




CITY AND BOROUGH OF SITKA

A COAST GUARD CITY

MEMORANDUM

To: Mayor Eisenbeisz and Assembly Members

From: John Leach, Municipal Administrator 

Date: November 1, 2024

Subject: Receipt of 2020/21 Statewide Salmon Disaster Funds

Background

On August 27, 2024, the City and Borough of Sitka (CBS) received notification from the Pacific States Marine Fisheries Commission (PSMFC) regarding available funding in response to the 2020/21 Statewide Salmon Disaster declaration. As part of this allocation, the Alaska Department of Fish and Game (ADF&G) has earmarked \$1,659,461 to support affected communities, with CBS qualifying for a one-time payment of \$336,475. This funding aims to help mitigate the economic impact on communities heavily reliant on salmon-related industries.

Analysis

On August 27, 2024, the CBS was notified by PSMFC regarding a forthcoming payment related to the fishery disaster, with a deadline to respond with necessary information by November 30, 2024. In response, the CBS promptly submitted the required details on September 18, 2024. Subsequently, a check was issued by PSMFC and received by the CBS on October 21, 2024.

This payment offers an essential financial boost to communities impacted by the fishery disaster, which severely affected revenue from salmon landings and other marine-related economic activities. The funds provide CBS with a unique opportunity to support ongoing development at the Gary Paxton Industrial Park (GPIP) Shipyard and Haul-Out Project, which faces a tight budget for even the basic infrastructure needed to haul boats. The additional funding is expected to ease financial strain and contribute to sustaining economic activity in the area.

Fiscal Note

\$10.8 million has been appropriated for the Marine Vessel Haul Out and Shipyard (project #90931). Of this, all but \$64,000 has been spent or is under contract, leaving very little available for contingency.

By approving this supplemental appropriation, the Assembly authorizes the acceptance

of the disaster payment of \$336,475 and designates the funding to the Marine Vessel Haul Out and Shipyard project. The payment does not come with any restriction on use.

Recommendation

Approve ordinance 2024-26 accepting the 2020/21 Statewide Salmon disaster one-time funding of \$336,475 and direct its use on the GPIIP Shipyard Haul Out Project.

Encl: Letter from Pacific States Marine Fisheries Commission
Ordinance 2024-26



PACIFIC STATES MARINE FISHERIES COMMISSION

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PORTLAND, OREGON 97202-6487

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August 27th, 2024

JOHN LEACH, MUNICIPAL ADMINISTRATOR
CITY AND BOROUGH OF SITKA
ADMINISTRATOR@CITYOFSITKA.ORG

RE: 2020/21 Statewide Salmon Disaster

The Alaska Department of Fish and Game (ADF&G) allocated \$1,659,461 to communities as part of the 2020/21 Statewide Salmon disaster. **CITY AND BOROUGH OF SITKA** is eligible to receive a one-time payment of **\$336,475**.

Municipalities and boroughs depend on revenue from salmon landings and related activities. The fishery disaster caused significant income loss in communities reliant on the marine economy. Disaster funds will be allocated to support these affected fishing communities by compensating them for income loss. Historically, disaster funding aimed to quickly provide support; direct payments are the preferred method for this.

Direct payments will be issued to municipalities and boroughs based on the port of landing for salmon deliveries. Eligibility criteria for communities:

1. ADF&G fish ticket data must show that salmon species affected by the disaster were landed in the community (based on port of landing) in either 2019 or 2020. The year 2019 is used for areas with minimal or no commercial landings in 2020.

"To promote the conservation, development and management of Pacific coast fishery resources through coordinated regional research, monitoring and utilization"

Area/Year	Salmon species
Norton Sound (2020)	Chum and Coho
Yukon River (2019)	Chinook and Chum
Kuskokwim River (2019)	Chinook and Chum
Chignik (2019)	All salmon
Southeast (2020)	Sockeye, Chum, Coho, and Pink

2. Estimated loss in 2020 must be at least \$50,000 as compared to the 2017-2019 average. The estimated loss must be >\$50,000 because losses less than this amount result in exceedingly small allocations. Disaster funds are distributed pro rata to each community's demonstrated loss relative to the total loss of all eligible communities.

We are requesting you submit the following no later than November 30th, 2024.

Funds will be issued upon receipt of the information below.

Please write or call with questions.

Respectfully,

Brian Bissell, Project Manager

Fishery Disaster Programs

P: (503) 595-3464 | F: (503) 214-1170 | E: bbissell@psmfc.org

In order to provide your community with disaster relief, we must receive the following form you:

1. Attached ACH Form
2. Attached W-9 Form
3. Return a copy of this letter, completed below.

Point of Contact: _____

Phone: _____

Email: _____

CITY AND BOROUGH OF SITKA

ORDINANCE NO. 2024-26
AN ORDINANCE OF THE CITY AND BOROUGH OF SITKA MAKING SUPPLEMENTAL
APPROPRIATIONS FOR FISCAL YEAR 2025
(Marine Vessel Haul Out and Shipyard Project)

BE IT ENACTED by the Assembly of the City and Borough of Sitka, Alaska as follows:

1. **CLASSIFICATION.** This ordinance is not of a permanent nature and is not intended to be a part of the Sitka General Code of the City and Borough of Sitka, Alaska.

2. **SEVERABILITY.** If any provision of this ordinance or any application thereof to any person or circumstance is held invalid, the remainder of this ordinance and application thereof to any person and circumstances shall not be affected thereby.

3. **PURPOSE.** The purpose of this ordinance is to make a supplemental Capital appropriation for FY2025.

4. **ENACTMENT.** In accordance with Section 11.10 (a) of the Charter of the City and Borough of Sitka, Alaska, the Assembly hereby makes the following supplemental appropriation for the budget period beginning July 1, 2024 and ending June 30, 2025.

:

<u>FISCAL YEAR 2025 EXPENDITURE BUDGETS</u>
GPIP CAPITAL PROJECT FUND
Fund 780– Marine Vessel Haul Out and Shipyard Project #90931: Increase the appropriation by \$336,475 funded from a disaster relief payment from the Pacific States Marine Fisheries Commission.

EXPLANATION

The added appropriation of \$336,475 will bring the total appropriation for project 90931 - Marine Vessel Haul Out and Shipyard to \$10,917,515.28. The relief payment will be received into the General Fund and transferred into the GPIP Capital Project Fund. Passage of this ordinance also authorizes acceptance of the relief payment from the Pacific States Marine Fisheries Commission.

5. **EFFECTIVE DATE.** This ordinance shall become effective on the day after the date of its passage.

PASSED, APPROVED, AND ADOPTED by the Assembly of the City and Borough of Sitka, Alaska this 26th day of November 2024.

ATTEST:

Steven Eisenbeisz, Mayor

Sara Peterson, MMC
Municipal Clerk

1st reading: 11/12/2024

2nd and final reading: 11/26/2024

Sponsor: Administrator