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USDA Southeast Alaska Sustainability Strategy Initial Investments and Recommendations



Partners for community, culture, conservation, and commerce

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Introduction

On July 15, 2021, the U.S. Department of Agriculture (USDA) announced the new *Southeast Alaska Sustainability Strategy* to help support a diverse economy, enhance community resilience, and conserve natural resources in Southeast Alaska. The strategy to be undertaken on the Tongass National Forest and in Southeast Alaska includes four primary components:

- Ending large-scale old-growth timber sales on the Tongass National Forest and focus management resources to support forest restoration, recreation and resilience, including for climate, wildlife habit and watershed improvement.
- Proposing to restore the 2001 Roadless Rule protections.
- Engaging in meaningful consultation with Tribal Nations.
- Identifying short- and long-term opportunities for investments that reflect the diverse opportunities and needs in the region.

As a part of the strategy, the Secretary of Agriculture made an initial commitment of \$25 million to the region. A OneUSDA team comprised of the Forest Service, Rural Development, and Natural Resources Conservation Service engaged Southeast Alaska partners, communities, Tribal Nations and Alaska Native corporations in a process that reflects the immediate and long-term needs and opportunities in the region. This open-ended engagement ensures that investments were paired with a forward-looking approach to plan for longer-term action that are home-grown and responsive to local priorities, complement ongoing partnerships, and are inclusive of the values and peoples in the region.

In the short time since the Secretary's announcement, over 270 investment proposals were received totaling more than \$276 million. These proposals reflect the broad and deep need for economic stimulus in Southeast Alaska.

Southeast Alaska extends 500 miles along the coast from Metlakatla to Yakutat. More than 1,000 islands and 18,500 miles of shoreline encircle 34 communities, ranging in population from nine in Elfin Cove to over 31,000 in Juneau. The three largest communities – Juneau, Ketchikan, and Sitka – are home to 75% of the regional population. Southeast Alaska's Indigenous legal landscape is unique when compared to the Lower 48; there are 13 regional and village Alaska Native corporations in Southeast Alaska and 19 federally recognized Alaska Native Tribes that share government-to-government relationships with the United States. There is an interdependent relationship between the Tongass National Forest and Southeast Alaska – its culture, people, and its economy. Of particular importance is the critical and unique role that the Tongass plays for the Indigenous people of the region.

Twelve communities in Southeast Alaska have 10% or more of their population below the poverty line in 2018. All but three communities had estimated median household income below the state average (<u>Appendix E</u>). Communities depend on public lands for cultural nourishment and inspiration, and for employment in commercial fishing, tourism, recreation, wood products, and mineral development industries.

SOUTHEAST ALASKA LAND OWNERSHIP

78% Federally managed by the Forest Service

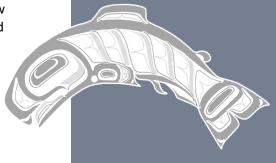
16% Other Federal holdings

3.4% Alaska Native

2.5% State of Alaska

.25% Municipal

.05% Private



Southeast Alaska Sustainability Strategy Community Engagement Efforts - Summary

Community engagement efforts enabled the OneUSDA team to collect diverse public input. The team did not utilize a traditional request process requiring formal submission of investment proposals in a competitive funding framework; instead, the method of engagement was more open-ended, allowing for diverse input with the goal of assessing the need and establishing priorities for USDA in Southeast Alaska. The team consulted with Tribal Nations, met with Southeast Alaska organizations, and offered a 30-day focused engagement period from Sept. 15 – Oct. 18, 2021. During the focused engagement period, the OneUSDA team hosted two virtual open houses attended by an estimated 150 people, launched the Southeast Alaska Sustainability Strategy website which included an online portal to submit input (Appendix D) or request a meeting, and amplified engagement opportunities through traditional and social media.

To date, the OneUSDA team has consulted with five Tribal Nations and five Alaska Native corporations. The OneUSDA team also met with 33 entities representing conservation, industry, municipal and state governments, and community-based groups. The OneUSDA team received over 270 investment ideas, with an estimated value of \$276 million, from a broad range of interests across all sectors of the Southeast Alaska economy. Feedback from almost all engagements has been positive about the shift in USDA priorities represented in the Southeast Alaska Sustainability Strategy. The input and ideas reflect the deep need for economic stimulus in the region and the creativity and resilience of the people and communities in Southeast Alaska. The team continues to reach out for additional information and to meet with all requesting organizations and individuals.

Southeast Alaska Sustainability Strategy Investment Opportunities and Short-Term Investment Recommendation

Four key themes emerged from the public engagement period that aligned the needs of Southeast Alaska with the USDA mission:

- Restore and share management of the lands that sustain us.
- Advance community-based food and energy security.
- Increase USDA's and community capacity to develop and retain a skilled local workforce.
- Utilize existing and create new sustainable infrastructures to support these needs and emerging industries.

The OneUSDA team made a conscious effort to align recommendations to the <u>Southeast Alaska 2025 Economic Plan</u>, the Comprehensive Economic Development Strategy for Southeast Alaska, as well as community-driven approaches like the <u>Blueprint for Southeast Alaska</u>, and the Biden Administration's <u>Executive Order on Advancing Racial Equity and Support for Underserved Communities Through the Federal Government</u>.

Investment Ideas and Proposals

The OneUSDA team employed a four-step assessment process (<u>Appendix B</u>) to identify investment ideas that informed the final recommendation. The team used a coarse filter to assess quality assurance and investment readiness, and then used an expanded review team to conduct a qualitative assessment. This qualitative assessment evaluated whether the investment ideas included the following elements:

A strong set of partners

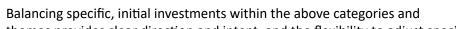
- Priority economic sector representation
- Addresses critical community capacity needs and/or increases capacity
- Meets USDA commitment to ecological, economic, cultural sustainability
- Addresses historic and/or structural decision that have contributed to inequitable access to USDA programs

Proposals were screened to ensure the package demonstrated diverse geographic and community distribution, increased capacity in economic sectors identified in the Secretary's announcement, addressed equity, allowed for a OneUSDA approach, and ultimately demonstrated USDA's commitment to advancing economic, ecologic, and cultural sustainability in Southeast Alaska.

Cultural sustainability is the term used to represent Southeast Alaska's unique regional culture that encompasses the strength, creativity, fortitude, and resilience of the people who live in the region. It is reflected in the clothes we wear from Xtra-Tuffs to ceremonial regalia and in words we utilize like 'liquid sunshine' to describe a normal 10-day rainy weather forecast.

The OneUSDA team recommends distributing the initial \$25 million investment into four broad categories:

- Tribal and Indigenous Interests \$12.5 million (50%)
- Natural Resources \$6.25 million (25%)
- Infrastructure \$3.125 million (12.5%)
- Community Capacity \$3.125 million (12.5%)

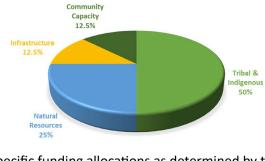


themes provides clear direction and intent, and the flexibility to adjust specific funding allocations as determined by the investment readiness. Within each of the five broad categories, we described key themes from proposals the OneUSDA team received, and we aligned them with long-term strategic outcomes that explain the concept and forward-looking benefits of investing in Southeast Alaska.

The recommended funding amounts were informed by the data gathered during the public engagement period.

All investment opportunities will require more direct engagement between the USDA project managers and partners to establish the exact amount of funding, to be allocated and to identify the correct authority, or agreement mechanism to provide funds for the identified projects.

During the engagement period and during meetings, many priorities were identified and recommended without funding estimates. These recommendations and stated priorities helped guide our decisions about the investments and ideas recommended for the initial investment strategy and consideration for long-term strategic outcomes. These guiding priorities and recommendations can be found in <u>Appendix A</u>.



SUSTAINABILITY STRATEGY INVESTMENT



Tribal and Indigenous Interests: \$12.5 million

In managing public lands and waters in the region, USDA is charged with the highest trust responsibility to protect tribal interests and further the nation-to-nation relationship with tribes. The investments will be used to advance the recent *Joint Secretarial Order on Fulfilling the Trust Responsibility to Indian Tribes in the Stewardship of Federal Lands and Waters* (Order 3403). The themes in this category include co-stewardship/shared stewardship, food security and sovereignty, programs for workforce development, preservation of cultural uses and practices, and utilization of traditional cultural knowledge. Youth engagement was also identified as a high priority; these investments can be found in the capacity section.

Co-Stewardship/Shared Stewardship: \$5.25 million

Initial Investment Opportunities	ortunities:
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Sitka Tribe of Alaska, Organized Village of Kake, and Prince of Wales Tribal Conservation District	Support and Expansion of Community Forest Projects including Sitka Native Forest Partnership Collaborative Program and Prince of Wales Indigenous Forestry Stewardship.
Spruce Root	Coordination, visioning, and navigation services and expanded investment in workforce, community, and regional catalysts including sustainable forest, healing & equity, housing, and tribal engagement.
Sitka Tribe of Alaska	Special Forest Product Plan Development, Implementation and Monitoring.

Long-Term Strategy Outcomes: Co-stewardship promotes cross-boundary collaboration that focus resources on critically needed treatments on at-risk forest lands extending across all ownership boundaries. New management structures utilizing existing authorities will be explored to advance co-stewardship between Tribal Nations and USDA on National Forest System lands across Southeast Alaska. Existing demonstration projects will be supported and expanded to other communities, to facilitate equity and inclusion of diverse voices in decision-making. Ongoing, regular, meaningful, and robust consultation between OneUSDA and Tribal Nations to build trust on mutual interests will be necessary to fulfill these outcomes.

Investment Opportunity Highlight:

Tribal Partnerships -

In recent years, USDA has established innovative partnerships with tribal partners, including the Hoonah Native Forest Partnership, Keex' Kwaan Community Forest Partnership, and the Indigenous Guardians program. The partnerships include Sealaska, Central Council of Tlingit & Haida Indian Tribes of Alaska, Tribal Corporations and Villages, the Sustainable Southeast Partnership, Natural Resources Conservation Service, and the Forest Service. These efforts bring partners together to work collaboratively to conserve valuable resources, create economic opportunities for local residents, and to improve community capacity through workforce development, community involvement, and land stewardship. The



partnerships model innovative community-based approaches to land management. The OneUSDA team recommends providing additional funding for these efforts that leverage existing authorities for shared decision making.

Investment Opportunity Highlight:

Prince of Wales Tribal Conservation District -

The Hydaburg Cooperative Association has been working with management agencies to collect data for wildlife subsistence programs. The focus has been on sustaining healthy deer populations and has included training and deploying field crews to assist with deer and predator counts and surveys. The investment will provide a stable source of funding for training of new crews, with overarching goals to maintain a continued local workforce and involve the tribe in management decisions for subsistence species.

Food Security/Sovereignty: \$3 million

Short-Term Investments:

Hoonah Indian Association	Hoonah Unit 4 Deer Management Strategy
Sitka Tribe of Alaska, Sitka Conservation Society, and Sustainable Southeast Partnership, Yakutat Tlingit Tribe	Community Smokehouses, Fish Camps, and Tribal Gardens, Greenhouses
Sitka Tribe of Alaska	Enhancing the Sitka Tribe of Alaska Environmental Laboratory to meet the needs of the Southeast Alaska Tribal Ocean Research network and Special Forest Product Plan Development
Sustainable Southeast Partnership/ Southeast Alaska Watershed Coalition/ Sitka Tribe of Alaska	Regional plants as foods and medicines, Kayaaní commissions network and conference
Alaska Sustainable Fisheries Trust	Statewide seafood distribution and workforce development plan
Sustainable Southeast Partnership/ Southeast Alaska Watershed Coalition/ Sitka Tribe of Alaska	Regional plants as foods and medicines, Kayaaní commissions network and conference
Wrangell Cooperative Association	Traditional Food Sovereignty Program
Wrangell Cooperative Association and City and Borough of Wrangell	Wrangell Wild Blueberry Management

Long-Term Strategy Outcomes:

Traditional, culturally appropriate foods play an important role in the health and well-being of Indigenous people through both the expression of cultural values and the ability to meet daily nutrient requirement. While food insecurity is a growing public health concern in Alaska, the food sovereignty movement is growing, with an emphasis on local food economies, and culturally appropriate and sustainable food availability. Investments acknowledge the connection between customary and traditional food access, long-term economic prosperity, stewardship of healthy lands and waters, and community health and well-being. Investments promote equitable access and distribution of local foods through partnerships and workforce development programs that are rooted in respect for traditional cultural knowledge.

Investment Opportunity Highlight:

Southeast Alaska Tribal Ocean Research -

The Sitka Tribe has a vested interest in protecting traditional natural resources as well as the health of the local community. The Southeast Alaska Tribal Ocean Research program unifies 17 Southeast Alaska tribes in detecting harmful algal bloom events that pose a human health risk to subsistence and commercial shellfish harvesters. With "eyes on the water" within their communities, tribes can establish subsistence management plans and continue the culturally important act of shellfish harvesting. Investments in the Sitka Tribe Environmental Laboratory will purchase a high-performance liquid chromatography mass spectrometer which will increase its analytic testing capacity to include new and emerging toxins.

Tribal Workforce Development: \$1.375 million

Short-Term Investments:

Hoonah Indian Association	Sustaining Local Accredited Fisheries Science Education
Hydaburg Cooperative Association	Habitat Restoration, Renewable Energy, Sustainable Timber Management, and Carbon Sequestration
Organized Village of Kake	Keex' Kwaan Community Forest Partnership and Youth Stewardship Program
Central Council Tlingit and Haida Indian Tribes of Alaska	Wildland Fire Program

Long-Term Strategy:

Developing a local indigenous workforce to implement restoration and other resource management opportunities provides tribal citizens with skills and experience to build and sustain careers and allows for meaningful contribution to economic and ecological sustainability. By incorporating traditional techniques and values, cultural benefits also accrue. A multi-cultural workforce that promotes tribal approaches to co-stewardship, offers difference-making careers that strengthen citizens and families, and provides incentives for young people to remain in native communities rather than seek employment opportunities elsewhere.

Arts and Culture: \$1.5 million

Short-Term Investments:

Central Council Tlingit and Haida Indian Tribes of Alaska	Cultural Interpretive Training
Sealaska Heritage and Trail Mix, Inc.	Indigenous Heritage and Place Names in the Juneau Trail System
Wrangell Cooperative Association	Wrangell Cooperative Association Cultural Revitalization Program and Sharing our Knowledge Conference

Long-Term Strategy Outcomes:

Southeast Alaska has a rich and vibrant Alaska Native culture. Tlingit, Haida and Tsimshian artistic traditions play a significant role in maintaining and reflecting Southeast Alaska's unique culture. Investments will leverage ongoing efforts to integrate Alaska Native art and culture into the region's economy, culture, and natural resource stewardship efforts.

Traditional Cultural Knowledge and Cultural Use of Forest Products: \$1.375 million

Short-Term Investments:

Central Council Tlingit and Haida Indian Tribes of Alaska	Tlingit and Haida Climate Change Programs and Indigenous Guardians Network: Support for Traditional Ecological Knowledge
Spruce Root	Development of a Robust Cultural Wood Program
Organized Village of Kassaan	Kasaan - Cultural Use of Forest Resources Tribal Validation Crew

Long-Term Strategy Outcomes:

Traditional cultural knowledge is knowledge, skills, and practices that are developed, sustained, and passed on from generation to generation within a community, often forming part of its cultural or spiritual identity. The investment will support climate change planning, electronic documentation of cultural and traditional knowledge from recordings, publications, habitat surveys, and Global Positioning System (GPS) locations of cultural trees to create a living database updated regularly to assist in locally managing natural and cultural resources. Cultural tree logs are vitally important for various cultural projects and priorities. The types of logs needed for cultural purposes are in high demand and supplies are limited. Integration of traditional cultural knowledge into co-stewardship/shared stewardship efforts and ongoing collaboration, identification, and transportation and storage of logs for cultural purposes.



Investment Opportunity Highlight:

Kasaan – Cultural Use of Forest Resources Tribal Validation Crew

The Organized Village of Kasaan proposes to hire a crew to map significant cedar trees and compile data that can be used to ensure ecologically sustainable cultural/artisanal use. This opportunity builds on a <u>workshop the Village held in partnership with the Forest Service</u> in May 2021. This effort also represents work in the spirit of co-stewardship of culturally critical resources.



Natural Resources: \$6.25 million

Key themes in this category include opportunities that reestablish aquatic organism passage across watersheds and ownership boundaries, investing in the nascent mariculture and aquaculture industries, agricultural development which allows for food security, young-growth forest management, and leveraging the strength of locally based cooperatives to manage the land and foster a developing workforce.

Watershed, Fish, and Wildlife Restoration: \$3.15 million

Initial Investment Opportunities:

Hoonah Indian Association	Legacy Roads to Trails Project
Hoonah Indian Association	Climate Monitoring with Regional Implications
Shaan-Seet, Inc.	Klawock Indigenous Stewards Partnership
Southeast Alaska Watershed Coalition and multiple partners	Engaging Tribal and Community Partners in Salmon Habitat Restoration in the Margaret Creek Watershed, Trout Creek, Skanaxheen Restoration Project and Kake Area Restoration Opportunities
Sitka Tribe of Alaska	Invasive Species Management on the Sitka Road System

Long-term Strategy Outcomes:

Watershed, fish, and wildlife restoration activities improve ecological function and processes, facilitate restoration-based economic development, and foster stewardship through partnerships with tribes, partners, landowners, and other community interests. Investments such as legacy roads to trails, salmon habitat restoration, fish passage improvement, and local climate monitoring, and galvanizing a local workforce, leverages local knowledge and expertise to achieve restoration outcomes while supporting local communities.

Investment Opportunity Highlight:

Engaging Tribal and Community Partners in Salmon Habitat Restoration in the Margaret Creek Watershed —
The Ketchikan Indian Community, Southeast Alaska
Watershed Coalition, and Forest Service are partnering to restore habitat for four species of salmon, trout, and char in Margaret Creek on the Tongass National Forest.
This project will restore fish habitat by constructing log jams in the channel and thinning floodplain forest to accelerate recovery of old-growth conditions, while building an important partnership between agency and community interests that will foster watershed stewardship. This proposal will build on the broader Margaret Creek Restoration Project enabling the Ketchikan Indian Community to run a tribal work crew to conduct stream restoration and riparian forest enhancement.



Investment Opportunity Highlight:

Klawock Indigenous Stewards Partnership –

The Klawock Lake watershed has supported the culture and livelihoods of people in Klawock, Craig, and Prince of Wales Island for millennia, providing sockeye and other species of salmon, and deer. A partnership between the Klawock Cooperative Association, Prince of Wales Tribal Conservation District, Klawock Heenya Corporation, Shaan Seet Corporation, and Southeast Alaska Watershed Coalition has been working to implement the Klawock Sockeye Salmon Action Plan. Conservation Technical Assistance funding in partnership with Natural Resources Conservation Service will provide staff support to conduct resource inventory, in-field oversight of conservation practice implementation, and post-implementation evaluation of work implemented through Natural Resources Conservation Service program contracts on private lands.

Mariculture: \$950,000

Short-Term Investments:

Alaska Oyster Cooperative	Aquatic farmers' offloading pier and packing facility planning
Multiple proposals	General Support for Alaska Mariculture Industry
OceansAlaska Shellfish Hatchery and Marine Science Center	Shellfish hatchery internship and training program

Long-Term Strategy Outcomes:

Mariculture is the enhancement, restoration, and farming of shellfish (marine invertebrates) and seaweeds (macroalgae). An existing opportunity to develop a viable and sustainable mariculture industry in Southeast Alaska could provide \$100 million in annual output (Alaska Mariculture Task Force, 2018). Southeast Alaska Sustainability Strategy investments support mariculture development across the region. The investment will stimulate growth through drafting local and regional planning documents, supporting training, and improving access and regional distribution of mariculture products to support local economies and enhance food security.

Investment Opportunity Highlight:

OceansAlaska Shellfish Hatchery Internship and Training Program -

OceansAlaska proposes to repeat its successful internship program at its floating shellfish hatchery facility in Saxman. Interns and trainees will be involved in spawning Pacific Oysters feeding the brood stock, larvae, and subsequent seed oysters. Interns will leave the program with a very real understanding of shellfish hatchery operations helping to ignite interest and participation farming, enhancement, or restoration of the shellfish industry in Southeast Alaska.

Young Growth Forest Management: \$1.535 million

Short-Term Investments:

Alaska Division of Forestry	All Landowners Group & Young Growth Working Forest Analysis
Alaska Division of Forestry	Prospectus for SE AK Infrastructure Development to Support Wood Energy, Market Research, Development and Testing of Young-Growth Products
Alaska Forest Association	Forest Products Industry Transition
Multiple proposals	Tongass National Forest Transition Collaborative Facilitation Support
Prince of Wales Tribal Conservation District	Indigenous Forestry Stewardship

Long-Term Strategy Outcomes:

The transition to a primarily young-growth forest management program on the Tongass National Forest represents a further shift away from old-growth logging as envisioned in the Tongass Land Management Plan (2016). Sustainable young-growth forest management is predicated on taking an integrated approach that supports economies and improves forest conditions through restoration. Investments provide an opportunity to foster relationships with the State of Alaska, Tribal Nations, Alaska Native corporations, and the timber industry through collaboration in the spirit of shared stewardship of forest resources.

Investments will facilitate the transition away from old-growth logging, develop markets for young-growth forest products, and encourage an all-lands approach to forest management in the region.

Investment Opportunity Highlight:

All Landowner Group and Young-Growth Working Forest Analysis
The overarching goal of this five-year initiative is to build on the
successes of the Tongass Young-Growth agreement to continue
supporting a sustainable young-growth forest management
industry in Southeast Alaska. The Young-Growth Working Forest
Analysis will map, analyze, and describe young-growth forest
resources across participating ownerships in Southeast Alaska
and provide federal, state, trust, and private landowners a better
understanding of their young-growth forests and opportunities
for climate mitigation, resource restoration, forest management,
young-growth timber harvest and manufacturing. Final phases of
the investment include a prospectus soliciting industry investment
in the region, and completion of a pilot project involving multiple
ownerships to assess the utility of the final project outputs, and to
identify any necessary refinements.



Agriculture: \$615,000

Short-Term Investments:

Multiple Proposals from Producers, Tribes, and Community Agricultural Associations	Support Southeast Alaska Farmers Summit
Multiple Proposals from Producers, Tribes, and Community Agricultural Associations	Support Agriculture/Local Food Catalyst position, online information forum, agrarian commons exploration, and food hubs.

Long-Term Strategy Outcomes:

According to the Alaska Food Policy Council's 2014 report, *Building Food Security in Alaska*, 95% of the \$2 billion Alaska residents spend on food annually goes toward purchases of imported food. Interruptions in the complex food supply chains result in empty store shelves – something that Southeast Alaska residents have been familiar with for years but was exemplified during the COVID pandemic. Increasing food security in the region includes stewardship of the lands and waters that provide fish, deer, moose, and berries that comprise a portion of many Southeast Alaska diets, as well as direct support for agricultural production and troubleshooting the complex logistics of getting crops to local and regional markets. Investments that advance farming, inspire innovation, and improve market functionality will help bolster food security and agricultural economic development in the region.

Investment Opportunity Highlight:

Southeast Alaska Farmers Summit -

Multiple entries into the Southeast Alaska Sustainability Strategy engagement portal recommend supporting the annual Southeast Alaska Farmers Summit, the first of which was held in 2015 when producers in the region gathered to learn from one another about growing and marketing food in the challenging climate and geography of Southeast Alaska. The goal of the summit is to inspire and support agricultural production in Southeast Alaska, strengthening food security across the region. This investment will support the conference for the next four years.



Biomass Boiler Greenhouse. USDA Forest Service photo.

Infrastructure: \$3.125 million

The need for infrastructure investments in Southeast Alaska are immense. The OneUSDA team received proposals totaling more than \$90 million for improving docks, harbors, barge ramps, the ferry system, and other municipal capital improvement projects across the region, clearly demonstrating the need for sustained infrastructure investments. The demand of infrastructure investments outweighs our ability to fund these via the Southeast Alaska Sustainability, so the need is noted here, but infrastructure investments in this category will focus on the initial steps of sustainability, such as renewable energy projects, managing solid waste issues, and investing in recreation sites to benefit both local and tourism interests.

Renewable Energy: \$2 million

Short-Term Investments:

Craig City School District	Craig High School Biomass Project
Southeast Conference	Regional Biomass Strategy and Pellet Mill
Hoonah Indian Association	Removing Biomass Barriers

Long-Term Strategy Outcomes:

Biomass and hydroelectric investments hold promise for the region. Money allocated to renewable energy will support a variety of energy projects and Southeast Conference's regionalized biomass strategy, as well as other biomass projects in the region. These investments will help ensure that more people have access to affordable energy by following regional investments in beneficial electrification and shifting away from expensive heating oil. Expansion of bioenergy in the region will stimulate markets for low-grade and utility logs that are currently unutilized to help offset costs of ecological restoration and habitat improvement activities, as well as support the transition to young growth timber harvest. A desired outcome is the adoption of viable biomass infrastructure and sustained support of hydroelectric projects throughout the region.

Investment Opportunity Highlight:

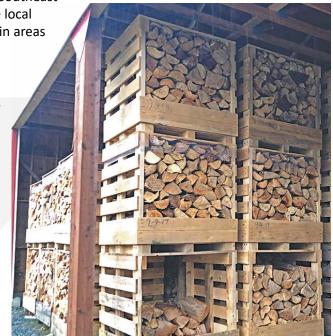
Regional Biomass Strategy and Pellet Mill

Southeast Conference has long been a leader in promoting renewable energy for Southeast Alaska and the State of Alaska as a whole. One of the many types of energy that makes sense for Alaska is woody biomass, as a way of utilizing forest residues. Utilization of woody biomass for thermal energy (heat) creates local employment, utilizes local resources, and develops local infrastructure.

A number of studies done in Southeast Alaska demonstrate a positive cost benefit to the manufacture of pellets to supply the regional economy. The only challenge has been that these studies all assumed a production of 30,000 tons per year, and

an export market to Europe or Asia. While this might still be feasible, Southeast Conference believes it is better to focus on the local economy and the local market. Smaller pellet mills – are common in the lower United States in areas where there is not a large resource or a small local demand.

These smaller, containerized, easy to install and operate, pellet mills utilize locally available resources ranging from pallets, coffee grounds, cardboard, and construction debris. This investment will allow Southeast Conference to facilitate the purchase and installation of a small pellet plant in partnership with a tribal or municipal partner.§



Recreation Sites: \$690,000

Short-Term Investments:

Multiple Proposals	Planning, marketing, and implementation of a variety of long trail and water trail concepts including Wrangell Area Trail Improvements, Sitka Sound Coastal Trail, and Southeast Alaska Water Trail.
Kootznoowoo, Inc.	Planning for a new Bear Viewing Area on Admiralty and Angoon Danger Point Trail and Canoe Route on Admiralty Island-Revitalization.

Long-Term Strategy Outcomes:

Recreation site development will include local access trails such as the Angoon Danger Point Trail, long trail concept development, and the marketing of existing water trails such as the canoe route on Admiralty Island and the South Sitka Sound Coastal Trail. Investments improve safety and access to public lands, as well as promote expansion of nature-based tourism employment.



Waste Management: \$435,000

Short-Term Investments:

Chichagof Conservation Council	Support "Recycle Tenakee" solid waste
Sustainable Southeast Partnership/ Southeast Alaska Watershed Coalition	Regional Composting Network
Takshanuk Watershed Council	Takshanuk Watershed Compost Project
Defenders of Wildlife	Matching Program for Electric Fences and other Food Security Measures

Solid waste management in Southeast Alaska is as complex as the region's geography, and is handled in a variety of ways, including uncontrolled open dumping, open burning, composting, permitted landfilling, and baling and shipping solid waste to the Lower 48. Landfills, household waste, gardens, and chicken coops require protection from black and brown bears to ensure resident safety and food security. Funds for solid waste management will contribute to community recycling and composting. A regional solid waste management strategy which improves the services for reducing and handling solid waste for Southeast Alaska communities through a collaborative effort of community, tribal, and government agencies.

Community Capacity: \$3.125 million

Capacity refers to the public sector's role in investing in new ideas, knowledge transfer, and infrastructure to build a foundation so that the private sector can flourish and promote regional prosperity. The overriding theme present in this category is that of workforce development and tribal and community youth engagement. Investment opportunities abound that directly involve our youth by educating them in both traditional and western knowledges, so they can create and sustain solutions to managing lands for bio-mass and renewable energy, healthy soils, and water, and address such issues as the aging or 'graying' of our fishing fleet. The National Forest Foundation could serve as a key partner to build community capacity through an expansion of the Community Capacity and Land Stewardship program. The program (launched in 2013 in Forest Service Region 10) can be adjusted to more directly align with the goals of the Southeast Alaska Sustainability Strategy and provide critical support to smaller organizations.

Community Workforce Development: \$1.025 million

Short-Term Investments:

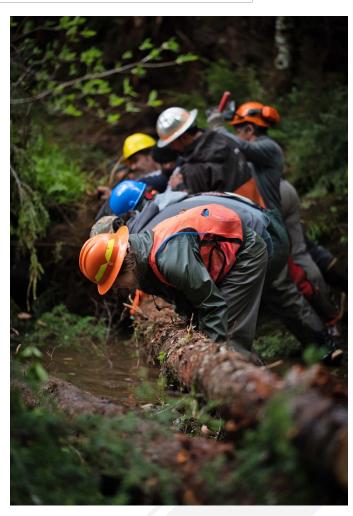
Alaska Sustainable Fisheries Trust	Local Fish Fund
Alaska Sustainable Fisheries Trust	Workforce Development Initiative: Supporting Alaska's Fisheries and Young Fishermen in Southeast Alaska
Prince of Wales Vocational & Technical Education Center	POW Vocational Technical Education Center Academies
Southeast Alaska Watershed Coalition	Watershed Restoration Symposium and Capacity Exchange

Long-Term Strategy Outcomes:

Developing a local workforce to implement restoration and other resource management opportunities is critical to meet sustainability goals. Workforce development initiatives will focus on training the region's residents to gain skill in land and water management, monitoring, and related activities. Education and training programs result in local economic benefits when workers spend their wages on goods and services in the local community. A ready supply of competent workers contributes to restoration success through the application of local hiring authorities (including Alaska National Interest Lands Conservation Act) and avoiding costs from challenges of bringing in crews from the Lower 48.

Investment Opportunity Highlight:

Watershed Restoration Symposium and Capacity Exchange — Proposed by the Southeast Alaska Watershed Coalition, this annual watershed restoration symposium brings together community leaders, tribes, non-government organizations and resource managers to share successes, techniques, lessons learned, network and develop partnerships for collaborative projects, and to provide tools and resources. This investment will result in training events and capacity exchange programs for the next three years and will build regional capacity to develop a collaborative approach to restoration and informed management of the region's watersheds.



Investment Opportunity Highlight:

Prince of Wales Vocational Technical Education Center Academies -

The center proposes to implement a series of 3-week "academies" to address the career preparation and employment and training needs of residents on Prince of Wales Island. These academies would be presented each fall, so that students can complete the courses ahead of the hiring timeline for Alaska National Interest Lands Conservation Act hire seasonal positions. Job placement resources and counseling for academy graduates will also be provided.

Tribal and Community Youth Engagement and Education: \$1.1 million

Short-Term Investments:

Central Council Tlingit Haida Indian Association in partnership with Sustainable Southeast Partnership	Tlingit and Haida Youth Commission
Sitka Conservation Society and Cooperative Extension Service	Living with the Land and Building Community: Southeast Alaska 4H Youth Development Program
Sitka Trail Works	Indigenous Youth Stewardship & Workforce Development Program

Long-Term Strategy Outcomes:

Today's youth are tomorrow's conservation stewards and leaders. Engaging youth is critical to the health of our Southeast Alaska forests. Building opportunities for youth to be a part of caring for a connection to the land, and to gain experience and tools needed to care for the land is part of the strategy. Investments will result in strengthening partnerships to reach youth and engage them in conservation education and employment opportunities, building knowledge about natural resources, conservation, and stewardship, building a lifelong connection with nature, and building capacity with our partners to plan, support, implement, and integrate youth engagement across Southeast Alaska.



Angoon YCC Tongass National Forest. USDA Forest Service photo.

Tourism/Business Development: \$1 million

Short-Term Investments:

Visitor Products Cluster Working Group	Visitor Products Cluster Working Group Collaborative Process - Tourism Development
SalmonState	Comprehensive Regional Seafood Assessment

Long-Term Strategy Outcomes:

Tourism and fishing are keystones of the Southeast Alaska economy and their growth and sustainability are important for the economic vitality of the region. Nature-based recreation opportunities such as hunting, fishing, angling, and wildlife viewing are beneficial not only for individual enjoyment, but also for attracting tourists who spend their vacation dollars on goods and services across the region. The tourism industry takes many forms, from single operator outfitter guides to firms that partner with large cruise lines to provide sight-seeing and other excursions to passengers. USDA tourism investments support sustainable growth of the tourism industry through partnerships and collaboration among tour operators, local communities, and tribes. The regional seafood assessment will promote collaboration among local partners, target funding for economic development, and foster both sustainability and stability in fisheries management throughout Southeast Alaska.

Investment Opportunity Highlight:

Regional Seafood Assessment

Southeast Alaska's fisheries have the potential to support thriving local communities for generations to come. Nowhere else in Alaska or the U.S. is there such a rich diversity of seafood species. The comprehensive regional seafood assessment will also assist small and mid-size seafood harvesters to diversify their products and markets, inform future investments, diversify supply chains, and facilitate resiliency and adaptability of the region's overall food system.

Investment Opportunity Highlight:

Visitor Products Cluster Working Group

The Visitor Products Cluster Working Group proposes to convene a collaborative process with Forest Service regional leaders and staff, to work with tourism businesses, tribes, and communities throughout Southeast Alaska to define a vision for tourism in the region. Outcomes include developing a strategic plan for the region shaped through local collaborative efforts, defining what businesses, community members, tribes, etc. want tourism to look like, identifying collaborative opportunities while empowering tribes and communities to participate in this vision, identifying resources that would allow the agency to be adaptive and responsive to visitor demand, and convening meetings in communities throughout the region to capture unique opportunities and perspectives.

Agency Capacity

The steady erosion of agency workforce capacity has hampered efforts to improve coordination, partnerships, and program delivery to capitalize on the region's unique strengths (USDA staff is 20% smaller than five years ago). Agency capacity must be addressed to ensure the ability to accomplish work on the ground and build relationships with the partners receiving funds via this initial Southeast Alaska Sustainability Strategy investment.

Forest Service: Currently investing in increasing field personnel to conduct and lead restoration, recreation, and partnership and tourism development efforts funded via the Southeast Alaska Sustainability Strategy initiative and other initiatives. Half of these positions are targeted to be hired locally utilizing the Alaska National Interest Lands Conservation Act local hire authority.

Rural Development: Increasing capacity by targeting an additional Southeast Alaska Community Development Specialist, a Business Programs Specialist, and Community Programs Specialist to handle cradle to grave program work with community and tribal partners. Recommend filling these positions as quickly as possible to implement the investment options identified in the investment strategy.



Natural Resources Conservations Service: Propose increase in Conservation Technical Assistance funding for travel, staff, and agreements that support program-funded projects. This increase in capacity is in addition to the Conservation Technical Assistance funding that is associated with Financial Assistance contracts.

Removing Barriers, Improving Collaboration and Coordination with Tribes and Partners

It is USDA's intent to implement the vision and goals of the Southeast Alaska Sustainability Strategy by working in partnership with tribes, partners, and local communities. Most of the \$25 million in funding will be leveraged with partners to implement investments like watershed restoration, workforce development, and community capacity building. The engagement process revealed consistent barriers to establishing mutually beneficial partnerships with USDA agencies. A full list of opportunities and barriers are identified in Appendix C.

These barriers must be addressed quickly if the agencies are going to successfully obligate the funding within Fiscal Year 2022 and deliver on the Secretary's intent. Specifically, given the number of large investment opportunities proposed, providing flexibility in matching requirements will be critical.

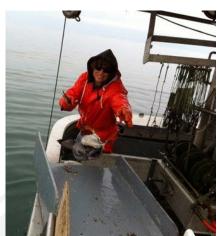
Ongoing recommendations for changes to policies, laws, and regulations that impede USDA's ability to readily get funding and/or technical assistance to benefit the unique economy, communities, and ecology of Southeast Alaska.

Barrier: Matching requirements constrain partnership development and allocation of funding in the region.

Due to inherently higher costs of doing business in Alaska and lack of partner resources including a diverse philanthropic base and community capacity necessary to generate large matching contributions, the majority of partnerships, grants, and other agreements with local communities, local governments, tribes, and nonprofits anticipated under this initiative may be unattainable.

Solution: Deviation Memo signed by the Secretary of Agriculture allowing Alaska's OneUSDA leadership the discretion to reduce partner's matching requirements based on local context, to allow for short- and long-term Southeast Alaska Sustainability Strategy investments in the region. In order to allocate this much funding in such a short period of time, with the understanding of the resource limitations of our partners and recipients, we are requesting a deviation memo signed by the Secretary of Agriculture allowing Alaska's OneUSDA leadership the ability to apply local context including the resources of underserved communities, overall community need, and non-monetized contributions to investment opportunities (like traditional cultural knowledge) to allow for a reduction in partner match for all USDA matching requirements from applicable OneUSDA agencies' directive systems for all instruments supporting this initiative.

The current match requirements are a risk to success in implementing the Southeast Alaska Sustainability Strategy, as our partners may not have sufficient resources to meet current match requirements against the allocated federal dollars proposed. Since some of these matching requirements have come through clarification memos of handbook direction, we also recommend permanently removing all cash-matching requirements and reducing other matching requirements from all USDA directives unless explicitly required in the authorizing statute and/or appropriations legislation to allow for input by affected partners. These policies disproportionately affect rural communities, financially disadvantaged regions, tribes, and communities of color as urban and wealthy communities can more easily meet these requirements for non-federal match through volunteer contributions, use of equipment or facilities, tax levies, philanthropy, matching grants, and access to private public partnerships.



Barrier: Tribal Forest Protection Act

Under the Tribal Forest Protection Act, as amended by the 2018 Farm Bill, the Secretary of Agriculture has authority to give special consideration to tribally proposed Stewardship Contracting or other projects on National Forest System land bordering or adjacent to Indian trust land to protect the Indian trust resources from fire, disease, or other threat coming off that Forest Service land. The general lack of Alaska Tribal lands in trust status precludes Alaska Tribal Nations from using this authority to partner with the Forest Service. The same barrier is not present for Alaska Native corporations which were conveyed land under the Alaska Native Claims Settlement Act.

Solution: A 2023 Farm Bill amendment to expand eligibility for all tools and instruments for tribes proposing projects on National Forest System land within their traditional territory regardless of whether they have adjacent or bordering trust lands.

Barrier: Seafood included in USDA Food Grants

Southeast Alaska supports a robust seafood industry that provides both economic benefits to local communities and a high value food sold around the world. Yet, USDA's grant and loan programs do not always meet the needs of the region's small-scale seafood harvesters.

Solution: Immediate opportunities to address these challenges include:

- Increasing resources that provide greater clarity on whether seafood businesses qualify for funding, and if so, if funding is limited to aquaculture or wild capture seafood.
- Reevaluate the USDA's definition of "local" (currently a 400-mile radius) for seafood products in local and regional grants.
- Incorporate seafood into the USDA's food systems-related grants and allowances for local and regional distribution of seafood products for families in need.
- Amend language in USDA grantmaking programs to include mariculture, aquaculture, and seafood harvest along with ranchers and farmers.



Improving Coordination with Southeast Alaska Tribal Nations and Alaska Native corporations

- **Tribal Conservation Districts** are an agency priority, but there is no specific funding to support district staff with capacity development. Districts are typically co-located with a tribe, and staff responsibilities are focused on funded work in other words, non-Tribal Conservation District projects. Increasing district capacity will result in better coordination with tribes and improved program extension in the region. **Solution**: Allocate specific funding to support district staff in Southeast Alaska.
- The NATIVE Act funding does not include a commensurate pass through or granting mechanism to allocate the funds to Tribal Nations and Alaska Native corporations. Southeast Alaska Tribes missed out on a significant funding opportunity because of this omission. Solution: Amend the Native Act or otherwise provide a granting authority that would allow the USDA agencies/the Forest Service to grant Native Act funds directly.
- The OneUSDA team heard concerns related to challenges with provisions and language in agreement templates and federal forms which may not align with upholding trust responsibilities, strengthening Tribal sovereignty, and advancing Tribal self-determination. **Solution:** Through this initiative, our hope is that USDA Office of General Counsel works closely with USDA agencies and Tribal Nations to address these concerns. The Forest Service intent to hire an individual in the Washington Office's Office of Grants and Agreements, specializing in Tribal Relations could maximize the opportunity for appropriate templates/tools/trainings to increase effectiveness and culturally proper protocols to respect Tribal sovereignty.
- Good Neighbor Authority is an important tool to work with tribes on restoration work. There may be an opportunity to amend the authority to incorporate other allowable activities beyond restoration activities that would benefit this initiative and other partnerships across the Forest Service and other USDA agencies. Allowable activities could include but not be limited to, cooperative work focused on recreation infrastructure, road work, natural resource work, developing sustainable local workforce focused on improving natural resources management activities, and facilities maintenance, construction, and reconstruction on and off National Forest System lands. In addition, recent amendments in the Farm Bill allowed for tribal partners to enter into Good Neighbor agreements but there is no mechanism to share receipts. Solution: Expand range of activities and allow for shared receipts by tribal partners on Good Neighbor agreements.

Southeast Alaska Sustainability Strategy - Long-Term Strategy and Investments

The community engagement process, together with the investment ideas received, made it clear that there is strong interest in the region to establish new, community-based economic endeavors that promote strengthening USDA agency relationships with our Tribal Nations, local communities, businesses, and partners. USDA's initial commitment of \$25 million to support these efforts is a positive, near-term investment in the region's long-term potential to support a diverse economy, conserve natural resources, and improve community resiliency. Most importantly, these investment opportunities and the collaborative work that will be required to bring them to fruition, define the mutual interests, relationship, and trust building that will be markers of success for the Southeast Alaska Sustainability Strategy.

The depth of interest and diversity of communities and partners that submitted investment ideas indicates that USDA is well-positioned to support economic, cultural, and ecological resiliency in Southeast Alaska. Federal funding from recent and proposed legislation, like the Great American Outdoors Act, the Infrastructure Investment and Jobs Act, and regular agency appropriations, can likely fund many of the investment ideas that were not quite ready for near-term support. There are exciting opportunities that can be supported in the coming years.

The OneUSDA team will focus on implementing the short-term investments in 2022 and continuing to build relationships and trust with a broad array of partners across Southeast Alaska. The team will ensure that government programs are equitable and are representative of the communities served. We will leverage the resources that tribes, partners, and communities bring to the table to collaborate on areas of mutual interest and underserved and underrepresented populations will be empowered to participate.

To capitalize on the interest and opportunities the OneUSDA team recommends:

- 1. Establishing a team charter for the Alaska-based OneUSDA team consisting of the Forest Service, Rural Development, Natural Resources Conservation Service and Farm Services Agency that allows for coordination of the long-term strategy.
- 2. Establishing an interagency lead for the Sustainability Strategy.
- 3. Empowering shared leadership within the region by continuing to tier existing, locally developed strategies like the Blueprint for Southeast Alaska, the Visitor Products Working Group, Southeast Conferences 2025 Economic Plan, and the All Landowners Working group, among others.

Continued Interagency Coordination

The Forest Service, Rural Development, and Natural Resources Conservation Service convened regularly over the past three months to identify potential near-term investments. This process demonstrated that there is a significant opportunity to improve coordination and program delivery across USDA agencies. The regional staff would benefit from continuing this coordination monthly, to track progress and accountability with the initial investments, leverage other funding sources, and identify new investment opportunities. Given the increasing interest in local agriculture and food security, we also recommend including a staff member from the Farm Services Agency on the steering committee.

Interagency Lead

The sustainability strategy set an ambitious vision for the region, requiring a whole government approach and substantial coordination across federal agencies, in addition to expanded partnerships with state, tribal, and local entities. The steering committee recommends that the Forest Service take the lead coordinating by investing in a staff group that focuses on shared stewardship and public engagements. The staff group will consolidate the grants and agreements and partnerships staff groups under a leadership position. Together this group will implement an integrated, forward-looking, comprehensive engagement and sustainability strategy by working closely with Tribal Nations, Alaska Native corporations, partners, communities, and new stakeholders to implement the short-term investments that achieve long-term outcomes.

The steering committee created a dedicated position to lead the effort. The interagency lead would be responsible for leading the interagency team, ensuring internal and external communication is clear and transparent, and fostering strong relationships with tribes and partners.

Implementing the Long-term Engagement Strategy

Natural resource management in the region has often been subject to political swings with changes of administrations and the establishment of new priorities. One of the Secretary's goals in announcing the sustainability strategy was to end the political back and forth by investing in a new economic approach in the region that aligns with community interests and builds on longstanding tribal relationships and local partnerships.

The community engagement process provided an important reminder that these existing, locally driven efforts have already led to important changes and new economic ideas. Rather than develop a new, standalone sustainability strategy driven by the federal government, we want to develop a clear, long-term strategy by working through the many existing networks and partnerships that are already building creative new approaches to enhance community and tribal resilience in the region.

Initially, the OneUSDA team plans to quickly implement the short-term investments, complete other elements of the Southeast Alaska Sustainability Strategy, and pledge participation and representation (at all levels of the agencies) in existing efforts such as the Comprehensive Economic Development Strategy process, local and regional tourism development efforts, and forest transition planning endeavors. We anticipate that the interagency lead for Southeast Alaska Sustainability Strategy will coordinate these efforts and agency participation in them. Our goal will be to ensure that each agency's program of work is responsive to, and aligns with, existing regional strategies, local partnerships, and community developed priorities. Leveraging USDA resources will ensure that we fulfill our commitment to partner throughout Southeast Alaska for our communities and cultures, as well as for conservation and commerce.