



CITY AND BOROUGH OF WRANGELL

INCORPORATED MAY 30, 2008

P.O. BOX 531 (907)-874-2381
Wrangell, AK 99929 FAX (907)-874-3952
www.wrangell.com

July 15, 2016

Robert Dalrymple
District Ranger, Wrangell Ranger District
Box 51
Wrangell, AK 99929

Re: City and Borough of Wrangell comments on the Wrangell Island Project Draft EIS

Dear Mr. Dalrymple:

The Assembly recognizes the difficulties of putting a timber sale together in the political climate of today addressing all of the complex environmental and multi-use issues. We have reviewed the draft EIS for the Wrangell Island Timber Sale Project and provide comments below.

We do have one concern about the timing of the release of this document. After so many delays, it is very unfortunate that the draft EIS is finally released during our busiest economic time when so many Wrangellites, those most directly affected by the implementation of this plan, are out of town and working and will likely not have access to the online document to review and comment. There is local interest not only regarding units to be harvested, but for the road management issue for recreation, tourism and subsistence is of utmost importance.

The Borough supports the Proposed Alternative 2 in order to NEPA approve the maximum timber available. We hope that this will provide opportunities in the future for local business opportunities and job creation that can be sustained over a longer period of time.

It appears that there is considerable helicopter logging of areas that might be more easily accessible and more economical if a road and even age management were utilized. The extensive partial cut units requiring helicopter logging are resulting in much higher harvest costs. In addition, it appears that only the higher value trees in these areas will be removed, to compensate for the high removal cost, thus leaving the residual timber stands with insufficient value to support an additional entry for future timber harvest. A single small or mid-size timber operation alone cannot meet the high cash flow requirement for an expensive helicopter logging operation, so a significant portion of the helicopter production must be sold into the log export markets where log prices are high enough to justify the helicopter logging costs. That reduces the incentive for local smaller timber mills and value added operations to initiate or grow a business opportunity. The Borough encourages some flexibility in sale design from uneven age management to even age management options.

- a) The Forest Service should allow flexibility wherever possible in their harvest units such that visual prescriptions are met, but the health of the Forest and the potential to make a second entry is planned for to provide longer term supply. Certain areas are of visual concern to Wrangellites, such as Long Lake and the Mill Basin area, but there are other areas where helicopter logging is being utilized that could be

managed as even age. We would like to see more flexibility or a different management scheme in some of these areas (for example units 534, 557, 558, 531, 530, 972, 527 and 528) to allow even age management methods be utilized, increase openings, to improve sale economics.

- b) What is the economics and potential of reopening the road accessing units 527, 972 and 528 in order to harvest the timber using even age management? That road is through recently selected Borough lands and could provide a dual purpose – provide the USFS with easy access to timber and a long term road to access Borough land without the long term maintenance requirements of the USFS. The Borough had previously commented on this road and supported its use. This potential access and alternative unit management should be included in the EIS.

The Borough wants to emphasize that not only does it support small and large sales where possible in order to support economic sustainability of local business opportunities, but also supports the continuation of the micro sale program and efforts to ensure growth of the music wood industry. We believe and want confirmation, that this proposed alternative will provide NEPA approved timber that can continue to be utilized and accessed by this industry as well.

The Borough is requesting that the USFS include the map in the final EIS that was presented to the Wrangell Borough Assembly on June 28, 2016 showing the specific areas on Wrangell Island that can actually be harvested. The maps in the DEIS are misleading – for example the LUD map Figure 2, shows timber LUDS but does not define the roadless areas and the acreage that cannot be harvested. The Roadless maps do not show the Old Growth reserves and other areas that are removed from being harvested. The map presented to the Assembly was very informative as to what areas on Wrangell Island can even be considered for timber harvesting, prior to having to meet all of the design prescriptions such as views, wildlife etc.

In our response to the Notice of Intent last year, the Borough commented regarding concerns for the interpretation of the TU77 watersheds and VCU's as they apply to young growth in the recently adopted Plan Amendment. The Borough's understanding is that this Draft EIS is being reviewed under the 2008 Forest Plan. Implementation of the new Forest Plan Amendment as it applies to the TU77 watersheds, applies to Young Growth and not to this Wrangell Island Sale as this sale is a "bridge" sale until young growth is available to transition to and does not include young growth.

Road Management issues: The Borough supports Alternative 2 Road Access Management Plan and is encouraged that some of the roads, rather than being closed can be converted to ATV access. This will continue to provide recreational, hunting and subsistence opportunities for residents.

Borough supports the proposed long term management plan for USFS Roads 6270 and 6299 in the Thoms Creek area and requests that these roads remain open. The road provides access to an important recreational and subsistence area along Thoms Creek. The Borough recently selected lands from the Thoms Place Subdivision in this area and the road traverses through a corner of the property providing much needed multi-use access and opportunity in this area.

The Borough supports the development of the alternative access road to access Middle Ridge Cabin and surrounding areas in concept. The existing road, can be a safety hazard, but does provide access to additional harvest areas, hunting and subsistence and other view and recreational areas on 50054 and 50060. The proposed alternative road, however does not

access very much timber and the Borough questions if the cost of the road is justified in this sale under the timber program? Would the economics of the Wrangell Island Project improve without this road? The Borough recommends that the road be constructed from other funds, ie. recreation (because the road can provide a great short recreational loop drive), stewardship funds or other source or at a minimum cost shared with another program. There are some spectacular viewing and picnic sites at the top of the existing road that should remain open for their views towards Pat Lake and valley.

The Borough supports keeping FS Road 50051 open as well, it provides a back channel access, but most importantly it provides easy access to the Tyee Transmission Lines for maintenance purposes.

The Borough would like to see FS Road 50034 maintained for use for ATV vehicles rather than closed.

Also, the USFS on page 6 states that the City and Borough of Wrangell became a cooperating agency. This statement by itself is true, but the following sentence needs to be added to that paragraph:

“ Due to a breakdown in and lack of communication from the USFS to the Borough regarding the preparation of the Draft EIS, controversial issues causing delays and project status, the City and Borough of Wrangell withdrew as cooperating agency after believing the USFS did not uphold its responsibilities.”

How this sale is actually packaged and sold is very important to the City and Borough of Wrangell. The community wants to maximize the long term economic benefits for local business opportunities as well as creation of local and sustainable jobs. The City and Borough of Wrangell requests that the Borough be included in the sale implementation design phase and that the Tongass Forest Supervisor Earl Stewart commit to that cooperative effort in the final record of decision for the Wrangell Island Sale.

Thank you for the opportunity to comment. The Borough looks forward to building our relationship and communication with the USFS in order to create a Wrangell Island Sale that can support economic growth and development of jobs in timber and other industries that utilize the Tongass resources on Wrangell Island.

Attached for your reference, please find Wrangell's version of the USDA funded regional Cluster Plan Initiative from 2012 and a Timber Plan developed by the Economic Development Committee with acceptance by the Assembly in 2013.

Sincerely,

A handwritten signature in black ink, appearing to read 'DJ', is written over a light blue rectangular background.

David Jack
Mayor, City and Borough of Wrangell



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INCORPORATED MAY 30, 2008

P.O. BOX 531 (907)-874-2381
Wrangell, AK 99929 FAX (907)-874-3952

March 9, 2012

Tom Vilsack
Secretary of Agriculture
US Department of Agriculture

Re: USDA sponsored Southeast Alaska Cluster Initiative

Dear Secretary Vilsack:

The City and Borough of Wrangell would like to thank U.S. Department of Agriculture for its efforts to strengthen the economies and communities of Southeast Alaska. Wrangell has been participating in the Cluster Working Group approach to regional economic development in Southeast Alaska funded by the U.S. Department of Agriculture. This approach was designed to promote and support public-private partnerships acting as catalysts for job creation and economic development. A total of 33 action initiatives were developed by participants of the four Cluster Working Groups: Ocean Products, Forest Products, Visitor Products and Renewable Energy.

The initiatives reflect priorities and steps needed to strengthen industry, commerce and businesses of Southeast Alaska, which in turn makes communities stronger and more sustainable. USDA agencies have an important role in implementing many of the initiatives, and collaborative work will be needed among many parties. Many of the initiatives are broad issues that need more refining and specific project identification. Wrangell participants discussed how these initiatives could be implemented on a local level and identified how several of the initiatives were directly applicable in Wrangell and could potentially improve Wrangell's economy. Through a community-wide discussion, the Clusters Initiatives were reviewed and 10 initiatives out of the 33 were selected that most closely aligned with current and future industry needs in Wrangell.

The Wrangell Economic Development Committee and the City and Borough of Wrangell Assembly submit for your review ***Wrangell's Cluster Initiative Plan*** to strengthen local industry, commerce and businesses in Wrangell. Wrangell requests assistance from USDA and other federal agencies with implementing these initiatives.

We look forward to strengthening our partnerships with U.S. Department of Agriculture and the State of Alaska as we work together to implement ***Wrangell's Cluster Initiative Plan***.

Sincerely,

Carol Rushmore, Economic Development Director
City and Borough of Wrangell

Cc:

Under Secretary for Rural Development Dallas Tonsager

Under Secretary for Natural Resources and the Environment Harris Sherman

Chief Forester Tom Tidwell

Senator

Murkowski

Senator Begich

Congressman

Young

Region 10 Regional Forester Beth Pendleton

Tongass National Forest Supervisor Forrest

Cole State Director Rural Development Jim

Nordlund

Governor Parnell

Senator Stedman

Representative Wilson

Brian Holst, JEDC

Wrangell District Ranger Bob Dalrymple

Wrangell Economic Cluster Initiative Plan

February 2012

The City & Borough of Wrangell is looking forward to establishing a strong partnership with the United States Department of Agriculture and the Forest Service to collaboratively advance economic development opportunities identified as part of the Cluster Working Group Initiative and the Tongass Transition Plan. This document is to provide collaborating agencies with an information bridge between innovative local projects and programs and state and federal opportunities to leverage resources. Below are key Wrangell economic development projects consistent with the strategic initiatives identified through the cluster group process. It is our intention to work with the USDA and other federal and state agencies and organizations to focus limited resources to advance projects consistent with the Transition Planning process that will strengthen the economy of the City & Borough of Wrangell and Southeast Alaska.

Ocean Products

Maritime Industry Technology & Workforce Development

(Ocean Products Cluster Initiative 2)

The City & Borough of Wrangell, EDA, and State of Alaska have invested in the Marine Service Center Facility located in downtown Wrangell. The long-term success of this facility hinges on Wrangell maintaining and attracting skilled workers and successful businesses in order to provide excellent service. If customers are satisfied with the level of work completed on their vessels, they will continue to return to use this facility and spread the word to others.

With this goal in mind, the City & Borough of Wrangell would like to pursue funding to determine the following:

1. levels of satisfaction among users of the facility in the past 2 years
2. gaps in service
3. needs of current businesses operating in Wrangell
4. existing marine training opportunities in the region
5. plan to fill identified gaps and needs

Upon completion of this project, the City & Borough of Wrangell will be empowered to pursue appropriate workforce development opportunities, prioritize infrastructure projects, and recruit businesses to the community, in turn strengthening the marine service industry in Wrangell and southeast Alaska.

Collaborative Partners

- USDA Rural Development
- University of Alaska

- State of Alaska Workforce Development
- Southeast Conference
- Ketchikan Ship and Dry Dock

Increase Wild Salmon Production Through Habitat Restoration

(Ocean Products Cluster Initiative 4)

Restoration activities can improve wild salmon production. Increased salmon production results in increased opportunity for commercial, sport, and subsistence harvest. Increasing the economic output of wild salmon harvests for all sectors of the fishing industry will increase the number of jobs directly and indirectly stemming from wild salmon production for all sectors of the salmon industry in SE Alaska.

From a community economic development point of view, identified restoration projects can also provide a “mitigation bank” opportunity for future public and private development projects, assuring that project mitigation requirements are focused on an identified need, rather than random conservation efforts.

The City & Borough of Wrangell supports engaging with the Forest Service in a collaborative process to 1) identify damaged watersheds and other restoration areas (such as Pat’s Creek drainage, Bradfield River, and areas close to town threatened by development) and 2) develop stewardship contracts that are compatible with the local capacity and use local “Best Practices” criteria.

Collaborative Partners:

- United States Forest Service
- Southeast Alaska Conservation Council
- State of Alaska Department of Natural Resources
- State of Alaska Department of Fish and Game
- Southeast Alaska Watershed Coalition
- US Army Corps of Engineers
- US Fish and Wildlife Service
- Alaska Mental Health Trust Land Office

Visitor Industry Initiatives

Premier ATV Trail System

(Visitor Products Cluster initiatives 1 & 2)

The City & Borough of Wrangell would like to develop and market a premier ATV trail system on the Wrangell Ranger District using in-service Forest Service roads and a limited number of closed, or identified for closure, Forest Service roads. This initiative would involved identifying and conventionally naming ATV trails (roads), performing a limited amount of maintenance on some of the road systems, installation of strategically located picnic areas, developing marketing tools (such as

maps, brochures, website), and marketing the system to areas where recreational ATV is highly popular. Recreational ATV use in the Lower-48 is a growing industry. ATV users who live in areas with limited access to public land, such as in Texas, travel to states where ATV trails are available, such as Colorado. Combining the growing demand for ATV recreation areas with the scenic opportunities in Southeast Alaska could prove to be a significant driver for the visitor industry in the Wrangell area.

Collaborative Partners:

- United States Forest Service
- Southeast Alaska Conservation Council
- Stikine Sportsman Association
- Wrangell Chamber of Commerce
- Wrangell Convention and Visitor Bureau

Enhance & Expand Existing Trail Systems

(Visitor Products Cluster Initiative 1)

The City & Borough of Wrangell would like to work with SEATrails and other agencies and organizations to fully develop and market an integrated trail system in Southeast Alaska. In addition, we would like the trail system on the Wrangell Ranger District to become the premier ADA accessible recreation area on the Tongass both for local and regional residents, but also for disabled travelers and returning US Military Veterans.

Collaborative Partners:

- United States Forest Service
- Southeast Alaska Conservation Council
- SEATrails
- State of Alaska Division of Natural Resources
- Wrangell Convention and Visitor Bureau

Forest Products Initiatives

Small Mill and Value-Added Timber Products Plan

(Forest Products Cluster Initiatives 4, 5, & 9)

The City & Borough of Wrangell would like to work with USDA and the Forest Service to implement a plan to support and enhancing existing and new small mills and value-added timber product businesses. The Borough is developing a plan that identifies six specific objectives:

1. Establish long term timber supply plan for small mills and value-added manufacturing
2. Develop infrastructure to maximize value-added local wood manufacturing
3. Create and market the Tongass wood brand

4. Support “Buy Local” campaign for wood products
5. Recruit timber product manufacturers
6. Enhance workforce development and opportunities for youth skills development

Collaborative Partners:

- United States Forest Service
- Wrangell Chamber of Commerce
- State of Alaska Division of Forestry
- Southeast Alaska Conservation Council
- Southeast Conference

Renewable Energy

BioBrick Manufacturing Facility Demonstration Project

(Energy Cluster Initiative 6, Forest Products Initiative 6)

Wrangell faces two growing challenges that are quickly converging to create an opportunity that could benefit the community: rising electrical loads for residential and commercial heating and growing costs for municipal waste management. The City & Borough of Wrangell would like to partner with the USDA and other agencies and organizations to develop a demonstration project to manufacture “BioBricks” from small mill waste and municipal solid waste. The “BioBrick” can be burned in wood stoves, which are currently common to many households in Southeast Alaska, and in automated commercial boilers. The City & Borough can realize cost savings by diverting solid waste that would otherwise be shipped south to a landfill, and reducing heating costs by installing commercial “BioBrick” boilers in large public and potentially private buildings that currently heat with fuel oil.

Collaborative Partners:

- United States Forest Service
- University of Alaska
- Southeast Alaska Power Agency
- Alaska Energy Authority
- Southeast Conference
- Southeast Regional Solid Waste Authority
- Southeast Alaska Conservation Council
- Wrangell Cooperative Association

WRANGELL TIMBER INDUSTRY PLAN

Wrangell Economic Development Committee

October 2013

Goal: To maintain and enhance Wrangell's existing and future small and medium size (50-100 employees) mills and value added forest products industries.

Objectives:

1. Establish a plan to deliver a long-term timber supply for small and medium size mills in Wrangell providing value-added manufacturing
2. Encourage private investment to develop infrastructure to maximize value from local wood manufacturing businesses
3. Support regional efforts to create, promote, and market a sustainable wood brand from the Tongass
4. Support "Buy Local" campaign for wood products
5. Recruit wood product manufacturers
6. Enhance workforce development and opportunities for youth
7. Facilitate full utilization of wood waste to create additional jobs and add value to the resource harvested

Vision:

This plan is a vision for the City and Borough of Wrangell to support, develop, and encourage growth of local wood product businesses. Wrangell supports the sustainable use of Tongass wood; value-added product development ; development of infrastructure improvements to attract entrepreneurs to relocate or create new wood product businesses; promoting the value of using local wood products; initiatives to actively develop the local workforce, including our youth; developing harvest prescriptions to provide for economic sales; development of new wood-based businesses; and minimizing conflicts over harvest areas by community discussion in an effort to minimize risks to the timber industry.

History

Wrangell has seen near continuous operation of sawmills in one form or another for the past 122 years, longer than any other community in Alaska.¹ The first sawmill, operated in 1889, processing 1 million board feet of timber per year. By 1900, that volume increased more than three fold. In the '60s and through the early '90s, the Alaska Pulp Corporation (APC) sawmill in Wrangell processed more than 60 million board feet per year until the 50-year contracts with the Forest Service were terminated in 1994. Impacts from the mill closure resulted in an immediate loss of 20% of Wrangell's employment and 30% of local employment earnings. Wrangell's

¹ "Southeast History: The early years of Wrangell's sawmills," by Frank Roppell; http://capitalcityweekly.com/stories/101211/new_898642463.shtml

population dropped from 2,758 in 1994 to 1,911 in 2006 before a small trend in population increase began.

Between 2010 and 2012, Wrangell's 6-mile mill was dismantled, and today the site is nearly cleared with Phase 2 Environmental Clean-up almost completed. If no private investors step forward The City and Borough of Wrangell is considering purchasing this property for use as a multi-use deep-water industrial port that could support existing and future small and medium sized mills and other value added wood product businesses, as well as marine industry activities.

Today, there are three remaining small mill operators on Wrangell Island processing between 1 and 1.5 million board feet total of value added products annually, including products such as music wood, boat wood, dimensional lumber, and wood for home and bridge construction.

USFS is undergoing a transition as well and refocusing many of their timber efforts into recreational and restoration efforts. In July of 2013, the USFS announced a faster transition from an old-growth management to second or young growth management. There is concern from the industry that the second growth will not be ready for harvest and providing for a stable industry in the next 15 years established for the transition. The US Department of Agriculture also funded a multi-year economic Cluster Analysis to identify industry needs in 4 economic clusters and opportunities to spur regional economic growth. The City and Borough of Wrangell developed their own transition plan modeled after the regional transition planning effort to address issues that were needed for job growth in Wrangell.

Community Support

Since the early '90s, Wrangell has consistently prioritized development of value-added wood products as key to diversifying and strengthening the local economy. During the "Wrangell 2001" economic development planning meetings in 1992 facilitated by the USDA Cooperative Extension Program, value-added wood products from small and medium mill operators was identified as an important component to Wrangell's economic future.² In 2002, as part of the Wrangell Economic Development Forum, value-added wood products were listed in the "Top 10 Economic Development Priorities."³ In 2007, the Wrangell 20-20 Envisioning process once again identified timber products using sustainable development and infrastructure improvements for business development as high priorities to diversify the economy.⁴

² "Core Information" document, Cooperative Extension Program, 1992

³ "Executive Summary," Wrangell Community Economic Development Forums, June 2002

⁴ Wrangell 20-20: Envisioning our Future final report, City of Wrangell, 2007.

In the USFS's own "Wrangell Island Analysis Report," which included community input from the aforementioned planning documents, the Wrangell Ranger District's position on timber was as follows: "As part of our contribution to the Tongass National Forest timber supply (TLMP 2-4), over the next ten years we plan to offer 25 to 30 MMBF of timber in a way that responds to the need for very small and 1- 5 MMBF offerings. In particular, our objective is to provide wood products in an economical way close to Wrangell in support of local wood industries and jobs."⁵

Long-term Timber Supply

Key to the success of a wood product industry in Wrangell is a long-term supply of suitable, economical, and available timber. For the next few decades, small operators in the Wrangell Borough will have to rely on old-growth timber as its primary resource until second-growth stands are of a marketable condition. As the primary land manager in southeast Alaska, and in the spirit of the USFS Transition and Investment Strategies, the Forest Service should provide an enabling environment for communities to realize economic development while maintaining high degrees of ecological integrity.

On the Wrangell Ranger District, second-growth trees are not anticipated to be available for use for at least another four decades (the projected volume of second-growth trees is only 11.4mmbf and 19.8mmbf the following decade). To sustain Wrangell's existing small mill operators and provide incentives for new manufacturers for the next 40 years, old-growth timber will need to be utilized during that time.

Several criteria can be used to develop a long-term timber supply plan for Wrangell. Focusing on resources on the existing road system in the Wrangell Ranger District where possible to minimize sale costs. While road construction can increase the cost of timber sales, often resulting in sales that smaller operators are unable to effectively bid on or become uneconomical even for larger operators, road construction can also provide access to areas that can provide timber over a long period of time, as well as for other community needs.

Second, minimizing conflict by limiting access or timber harvests in the highest value habitat areas should also be considered. Because there are so many areas in the Wrangell Ranger District that are also part of the Roadless area and thus already excluded from access, only highest valued habitat areas outside of the Roadless should be limited. Harvesting timber in areas embroiled in conflict usually results in litigation, and litigation prolongs access to timber sales. Actively avoiding conflict begins through seeking input from community user groups (tour, fishing, and hunting guides, subsistence hunters/gatherers, recreationalists, tribal members among others) to narrow those areas on the district that are acceptable for providing a long-term supply of timber.

The Wrangell Island Timber Sale currently in development, was originally planned as a 10-year sale. The sale focuses on resources available on Wrangell Island only, not the Wrangell District. The initial sale estimates was a 150mmbf single sale over a 10-year timeframe which was hoped to provide new financial investment in Wrangell. On the ground analysis of prescriptions and resources by the US Forest Service has reduced the volume to approximately 60mmbf, without plan amendments. This lower volume is not of adequate size to provide incentive for new capital investment in a manufacturing facility. The Wrangell Island Timber Sale is an important component, along with other Wrangell District and nearby sales, to a successful long-term value-added industry in Wrangell.

Action Items:

- Borough participation as a cooperating partner in timber sales in the Wrangell Ranger District
- Develop a community stakeholder group to provide input on land base suitable for long-term old-growth timber harvest
- Develop long-term timber supply plan on the existing road system to minimize cost and risk to mill operators into the future
- Develop a long-term plan for new roads to harvest areas that can provide economic sales
- Support efforts to create a State Forest from 2 million acres of the Tongass National Forest to create economic value for communities

Value-Added Infrastructure

A long-term supply of timber provides the incentive for investments for expanding existing mill operations and promoting new manufacturing opportunities in Wrangell. Infrastructure to support the manufacturing use of the needed timber supply is critical for a successful operation. Much like Wrangell's infrastructure related to the seafood industry, such as the Marine Service Center or the community cold storage and belt freezer, key pieces of infrastructure create incentives for entrepreneurs to relocate or startup new businesses that will diversify and strengthen Wrangell's economy.

In 2006, the USFS conducted a study titled "Alaska's Lumber-Drying Industry—Impacts From a Federal Grant Program" that analyzed the economic impact of the dry kiln grant program in five regions throughout Alaska.⁵ The grant program provided funding for dry kilns and related equipment, such as pre-dryer facilities, lumber storage buildings, planers and moulders.

The report found that the grant program had the most significant impact in the Southeast region. Between 2000 and 2005, the volume of kiln-dried wood grew

⁵ "Alaska's Lumber-Drying Industry—Impacts From a Federal Grant Program," Pacific Northwest Research Station, August 2006

from 0mbf to 411mbf. The value of the dried wood also grew from \$0 to \$149,000. Additionally, between 2004 and 2005, full time jobs operating kilns grew from 7 to 15, and part time jobs grew from 1 to 5. While this provides alternatives and new wood product opportunities, manufacturing facilities with a stable supply of timber is still needed to process logs, create additional jobs and create an integrated industry.

Developed industrial land is essential to expanding small and medium mill operations and value-added manufacturing in Wrangell. The former 6-mile mill site is an ideal location with 46 acres of upland developed industrial space, a deep-water port, and access to utilities. This site is for sale. Should current private negotiations fail due to the inability of the purchaser to secure capital due to an unknown supply of timber, the City and Borough of Wrangell has considered purchase of all or a portion of this land for an industrial park for business development to incentivize industry expansion.

Action Items:

- Develop list describing key infrastructure necessary for wood products industry development and cost with input from industry
- Market Wrangell as a great place to do business, describing the opportunities in Wrangell to potential investors
- Begin prioritization of infrastructure on a Capital Improvement Plan in City and Borough of Wrangell that will be attractive to an investor

Tongass Wood Product Branding

Just as the fishing industry has successfully created a brand for wild Alaska seafood, creating an international demand while increasing the product's value, Southeast Alaska should consider a brand for wood products from Tongass. Such a brand would differentiate the products from others on the market and promote its unique and valuable qualities, such as sustainable harvesting practices; preserving forest ecology; supporting local jobs; and promoting the positive physical attributes of the wood. Just as the Forest Stewardship Council established a certification to "support responsible forest management worldwide," so should Southeast Alaska. Branding wood products from the Tongass could increase local wood product market value. Southeast Conference is currently developing a marketing and branding promotional effort. The City and Borough of Wrangell should review and support efforts to create a brand for wood products from the Tongass that will differentiate regional products using the criteria above.

Wrangell wood products must also be marketed both in and outside of the region. A significant barrier to marketing is the lack of grading. While in operation, the Ketchikan Wood Technology Center was able to get three Alaskan trees species their own grade stamps. These grade stamps enable Alaska wood to be sold as dimensional lumber in communities with more restrictive building codes and it also

allows sellers to market Alaska's unique wood qualities. Marketing Wrangell wood products can be done alone, or in conjunction with other manufacturers in the region, particularly the small mill operators on Prince of Wales Island. Marketing Tongass wood products is also a priority identified in the Juneau Economic Development Council's "Forest Products Cluster Initiatives."

Action Items:

- Support efforts by SEC to develop a marketing plan which incorporates branding, differentiation, quality, and promotion of wood products from the Tongass
- Develop appropriate grading

"Buy Local" Campaign for Wood Products

To support local small mills and other potential wood product manufacturers in Wrangell, an effort should be made to increase awareness of the community's ability to buy wood products that are locally manufactured. A "buy local" campaign will also project the message to potential new businesses that Wrangell fully supports and embraces the value-added wood products industry.

Action Items:

- Develop a "Buy Local" campaign with the Chamber of Commerce, small mill operators, and other stakeholders
- Resolutions and policy changes to support using local wood in public projects when possible

Recruit Wood Product Manufacturers

Access to timber, infrastructure, a brand, and a marketing plan is necessary components, but they won't create jobs or wealth. Entrepreneurs who can manufacture a high quality product out of an old or second-growth tree are key to the success of any plan to grow a sustainable timber economy in Wrangell. An outreach plan should be developed to communicate with existing or potential wood product manufacturers so they know Wrangell is "open for business" and looking to support manufacturing of products. Such outreach could include advertisements in magazines and other timber products or woodworking publications, ads on related websites, strategically placed newspaper articles in communities where woodworkers and timber product businesses are prolific, and establishing contact and providing information to institutions that teach wood working skills.

Action Items:

- Identify opportunities and budget to market Wrangell as a community with high value wood product manufacturing possibilities
- Develop page on new website with information on resources for wood products industry
- Develop a prospectus for distribution in order to help recruit new businesses

- Support a timber supply that provides incentive and capital for wood product manufacturers

Workforce development and opportunities for youth

In addition to recruiting wood products manufacturers, opportunities should be identified and/or created to develop local manufacturers of value added wood products. This effort should also extend to the community's youth and should include an entrepreneurial and business component. Wrangell High School has a long history of teaching students to work with wood and some basic wood-manufacturing infrastructure exists for this purpose. The Wrangell School District is engaged in discussions to develop a program that includes components such as biology/forest science, business development, and manufacturing techniques could help create the next generation of local entrepreneurs.

Action Items:

- Work with the Wrangell School District to develop a wood products manufacturing curriculum for high school students
- Reach out to the Timber Task Force, Southeast Conference, USDA, and others to identify potential startup funding for a workforce development plan in the wood products industry and potential "re-tooling" of the high school shop for enhanced wood working instruction
- Identify existing vocational programs for timber manufacturing training for the local workforce and high school graduates

Full Utilization of Wood Waste

Utilizing as much of the wood waste as possible from timber harvests and milling operations will increase local value from the timber harvested in the Tongass. Over the past year, several meetings were held, surveys conducted, and initial research completed on the feasibility of creating either wood pellets or bio-bricks from wood waste and/or recycled paper waste. This initial scoping indicates that there is local interest in producing, selling and buying these types of products. The draft Southeast Alaska Integrated Resources Plan also suggests the production and use of wood waste (biomass) as an important component to meeting the region's energy needs.

Action Items:

- Work with the Wrangell Cooperative Association on their efforts to investigate potential production of "bio-brick"
- Facilitate entrepreneur developing a business in Wrangell which utilizes wood waste and paper waste

Conclusion

Restoring a strong timber industry in Wrangell will not be quick or easy, but it is certainly possible. It will require a clear vision and specific action items that taken

together will create an environment where the timber sector of the economy can thrive. This restoration will take a new form of coordination between the Forest Service (as managers of 95% of the land in the Wrangell Borough) and the economic development plans of the community. Wrangell has demonstrated its ability as a community to pull together and overcome economic adversity, and with the right support, may prove to be a new model for restoring timber-based industries in Southeast Alaska.