



Aleutian Pribilof Island Community Development Association

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APICDA Vision and Goals and Objectives

Vision Statement

The Aleutian Pribilof Island Community Development Association will develop commercial and sport fishing industry related opportunities to enhance the long-term social and economic viability of the coastal communities and their residents in the Bering Sea and Aleutian Islands.

APICDA will optimize benefits to its member communities and their residents through the development of infrastructure and fishery support services in the communities, the acquisition of seafood related businesses, including fishing vessels and/or processing facilities and support service industries at economically beneficial prices, and the acquisition of harvest and processing rights. By enabling the communities to participate in the Bering Sea and Aleutian Island fisheries, APICDA will:

- Promote and participate in business opportunities with capital investment funds;
- Relieve chronic social problems through the creation of jobs, and encourage individual growth through educational and vocational opportunities;
- Promote community control over their individual economic and social destinies; and,
- Continue to assist each community as they make the transition from reliance upon a CDQ allocation to economic and social self-sufficiency.

Goal 1 *Provide capital for construction and investment to community participation in Bering Sea/Aleutian Islands fisheries*

APICDA intends to provide investment capital necessary for residents of the communities to fully participate in the opportunities available from Bering Sea and Aleutian Islands fishery resources. In the past, these opportunities have been foreclosed to local residents because of the high, front-end capital investment costs required to participate directly or indirectly in the seafood industry.

APICDA intends to support capital projects for the eligible communities where capital investment funds are lacking. In the communities where a master plan has already been developed, and work is underway on various aspects of the plan, APICDA will enter into agreements with the community to support affordable and reasonable phases of their master plan. Where master plans have not been developed, APICDA will support feasibility studies to determine the economic viability of proposed projects.

Objectives

To accomplish this goal, APICDA will:

- a.) Assess each community's ability to take advantage of fishery support service opportunities;
- b.) Complete its infrastructure development program so the APICDA communities can provide the basic support services from which related businesses will develop, and so that the cost of services to the seafood industry can be reduced;
- c.) Engage in joint venture businesses related to the fishery support services within the communities;
- d.) Provide capital for vessel acquisition, investments in the processing sector, and limited access loan programs.

Goal 2 *Provide and promote employment and educational opportunities for local residents in all aspects of the Bering Sea/Aleutian Islands fisheries*

APICDA intends to provide stable, long-term employment opportunities for residents of its Bering Sea and Aleutian Island coastal communities, and the Aleut people and other needy individuals of Unalaska, in seafood industry related jobs at-sea and shoreside.

APICDA is committed to supporting projects that will provide stable, long-term employment. APICDA will provide training, education, and vocational opportunities to enable community residents to effectively compete for the wide array of jobs available in the commercial fishing and related industries.

Objectives

To accomplish this goal, APICDA will:

- a.) Continue implementation of its comprehensive employment, education, and job training programs;
- b.) Continue funding higher education scholarships;
- c.) Continue to develop and expand the comprehensive training and employment data base that details the skills, job history, and training and employment desires of APICDA residents; and,
- d.) Continue to promote local hire in all of its capital projects and investments.

Goal 3 *To become a self-sustaining entity that will foster continued development, participation, and stability for the region's communities and their residents*

During its formative stages, the APICDA Board of Directors determined that its initial development focus would be the construction of infrastructure in its member communities. The board continues to support the concept that the development of a stable local economy hinges

upon the development of reliable local infrastructure. Since 1992, APICDA has pursued an aggressive infrastructure development program. This program continues, although APICDA is increasingly shifting its focus to business development. The board recognizes that the intensity of development will vary with the community, based upon the availability of fishery resources and other factors; however, the board believes that even limited development provides each community and APICDA with opportunities to enhance the community's social and economic well-being.

APICDA also recognizes that it must develop a diversified economic portfolio to properly sustain and protect itself from periodic adverse conditions. Accordingly, APICDA will focus increased attention upon the acquisition of equity ownership positions in a variety of fishing related businesses. These businesses will represent a broad spectrum of the fishing industry.

In 2000 the APICDA Board of Directors established the Longterm Reserve Account (LRA). The purpose of the LRA was to provide a rainy day account, approximately equal to one year's operating and G&A costs, in the event of an unforeseen and adverse economic event. The LRA was initially funded with a contribution of \$700,000 and thereafter a minimum of ten percent of APICDA's royalties were to be contributed. The initial asset valuation goal for the LRA was \$5 million.

In 2004 the board modified the LRA in several important ways. First, the board increased the asset valuation goal to \$10 million (the \$5 million was reached in 2004). Second, the board changed the nature of the LRA from simply a rainy day account to a combination rainy day account and asset account. The board intends that when the \$10 million is reached, annual earnings in excess of the \$10 million will be used to support targeted APICDA purposes.

Objectives

To accomplish this goal, APICDA will:

- a.) Engage in conservative fiscal management;
- b.) Maintain sufficient liquidity to take advantage of investment opportunities;
- c.) Approve projects which conform to the Board's objective criteria;
- d.) Continue the Product Diversification Program;
- e.) Maintain the *quid pro quo* policy for all infrastructure projects so that APICDA will receive a reasonable return, or the opportunity to obtain a reasonable return, for each investment;
- f.) Maintain diversity on the Board of Directors so that expertise from the commercial fishing industry and the financial banking industry is available and participating; and,
- g.) Fund the Longterm Reserve Account (LRA) to \$10 million, thereafter using returns above that amount as dividends to fund program needs in accordance with applicable CDQ regulations.