

CITY AND BOROUGH OF WRANGELL COMMISSIONERS AND BOARDS MEETING SUMMARY - JUNE 12, 2024

This meeting focused on economic development initiatives in Wrangell, Alaska, with a specific emphasis on the redevelopment of the former Wrangell Mill Site, presently known as the Deep-Water Port.

Borough Administration, Department Directors and members of the Borough Assembly, Economic Development Board, Planning and Zoning Commission, Parks & Recreation Advisory Board, Port & Harbor Commission, and Wrangell Convention & Visitors Bureau were invited to attend, as well as agency partners and staff from the USDOT Thriving Communities program.

The meeting was noticed, and the public was encouraged to attend.

Here are the key takeaways:

DEEP-WATER PORT DEVELOPMENT

The Borough is seeking to transform the Deep-Water Port into a multi-use industrial park, expanding on existing industries while attracting new initiatives that are dependent on marine access and waterways.

Public engagement efforts have been conducted, including a town hall meeting and a community survey. The survey results highlighted desired industries such as freight and shipping, marine services, and waste management.

The Borough is open to interim uses of the site while long-term development plans are finalized. Options include scrap metal processing, a small sawmill operation, and other possibilities.

The Borough has policies in place for negotiating and leasing tidelands and real property. Information about the process and application forms are available on the Borough website.

Currently, there are two active leases at the site.

DEVELOPMENT STRATEGY

The Borough is taking a two-pronged approach to develop the Wrangell Mill Site.

Track A focuses on the long-term vision of transforming the site into a multi-use industrial park. This involves ongoing planning efforts for infrastructure, permitting, and potential subdivision. Leases and sales will be available for various industries once the development progresses.

Track B runs concurrently and promotes the unique assets of Wrangell and the Mill Site itself. This proactive marketing strategy aims to attract private developers and investors who might envision a different use for the property.

While the Borough actively pursues Track A, they remain open to exploring opportunities presented by Track B. This flexibility allows for potential capital and private investment in a

singular or multi-use development, ultimately maximizing the benefit for Wrangell's economic future.

RELOCATION OF BARGE SERVICES

The Borough is exploring the relocation of barge services from the north side of town to the Deep-Water Port. This move aims to revitalize the downtown area and enhance economic development while propelling the 2016 Waterfront Development Master Plan.

Potential positive consequences include increased efficiency and a boost to the local economy. Mitigation efforts will be considered to address any negative impacts or community concerns as it relates to the consequences of the relocation initiative.

Discussions are ongoing between the Borough and regional cargo and transportation operators, Alaska Marine Lines, and Samson Tug & Barge. Updates will be presented to the community through the Borough Manager at regular Assembly meetings.

ATTRACTING ANCHOR TENANTS AND INVESTMENT

The Borough is actively seeking public-private partnerships (P3) with businesses and industries to invest in the Mill Site.

The presentation highlighted potential opportunities in transportation services, military investment, marine service expansion, waste management, and tourism.

To date, the Borough has engaged in several preliminary discussions regarding potential investment in the community with desired activity at the Deep-Water Port with the following agencies, organizations, and businesses.

- Federal, State and Regional Delegation
 - Promotion of community, port assets, and opportunity.
- USDOT and Marine Administration (MARAD)
 - Maritime and transportation need of the Pacific Northwest and niche assets of the community that are positioned to serve the needs of the West.
- Department of Defense (DOD) through the Arctic and Ocean's policy division
 - Coast Guard or Naval base, subsidiary, and contractual service needs, etc.
- Alaska State Department of Commerce, Community and Economic Development (DCCED)
 - State and regional demands in resource development and extraction, as well as Marketing initiatives to bring in new business to the State.
- Trident Seafood
 - Discussion on workforce challenges, facility, and real-estate needs, fleet and marine services
- AK Department of Environmental Conservation and SE Conference
 - Regional waste management demands and strategic planning.
- Huna Totem Corporation

- Regional tourism strategy, initiatives in other port communities, and opportunities in Wrangell.

MARKETING AND NEXT STEPS

The Borough is developing a marketing strategy to showcase the Deep-Water Port and nearby residential subdivision. This includes creating a white paper, promotional video, and website updates.

A prospectus will be drafted to attract potential investors and tenants. A prospectus for site development is a document used to attract investment and interest in a specific piece of land. It essentially makes the case for why someone should develop on that site.

The Borough will continue to explore grant funding opportunities and collaborate with stakeholders to move forward with the project.

COMMUNITY CONCERNS

Stakeholders stated that the discussion to relocate the barge service operations has been ongoing for decades, and expressed a desire to see action as there is community consensus on that initiative.

The meeting acknowledged the need for a skilled workforce to support the development of Wrangell's maritime sector, particularly to service the fishing fleet and any future marine businesses. Discussions touched on potential collaborations with vocational schools to establish training programs in Wrangell, addressing the need for mechanics, refrigeration specialists, and other skilled tradespeople. The challenges of attracting young people and the importance of offering housing and competitive wages were also recognized.

While the potential for tourism development at the Deep-Water Port was acknowledged, there was significant discussion around safeguarding the existing tourism businesses that contribute to Wrangell's character. Stakeholders emphasized the need for proposals that demonstrate a clear understanding of how to integrate new tourism initiatives without harming existing ones.

The urgency to create job opportunities and attract young people was also a key theme, prompting some to advocate for a quicker pace of development. However, a balanced approach was sought, with concerns raised about the potential impact of large-scale tourism on the community's charm. Ultimately, the group seemed to agree that a successful proposal would strike a delicate balance between economic growth and preserving the unique identity of Wrangell.

Borough staff acknowledged the importance of safeguarding existing tourism businesses and the community's character during discussions regarding tourism development at the Deep-Water Port. Specifically, the Borough highlighted ongoing conversations with potential partners that prioritize maintaining the planned barge service relocation and ensuring tribal entities are at the forefront of any negotiations. Administration commitment extends to protecting existing economic engines while fostering growth.

The Borough emphasized that any proposals for tourism or other industries at the Deep-Water Port, if and when mutually agreeable terms are reached, will be brought back to the community for consideration.

Overall, the meeting showcased the Borough's commitment to revitalizing Wrangell's economy through the redevelopment of the Deep-Water Port. The project prioritizes public engagement and seeks to attract investment while maintaining the community's character.

ACTIONABLE ITEMS

- ✓ Execute Marketing Campaigns and publish prospectus soliciting outside-private investment in the community.
- ✓ Continue tracking grant funding opportunities and strategizing how workforce programs could be leveraged.
- ✓ Contact AVTEC vocational school to discuss the potential for a satellite campus or training programs in Wrangell.
- ✓ Provide a roster of upcoming grant funding opportunities the Borough is eligible for.
- ✓ Borough administration will convene in the next couple of weeks to strategize the next steps and opportunities for the next 12 months.
- ✓ Thriving Communities capacity builders draft report on Wrangell initiatives, challenges, and opportunities with the intent of sharing funding, partnership, and philanthropic opportunities with Borough administration