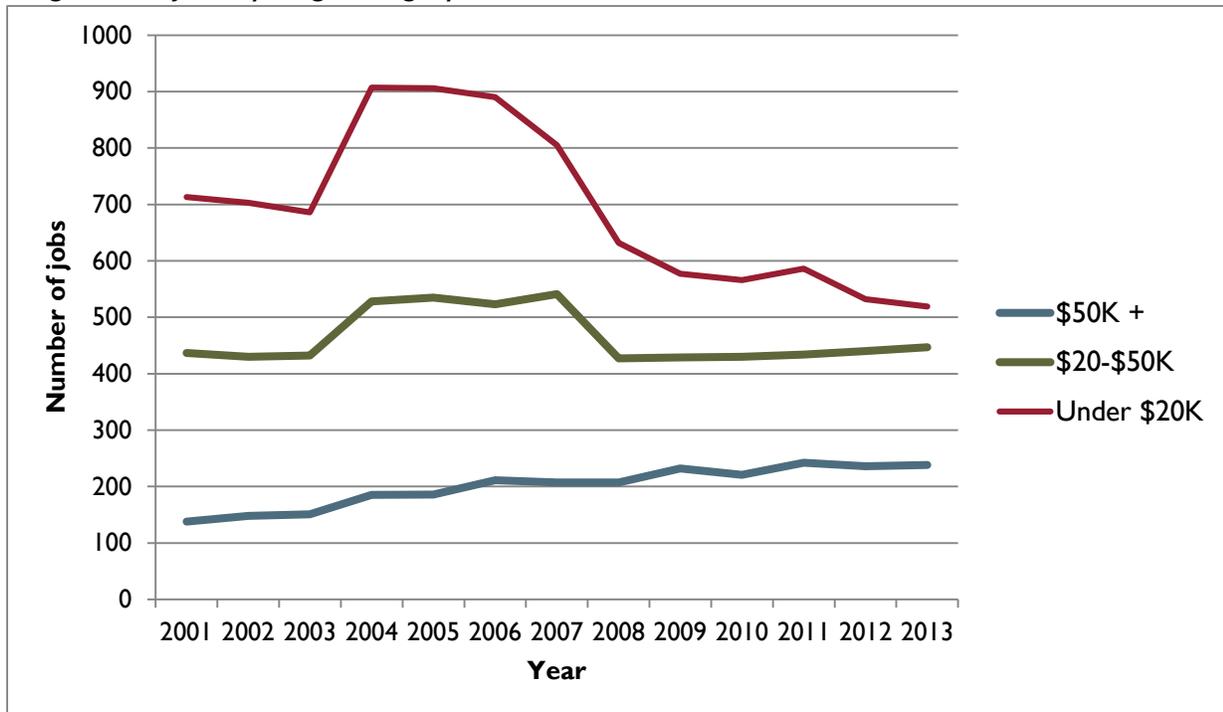
Figure 8-2 on the next page shows the 2013 mix of employment by industry. Local government is the biggest employer in the Borough and includes the Petersburg Indian Association, School District, Medical Center, City of Kupreanof, Borough employees, senior housing, including Mountain View Manor, public works, power and light, harbor, administration and finance. Employment has dropped in all industries between 2000 and 2012, except local government. The second largest employment sector is in manufacturing, which in the Petersburg Borough refers to seafood processing. Commercial fishing is not captured in the industry pie chart below, because commercial fishermen are self-employed and are not captured in the dataset, which only measures businesses which have employees. Data from the Alaska Commercial Fisheries Entry Commission and the Department of Fish and Game help paint a fuller picture of the Petersburg fishing industry. There were 448 permit holders and 399 crew members residing in Petersburg in 2014. This translates to approximately 555 jobs in this sector. This estimate is greater than the 2013 American Community Survey self-employment estimate of 457. The average of these two estimates is roughly 506; unsurprisingly, it is the largest industry in the Borough.

Figure 8-2: Employment by industry, 2013

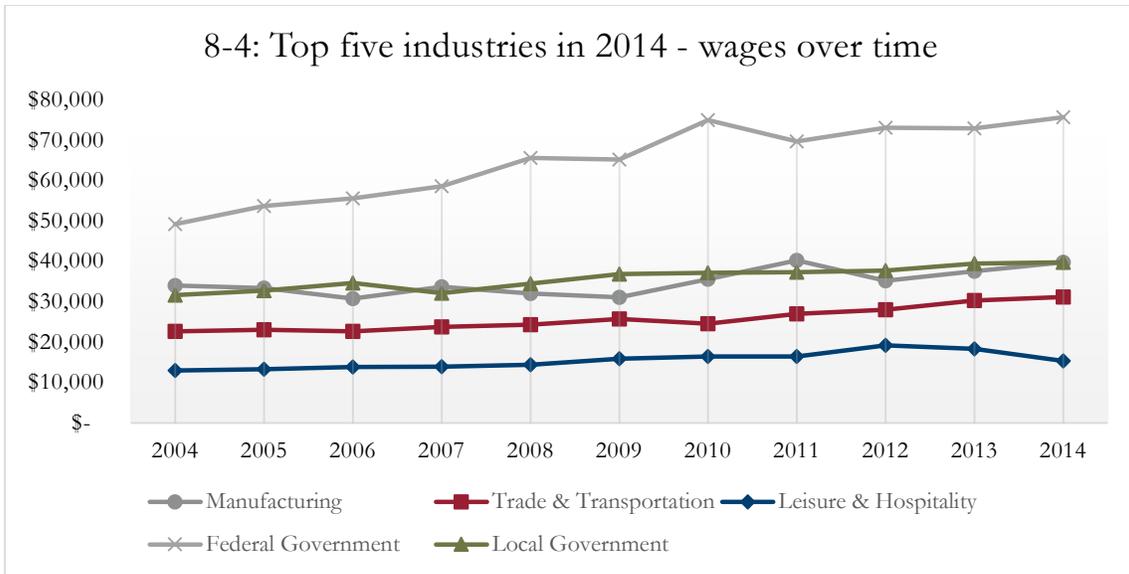


Source: Alaska Department of Labor and Workforce Development, Quarterly Census on Employment and Wages. NOTE: Does not include self employed fishermen/women. Other services typically include employment like personal care, auto shops, repair, and membership organizations.

Figure 8-3: Jobs by wage category 2001-2013



Source: Alaska Department of Labor and Workforce Development, Quarterly Census on Employment and Wages



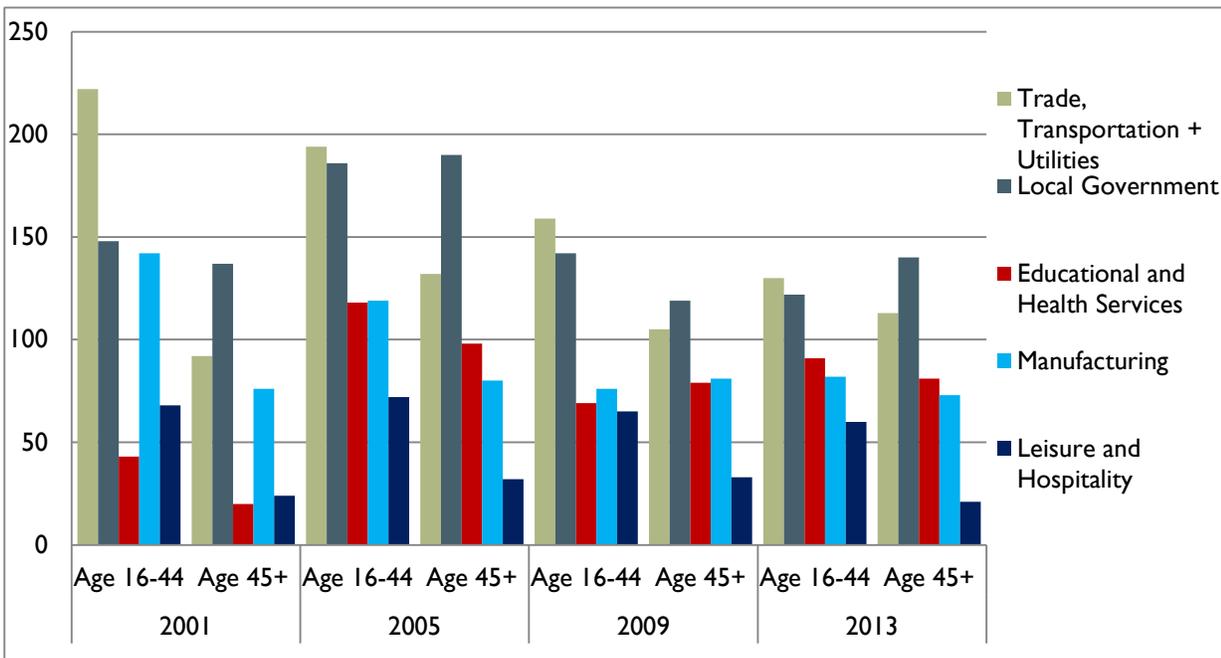
Source: Alaska Department of Labor, Research & Analysis Division

The figures on this page show trends in wages over time. The jobs under \$20,000 have dropped since the mid-2000s, while jobs over \$50,000 have steadily risen.

Figure 8-5 below illustrates some of the trends facing young workers. Employment by workers age 16 to 44 in trade, transportation and utilities has declined steadily since 2001.

Figure 8-5: Employment by age by industry

Source: Alaska Department of Labor and Workforce Development - Research and Analysis Section. 8/26/2014



Community survey respondents and workshop participants identified the following threats to the commercial fishing industry in the Petersburg Borough:

- Environmental threats such as climate change, ocean acidification, pollution and overharvesting all threaten the viability of the fishing industry.
- The out-migration of fishing permits from the community results in lost income and lost access to the industry.
- Entry into the fishing industry can be prohibitively expensive, especially for young residents.
- Seafood processing is not owned locally. The community is heavily reliant on the processing industry but has little control over the management decisions of processors.



Seafood for sale at Coastal Cold Storage

Community survey respondents were concerned with the lack of opportunities for young fishermen to enter the commercial fishing industry. They offered the following strategies:

- “Promote and support young fishermen into locally owning permits + IFQs, i.e., keeping the fleet here and encouraging the younger generation to stay and build fishing careers here.”
- “Lack of affordable opportunity for young ‘wanna be’ fishermen - price of fishing boats, permits, gear requires deep pockets. Grocery store and other merchants pay minimum wage so multiple parties are needed to make rent, etc.”

A CLOSER LOOK:

The Economic Impact of Petersburg Borough's Harbors

Purpose

This special feature provides estimates of the economic impact of Petersburg Borough's harbors, from the perspective of harbor user spending and capital projects.

Methodology

This analysis uses the Harbor Economic Impact Model's (HEIM) structure and spending patterns, along with Petersburg Borough's current fleet and updated input/output multipliers from [IMPLAN](#)¹⁸ (MIG, Inc.), a specialized economic analysis software tool, to estimate the economic impact of harbor user spending. Northern Economics developed HEIM in 2003 under a contract with the Alaska Department of Transportation & Public Facilities. The model develops spending estimates based on fleet characteristics. Northern Economics worked with the Borough Harbormaster to collect and utilize the Borough's fleet and the model's spending estimates (brought to 2015 dollars using an estimate of three percent annual inflation), along with updated multipliers from IMPLAN for Petersburg Borough.

Northern Economics estimated the economic impacts of capital spending using only the updated multipliers from IMPLAN. These results are presented based on one million dollars of construction or maintenance spending, given that the amount and timing of planned projects varies considerably.

Inputs and Limitations

While the fleet composition and multipliers used in this analysis are current, the spending patterns from the model are dated and geographically limited. Spending data were collected through harbor surveys administered through each community's harbor department, an effort that took place in 2003. Further, the majority of responses were collected from Southcentral Alaska harbors, especially Valdez and Seward. As a result, these spending patterns may not adequately reflect spending in the Petersburg Borough. The greatest discrepancy is anticipated to occur with recreational users (estimated by Petersburg harbor staff to be 10 percent of Petersburg's fleet), since in Southcentral Alaska communities many of these users live outside of the harbor community and spend more money on lodging, food, and other goods and services than would a local resident with a recreational vessel.

¹⁸ <http://www.implan.com/>

Findings

Table 1 and Table 2 present estimated economic impacts of harbor spending and harbor construction activities, respectively.

As shown in Table 1, spending by harbor users is estimated to total \$16 million, accounting for 185 jobs and \$5.3 million of labor income in the Borough. As this money travels through the economy, it is estimated to result in an additional \$10 million of spending, 137 jobs, and \$863,000 of labor income.

Table 1. Estimated Economic Impact of Petersburg Harbor User Spending

Operational Impacts	Direct	Indirect and Induced	Total	Weighted Average Multiplier
Total Sales (\$)	16,033,195	10,245,542	26,278,737	1.64
Employment (jobs)	185	137	322	1.74
Payments to Labor (\$)	5,257,198	862,502	6,119,700	1.16

Source: HEIM; Petersburg Harbor staff; MIG, Inc.; and Northern Economics, Inc. analysis

Table 2 provides estimates of the impacts of construction and maintenance spending in the Borough. The impacts vary by type of construction or maintenance activity. For every \$1 million spent, impacts are estimated to include \$1.2–\$1.3 million of total spending, 9.4–10.5 jobs, and \$360,000–\$389,000 of labor income.

Table 2. Estimated Economic Impact of Petersburg Harbor Construction or Maintenance, per \$1 Million of Spending

Construction or Maintenance Impacts	Direct	Indirect and Induced	Total
Total Sales (\$)	1,000,000	176,000–345,000	1,176,000–1,345,000
Employment (jobs)	6.5–8.7	1.9–2.9	9.4–10.5
Payments to Labor (\$)	297,000–308,000	63,000–81,000	360,000–389,000

Source: MIG, Inc. and Northern Economics, Inc. analysis

Bottom line: Petersburg Borough's harbors have and will continue to be a strong contributor and determinant of the health of the Petersburg Borough economy. As noted in other key sections of the Comprehensive Plan Update (notably Public Facilities and Services and Land Use and Environment) and detailed in the Waterfront Master Plan, the Borough should continue to support and seek out strategic partnerships that bring resources and new and/or improved facilities to the Borough's core infrastructure – its harbors.

THE FOREST SERVICE

The U.S. Forest Service owns and manages a substantial portion of the land in the Petersburg Borough. Resident views about management of the Tongass National Forest are mixed, but generally fall into four categories:

- The Forest should be managed for industrial scale timber production
- The Forest should be managed for a mix of recreation and small scale timber production in a way that allows for protection of the ecology essential to the other interests of the community.
- The Forest Service needs to move away from old growth logging. Protecting the ecology of the Forest is essential to the health of the salmon populations upon which the economy of Petersburg is dependent.
- The Forest Service needs to invest more in recreation related enterprises, such as cabins.

Many respondents felt that the Forest Service does have a responsibility to provide some form of economic opportunities for residents, beyond jobs with the Forest Service. At the same time, they recognized many Borough residents arrived via Forest Service jobs and appreciate the energy and presence Forest Service families bring to the community. Today, direct employment at the Forest Service is declining.

Thirteen percent of community respondents said their business benefits directly from the Forest, through guided trips or timber harvest. Seventeen percent benefit indirectly from activities like tourism, commercial fishing or transportation.

“Blaquiere Point boat launch is a great example. I saw a 20 boat trailer parked there one day last summer. We use it a lot. Our customers use it and Banana Point for golf in Wrangell or trips up the Stikine.”

“I commercially fish salmon, which for the large part are spawned and reared on FS lands, that need better protection since fish are far more renewable resource than timber.”

“I hope the borough supports the FS. FS employees contribute a wide range of benefits to the borough, such as employment, volunteering, coaching, living in the community spending money, buying homes. If the timber industry were to go away many good paying jobs would leave the community.”

– Community survey participants

Some survey respondents noted that working with the Forest Service can be challenging for small businesses. It is difficult to obtain steady supplies of timber for small mills in the region. Tour operators sometimes face challenges obtaining permits to operate and are limited in what they can do on federal land.

THE PETERSBURG ECONOMIC DEVELOPMENT COUNCIL

Created in 2001, the Petersburg Economic Development Council (PEDC) is a local nonprofit organization charged with promoting economic development in the Petersburg Borough. PEDC is guided by a nine-member Board of Directors. The Borough Assembly oversees the PEDC budget, which originated from a federal lawsuit associated with miscalculated U.S. Forest Service timber receipts. Any projects involving more than five percent of the Economic Development Fund require a public vote. PEDC carries out a broad variety of activities in order to encourage private sector development, support local businesses, create a skilled local workforce and promote business and travel in the Borough. Below is a summary of some of the key activities of the PEDC. Through the suite of key activities described below, PEDC, working with other community partners, has and is already making progress on some of the goals and strategies listed above. The Comprehensive Plan Update, through these proposed, and eventually communitywide-supported set of economic development goals and strategies, provides the PEDC with a long-term and guide for future activities that will continue to facilitate and bolster economic development for Borough residents and businesses. The next step is to develop specific action items that will provide specific direction to PEDC, and their partners, toward meeting identified economic development indicators (for example, expanding or retaining current seafood industry businesses and infrastructure).

The PEDC mission is to provide steady moderate growth that results in a strong diversified economy compatible with our traditional resources-based lifestyle.

Business and Workforce Development

One of PEDC's most important roles is to encourage the growth of existing industries and to facilitate and support potential new businesses in the Borough. PEDC does this in a variety of ways, one of which is crowdfunding. Crowdfunding allows individuals to invest in local businesses to help with start-up and expansion capital costs. For example, in 2013, a Petersburg resident was able to make safety and performance upgrades to his fishing vessel using the crowdfunding method, raising

“The Forest Service's timber policies are outdated. They do important work with tourism though, and as they move towards second growth timber harvest, this could help the community. Also, The Forest Service provides some of the best paying jobs in town. We need those jobs to stay here, I just would like to see a modified direction, more of a multi-use focus for tourism, etc.”

-Community survey participant

a combined \$5,000 in support from 123 lenders in less than three weeks.

PEDC also offers technical assistance for those interested in starting or expanding a business or acquiring new skills. Through a partnership with the Alaska Small Business Development Center, PEDC has offered a variety of workshops, including how to develop a specialty food products and “Introduction to Quickbooks.” PEDC has coordinated three registered apprenticeship programs for refrigeration and HVAC skills through the Alaska Department of Labor. PEDC also offers a streamlined development process for those who are considering investing in the community. Developers have the opportunity to meet with representatives from different Borough Departments such as Public Works, Power + Light, Community Development, Finance and the Borough Manager. The intention of this “one-stop shop” combined meeting is to remove barriers and make it easier for new investments to move forward.

PEDC also provides economic development resources and information for the community. PEDC can write letters of support or referrals, share agency contacts, provide general information about the community and help business owners navigate the development process and connect with the appropriate people when looking into new investments and development.

Provide Key Infrastructure

Another of PEDC’s roles is to invest in community infrastructure as a catalyst for private sector investment. Two examples include the Petersburg Community Cold Storage (PCCS) facility and the proposed Scow Bay marine vessel haul out. The cold storage building provides equipment for blast freezing and contains storage space for both businesses and individuals. In FY2014, 1.14 million pounds of seafood went through the blast freezers, and 110 businesses and individuals took advantage of the facility. Companies such as Tonka Seafoods and Ocean Beauty have both expanded as a result of the added capacity and storage from the PCCS.

As discussed above in this section, the fishing industry is critical to the Petersburg Borough economy. In recent years, the Scow Bay area has expanded and has a growing need for basic harbor infrastructure. The proposed Scow Bay marine vessel haul out and work yard, which would likely be funded from a combination of PEDC, state and federal dollars, is another example of key infrastructure that, when complete, will support local economic development. The project is currently moving forward through the design and build phases.

In 2015, the Petersburg Fire Department proposed that PEDC provide loan guarantees for downtown businesses to install sprinkler systems. Many of the structures on Main Street do not have sprinkler systems that are up to current safety standards, and due to construction and interconnectedness of the structures, a fire could result in catastrophic loss, which would have a

negative impact on the local economy. By facilitating low-interest loans, PEDC would encourage local businesses to better protect and ensure the long-time viability of the downtown area.

Economic Trends

In order to understand the health of the local economy, PEDC tracks a variety of indicators, including data on sales, employment numbers, population, food costs and more. PEDC examines these numbers over time and compares trends in the Petersburg Borough with regional and state trends. This information helps PEDC as well as policymakers, business owners, and residents understand economic trends and identify potential community needs and concerns.

Community Marketing

In 2011, PEDC and other partners developed a new community brand and a set of marketing materials for the community, which included a new logo, graphics standards and community branding/messaging guidelines. This information helps the community present a unified and appealing story and message to travelers, investors and people considering a transition to Petersburg.

PEDC is involved in other marketing efforts as well. The organization maintains a community photo library and distributes an e-newsletter to over 200 people. PEDC has also worked with the Chamber, Harbor and Borough to distribute press releases, ads and brochures. Largely as a result of these efforts, the community has been featured in a variety of publications, including Alaska Airlines Magazine, Yachting Magazine, Compass Magazine, the Washington Post and National Geographic.

Grant Writing and Research

The Borough has a subscription to eCivis, a grant management software system designed to help track, organize and respond to grant opportunities. PEDC has written a number of grants for the community, including recent grants to install energy efficient windows at the Mountain View Manor to purchase a wheelchair accessible van for the community, and operating support for the seasonal Farmer's Market.



Website design using new brand

BARRIERS TO ECONOMIC DEVELOPMENT

Challenges that prevent people from staying in the Borough include high cost of living and difficulty attracting and retaining a young workforce.

Figure 8-8: Cost of food per week for a family of 4*, 2012

COMMUNITY	COST PER WEEK	PERCENT OF ANCHORAGE
Cordova	\$ 240	144%
Haines	\$ 220	132%
Valdez	\$ 207	124%
Petersburg	\$ 198	119%
Sitka	\$ 197	118%
Homer	\$ 186	111%
Ketchikan	\$ 175	105%
Anchorage	\$ 167	100%
Fairbanks	\$ 167	100%
Kenai	\$ 165	99%
Juneau	\$ 163	98%
Palmer-Wasilla	\$ 162	97%

Source: UAF Cooperative Extension
 *Average family of four is defined as two adults and two school-age children, 6-11 years old.

Residents voiced concerns over the relatively high cost of living compared to other Alaska communities (8-8 and 8-9). Cost of living aggregates factors like housing and food costs relative to one standard. There are high costs for groceries, travel, shipping and fuel. Local stores compete with cheaper prices online, which have no sales tax. Many residents do not receive livable wages. Community survey respondents said that wages do not compare with Juneau or Ketchikan. As a result it is difficult to attract and retain young, employable residents and families to support the workforce. There are limited career opportunities, both professional and working class, for residents. There is also a lack of vocational training opportunities. Survey respondents also cited a need for more career opportunities and better pay for women. The Borough also faces a national trend of outmigration to urban areas.

There is also a lack of economic diversification in the Borough. The economy is heavily dependent on commercial fishing. Many jobs are seasonal, such as fishing and tourism; there is a need for more year-round jobs, since it is difficult to make a living off seasonal employment. Some residents leave

Figure 8-9: Military Cost of Living Index, 2014

Location	Index
Barrow	158
Bethel	158
Nome	158
Other	158
Wainwright	158
Sitka	144
Ketchikan	142
Petersburg	142
Homer	140
Kenai (includes Soldotna)	140
King Salmon (includes Bristol Bay)	140
Unalaska	138
Cordova	136
Delta Junction	136
Kodiak	136
Valdez	136
Fairbanks	134
Juneau	134
Tok	132
Anchorage	130
Seward	130
Wasilla	128

Source: U.S. Department of Defense for 2014

town for the off-season, which is hard on local businesses. There are limited stores and services in the Borough, including very few restaurants, especially during the off-season. There are not enough people to support larger stores or additional services. There are not enough skilled laborers in the community; it is challenging to hire locally for plumbing or remodeling, since there are very few options and they are often overbooked. Businesses in older downtown buildings face challenges related to maintenance and safety, including fire risk. There are two large vacant lots in town from former fires. Fires can result in lost revenue and a loss of jobs, housing units and commercial space. There is also resistance to visitors by some residents, making it harder to develop the tourism industry.

OPPORTUNITIES FOR EMERGING INDUSTRIES

Petersburg Borough has many assets beyond the fishing industry. Access to natural resources is unparalleled in many areas of the U.S and the road system access is more developed than in other places in Southeast Alaska. The surrounding region provides many outdoor recreational opportunities. The Borough offers world-class fishing and great hunting opportunities. The community's proximity to the Tongass National Forest provides resources, recreation, employment and subsistence opportunities. Seventy-nine percent of community survey respondents say they recreate, hunt, fish or gather in the Tongass, and 77 percent of respondents say they think the Petersburg community receives positive benefits from having the Tongass as a neighbor.

The Petersburg Borough is home to many entrepreneurial and hardworking residents. Residents are active and self-reliant; they work hard and take risks. The community has a thriving local arts economy. There are many local retailers and small independent businesses, with many entrepreneurial residents. The Petersburg Economic Development Fund helps support and provide resources for economic development initiatives.

The community is visitor-friendly but remains authentic. The walkable, artistic downtown is accessible for pedestrians and there is a lack of commercialization, making it appealing to visitors and residents alike.



APPENDICES

APPENDIX A: Survey Respondent Demographics

APPENDIX B: Proposed Generalized Land Use Maps

APPENDIX C: 2000 Comprehensive Plan Road Priority Projects

APPENDIX D: Housing Appendix