

2026-2031

Comprehensive Economic Development Strategy



**KENAI PENINSULA ECONOMIC
DEVELOPMENT DISTRICT**

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Executive Summary

The Kenai Peninsula Borough's Comprehensive Economic Development Strategy (CEDS) provides a roadmap to guide growth, resilience, and opportunity through 2031. Built on extensive community input, including twelve regional surveys, stakeholder workshops, roundtables, polling, and engagement across all corners of the Borough, this plan reflects the values, priorities, and aspirations of the people who live, work, and thrive here.

This strategy builds on principles of regional resilience and community wealth creation, expanding prosperity through the stewardship of the Kenai Peninsula's natural, social, and built assets. This approach ensures that economic development strengthens local ownership, enhances quality of life, and keeps the benefits of growth within the region.

Vision 2031

The Kenai Peninsula in 2031 is a thriving, resilient region where housing is affordable and available, schools and workforce programs prepare residents for high-demand careers, natural resources are sustainably managed, and community connectedness remains a key strength. With diversified industries, reliable infrastructure, and strong local leadership, the Peninsula offers opportunities for young families, workers, retirees, and entrepreneurs alike.

Key Strengths

- World-class salmon runs, abundant natural beauty, and unparalleled outdoor recreation.
- Strong sense of community, small-town quality of life, and mutual support.
- Growing business base, improved broadband, and transportation infrastructure investments.
- Tourism assets that anchor the economy and offer year-round expansion opportunities.

Core Challenges

- Severe housing shortages and high costs constrain the workforce, families, and businesses.
- High cost of living, including energy, shipping, and healthcare.
- Underfunded schools, childcare shortages, and workforce retention difficulties.
- Over-reliance on oil, gas, fisheries, and tourism exposes the economy to volatility.
- Natural hazards: wildfires, earthquakes, erosion, and declining fisheries.

Executive Summary

Strategic Goals

1. Natural Resources & Infrastructure – Expand housing, diversify energy, modernize transportation, and prepare for natural disasters and hazard risks.
2. Social & Community Engagement – Strengthen schools, childcare, and healthcare while maintaining safe, vibrant communities.
3. Economic Opportunity – Diversify industries, support small businesses, protect fisheries, and stabilize the cost of living.

Action Plan Highlights (prioritized)

1. Train 500 residents in high-demand occupations and double CTE enrollment by 2031.
2. Develop 200 new affordable housing units by 2031.
3. Create 10 new licensed childcare facilities (approximately 100 spots) by 2031.
4. Facilitate the deployment of at least three alternative energy demonstration projects by 2031.
5. Support the development of new value-added, ocean-related food processing by 2031 to support the diversification of the ocean-driven industries.
6. Ensure representation of regional fisheries stakeholder groups' input at key fisheries decision-making convenings.
7. Track the Borough-wide cost of living and report to stakeholders to support enhanced decision-making that empowers residents coping with the high cost of living.
8. Support the aging population through housing and workforce development initiatives for service providers.

Resilience at the Core

Resilience is embedded throughout this CEDS. From wildfire and coastal erosion mitigation to fiscal responsibility and energy diversification, the Borough is preparing to withstand shocks, adapt to change, and seize emerging opportunities. KPEDD's role is to convene partners, leverage resources, and ensure that every investment builds a stronger, more resilient Kenai Peninsula.

Ambassador Role

Ambassadors are passionate, community-focused communicators from Alaska's Arctic territories serving a two-year term as an Arctic Energy Ambassador for the Department of Energy.



The CEDS plan encompasses an economically, geographically, and culturally diverse region, incorporating the projects and ideas of our communities. This plan is critical to the strategic and sustainable growth of the Kenai Peninsula Borough.

Cassidi Cameron, Executive Director

The CEDS Team

Creating a comprehensive strategy for the future of the Kenai Peninsula Borough requires a team of dedicated individuals to represent their communities and the stakeholders of the region. The CEDS Strategy Committee provides input on outreach, organization, survey questions, representation of stakeholders, and ultimately the final written CEDS document.

The dedicated members of the 2026-2031 CEDS Committe are as follows:

Name	Seat
Julie Engebretsen	City of Homer
Laura Rhyner	City of Soldotna
Dana Cannava	Kenai Peninsula Borough
Shanon Davis	Central Peninsula Hospital
Larissa Arbelovsky	Epperheimer, Inc.
Samantha Allen	Seward Chamber of Commerce
Caitlin Coreson	Kenai Peninsula Economic Development District

The CEDS Strategy Committee members met monthly from August 2024 through January 2026 to discuss the progress of the CEDS, community feedback, and to strategize the best way to articulate and incorporate the needs and desires of community members into the final CEDS.

Overall direction was also provided by the KPEDD Board of Directors, the staff of the Kenai Peninsula Economic Development District, and Economic Development Consultants (EDC) listed below.

Current KPEDD Board Members:

Lenora (Len) Niesen	KPB Official
Kevin Buettner	City Official: Kenai
Karin Marks	City Official: Homer
Jan Yaeger	City Official: Seldovia
Brie Wallace	KPB Appointee
Jason Bickling	City Official: Seward
Linda Mitchell	City Official: Soldotna
Sara Bieber	KPEDD Appointee
Tim Redder	KPEDD Appointee
Brad Anderson	KPEDD Appointee
Todd Smith	KPEDD Appointee
Bruce Richards	KPEDD Appointee
Chris Hough	KPEDD Appointee
Jeff Hetrick	KPEDD Appointee
Rusty Swan	KPEDD Appointee
Jack Blackwell	KPEDD Appointee

KPEDD Staff:

Cassidi Cameron, Executive Director;
Caitlin Coreson, Program Manager

EDC Staff:

Dr. Alyssa Rodrigues, Principal

Introduction & Background

The Kenai Peninsula Borough (KPB) is one of Alaska's most economically diverse regions. The region is defined by abundant natural resources and strong community ties. The Borough spans more than 25,000 square miles, encompassing communities from Homer and Seward to Kenai, Soldotna, and dozens of small towns and Tribal villages.

Economic & Demographic Profile

The Borough's economy is traditionally driven by four major industries: oil and gas, commercial fishing, tourism, and healthcare. Oil and gas remain the largest private employers and contributors to Borough revenue, but face long-term uncertainty due to declining reserves and global energy transitions. Commercial fishing and fisheries processing are important sources of employment and foundational to community identity, despite Cook Inlet salmon runs having seen sharp declines. Tourism continues to expand, with Homer, Seward, and the Kenai River drawing hundreds of thousands of visitors each year. Healthcare and social assistance have grown steadily, reflecting both an aging population and the presence of Central Peninsula and South Peninsula Hospitals and regional clinics.

Demographically, the Borough faces dual pressures. The senior population is rising rapidly, with residents aged 80+ projected to double by 2035. This increases the demand for senior housing and healthcare. At the same time, younger families often leave due to limited childcare, housing costs, or concerns about school funding. The seasonal workforce needed for tourism and fishing industries strains available housing and services, while major infrastructure projects could create sudden surges in demand.

Trend Findings

- Oil and gas remain vital but volatile; fisheries are central but stressed; tourism is expanding but seasonal; healthcare and small business are growth areas.
- The Borough lags the state average in wage growth. High-paying jobs in oil and gas are offset by lower-wage service and tourism work.
- An aging population and youth outmigration are major risks. Workforce shortages have and continue to impact healthcare, education, and skilled trades.
- Roads, ports, airports, and broadband provide strong foundations but require upgrades. Coastal erosion, wildfire, and seismic risks threaten critical infrastructure.
- Residents value natural beauty, small-town character, and quality of life, but are deeply concerned about housing, cost of living, and education.

Introduction & Background Cont.

Data & Trends



Population: 61,259 residents; seniors fastest-growing; youth outmigration ongoing; seasonal workforce surges.



Employment: Oil/gas, fisheries, tourism, healthcare dominant; shortages in healthcare, trades, construction, education.



Housing: Median mortgage payments on a median-priced home doubled from 2020-2024 (to \$356,000 in '24); Kenai less affordable than Anchorage/Mat-Su; STRs reduce supply.



Cost of Living: 79% rated fair/poor; energy, shipping, healthcare drive costs.



Industry: Oil/gas vulnerable; fisheries stressed; tourism seasonal; healthcare steady growth; small business growing.



Infrastructure: Sterling Highway upgrades; broadband expansion; resilience gaps (erosion, seismic).

Workforce & Education

- Shortages: Teachers, construction workers, healthcare providers, and trades workers.
- Education Funding: Unstable state funding formulas undermine schools.
- Workforce Assets: AVTEC, UAA Kenai Peninsula College, and apprenticeships provide foundations, but need expansion.
- Childcare: Limited and expensive childcare remains a workforce barrier.

Resilience Context

- Natural Hazards: Wildfires, earthquakes, tsunamis, volcanoes, and erosion.
- Food insecurity: Food sustainability and access.
- Economic Shocks: Oil volatility, fisheries closures, inflation, and federal cuts.
- Governance Risks: State budget uncertainty, PFD instability, and political division.

Introduction & Background Cont.

Smart Growth Poll 2022- 2025

- 81% rated the quality of life excellent or good. One-third believe it has worsened in the past three years.
- Outdoor recreation, natural beauty, small-town feel, and community spirit were the top positives.
- Cost of living (79% fair/poor), housing affordability (76% fair/poor), roads and infrastructure (63% fair/poor), and schools (53% fair/poor) were the top challenges.
- Only 38% rated the economy excellent/good; younger residents and parents were significantly less optimistic than retirees.
- Residents are satisfied with groceries, healthcare, and recreation, but want more restaurants, retail, and youth activities.

Housing Roundtables 2025

- Housing payments **nearly doubled** in three years, making KPB less affordable than Anchorage or Mat-Su.
- Seasonal shortages, aging stock, and short-term rentals (STRs) reduce long-term rental availability.
- Growing senior population, seasonal workers, and families with children face acute housing pressures.
- Barriers include infrastructure costs, limited financing, zoning restrictions, and speculative investment.
- Solutions include community land trusts, ADUs, co-housing, 3D printing, and conversions of existing buildings.
- Housing shortages ripple across schools, healthcare, retail, and workforce attraction.
- Takeaways included consideration of smaller footprints, denser housing options, and an increased variety of housing options in both density and cost.

38% Rated the **Economy** as Excellent/Good



76% Rated **Housing Affordability** as Fair/Poor



81% Rated the **Quality of Life** as Excellent/Good



79% Rated **Cost of Living** as Fair/Poor



Healthcare



Recreation



Methodology

The Kenai Peninsula Economic Development District (KPEDD) developed the 2026–2031 Comprehensive Economic Development Strategy (CEDS) through a combined quantitative data analysis study and extensive community engagement to ensure that the plan reflects both the economic realities and lived experiences of the Kenai Peninsula Borough.

Key activities included:



- **Economic and Demographic Analysis:** Compilation and interpretation of employment, wage, and population data from the Alaska Department of Labor and Workforce Development (ADOLWD), Bureau of Economic Analysis (BEA), U.S. Census Bureau, and other state and federal sources.



- **Industry and Infrastructure Review:** Evaluation of sector-level performance, labor characteristics, and infrastructure readiness using data from the Alaska Energy Authority, Alaska Housing Finance Corporation (AHFC), and KPEDD's internal Future Industrial Questionnaire (FIQ).



- **Community Indicators:** Integration of findings from the *Homer Quality of Life Study (2022)* and other local research to assess livability, affordability, and workforce conditions.



- **Stakeholder Presentations:** Findings were presented to local governments, chambers of commerce, and community organizations for validation and feedback.

This research provided the foundation upon which the engagement and strategy development were built. KPEDD then focused on community input, stakeholder and CEDS Committee collaboration, and the development of strategic priorities. KPEDD employed a participatory survey model to capture local insights using Mentimeter, a real-time live polling platform that allowed participants to contribute data interactively during facilitated sessions.

Methodology

Engagement Design:

- **Five In-Person Facilitated Sessions:** Conducted in Kenai (two sessions), Soldotna, Homer, and Seward, with integrated participation from rural and Tribal residents.
- **One Virtual Facilitated Session:** Designed for remote participants, using the same Mentimeter format.
- **Asynchronous Participation:** Additional asynchronous survey participation was promoted through KPEDD's public presentations, city and chamber meetings, radio campaign on KDLL, and online communications channels.

In total, **167 validated survey responses** were collected, producing a **95 percent confidence interval** and a **7.89 percent margin of error**, ensuring a statistically sound representation of regional perspectives.

Analytical Process:

Responses were aggregated and analyzed to identify recurring priorities and challenges. The top themes, housing affordability and availability, workforce shortages, energy cost and reliability, and childcare access, were consistent across all sessions. These priorities directly informed the Goals and Objectives and subsequent Implementation Matrix in this plan.

This mixed-method approach combined quantitative rigor with qualitative insight to ensure that the CEDS is both **data-driven and community-informed**. By grounding strategic goals in statistically valid public input and verifiable economic data, KPEDD has produced a plan that reflects the Borough's realities today and positions it for resilience and broad-based growth through 2031.

Supplementary Data Sources:

- Information from the Homer Quality of Life Study (2022)
- AHFC housing data, Alaska Energy Authority cost datasets,
- KPEDD's Smart Growth Poll* (2025) which gathered responses from 358 residents across KPB,
- KPEDD's FIQ survey

These supplementary data sources were used to validate community member input and develop baseline indicators.

*KPEDD's Smart Growth Poll (2025) gathered responses from 358 residents across the Borough. Eighty-one percent rated the Kenai Peninsula's overall quality of life as good or excellent, citing natural beauty, recreation, and safety as top reasons for satisfaction. Yet three-quarters (76 percent) rated housing affordability as fair or poor, and 79 percent expressed concern about cost of living. Road and transportation infrastructure earned the lowest satisfaction score at 37 percent positive, while parks, healthcare, and broadband access scored above 60 percent positive.

Regional Profiles

While the borough is a cohesive region with many similarities across communities, there are also many differences between the regions of the borough. These regions are explored below:

Central Peninsula

- **Strengths:** Commercial and governmental hub of the Borough, with oil & gas infrastructure, Central Peninsula Hospital, and strong retail/services. Major highway access and growing housing developments. New recreational opportunities, such as the newly completed Soldotna Field House and Boys and Girls Club facilities, that offer before and after-school care and full-time daycare for children 8 weeks to 5 years old.
- **Challenges:** Housing affordability and availability, especially for workers and families; school funding uncertainty; cost-of-living concerns. Workforce shortages are acute in healthcare, construction, and education.
- **Opportunities:** Riverfront redevelopment (Soldotna), natural gas extraction expansion, housing diversification, expansion of healthcare and professional services, and renewable energy pilots.

Southern Peninsula

- **Strengths:** Strong identity around fisheries, tourism, arts, and small business. Homer is a hub for healthcare, mariculture, and cultural life. Communities value their independence and small-town feel.
- **Challenges:** Housing availability constrained by short-term rentals, high construction costs, and seasonal demand; transportation limitations; concerns about overdevelopment and affordability for year-round residents.
- **Opportunities:** Growth in mariculture, not including finfish, and value-added seafood processing, year-round tourism, Homer deep-water port, renewable energy, and expansion of local food systems, walkable and vibrant communities.

Eastern Peninsula

- **Strengths:** Gateway for tourism (cruise ships, Alaska Railroad, road access); AVTEC as a statewide workforce training asset; fisheries and port infrastructure.
- **Challenges:** Severe housing shortages, especially in Seward, driven by STRs and seasonal workforce needs; lack of affordable rentals; workforce attraction and retention.
- **Opportunities:** Workforce housing projects, expansion of AVTEC programs, port development, year-round recreation and tourism diversification, renewable energy projects.



Regional Profiles

Western Peninsula

Strengths: Strong subsistence culture, access to natural resources, and deep community cohesion.

Challenges: The remoteness of the area makes transportation difficult and raises the cost of goods and services. These communities also struggle with limited services due to cost and remoteness.

Opportunities: Renewable energy and cultural/eco-tourism provide economic opportunities while Tribal partnerships open up a world of possibilities both from an economic and cultural perspective.

Remote rural

(Includes: Anchor Point, Bear Creek, Beluga, Clam Gulch, Crown Point, Cohoe, Cooper landing, Diamond Ridge, English Bay, Fox River, Fritz Creek, Funny River, Halibut Cove, Happy Valley, Hope, Kalifornsky, Kasilof, Lowell Point, Moose Pass, Nanwalek, Nikiski, Nikolaevsk, Ninilchik, Port Graham, Primrose, Seldovia, Seldovia Village, Sterling, Sunrise, and Tyonek)

Strengths: Subsistence lifestyle, scenic beauty, strong community ties.

Challenges: Isolation, limited infrastructure, high costs.

Opportunities: Renewable energy, cultural and eco-tourism, broadband expansion.

Geographic Comparison Summary

Central = commercial hub

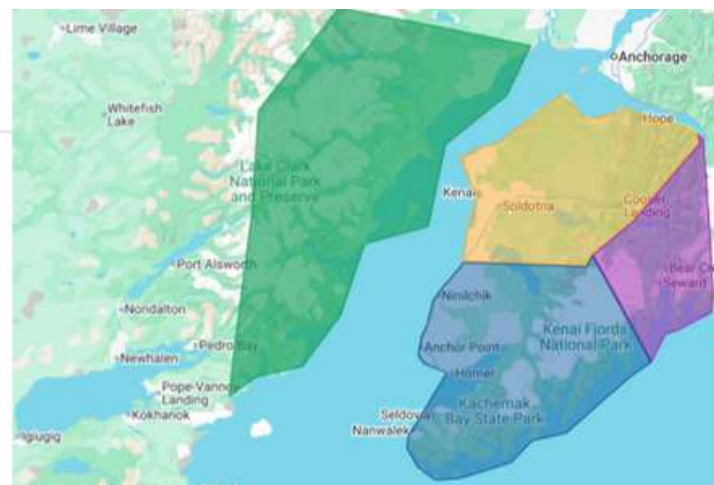
Southern = fisheries and small business

Eastern = tourism gateway

Western = remote/subsistence

Remote Rural = subsistence and strong community ties

Shared themes: housing & workforce shortages across all



SWOT Analysis

A SWOT analysis is a simple way to understand a region's economy by looking at strengths, weaknesses, opportunities, and threats. Strengths and weaknesses come from within the region, while opportunities and threats come from outside influences. This section summarizes the key factors affecting the Kenai Peninsula's economic health.



SWOT Analysis

Strengths

- Natural Resources & Fisheries: World-class salmon runs, abundant natural beauty, outdoor recreation, and public land access anchor both quality of life and the economy.
- Community Fabric: Strong sense of community, small-town values, safety, and mutual support; engaged nonprofits, churches, and civic organizations.
- Quality of Life: Clean environment, relatively affordable property taxes, family-friendly atmosphere, low crime rate, and opportunities for youth sports and outdoor activities.
- Business Growth & Innovation: Noticeable growth in new businesses, streamlined licensing, small business loans, and improved broadband (Starlink, new providers).
- Tourism Assets: Strong tourism base built around fishing, recreation, and natural amenities, with opportunities for year-round expansion (healthcare tourism, cultural events, entertainment).
- Infrastructure Improvements: Recent Sterling Highway upgrades, bus programs, cell towers, and broadband expansion.

Weaknesses

- Housing: Persistent shortages and high costs; lack of affordable, starter, seasonal, and workforce housing; impacts from AirBnB/second homes; construction workforce shortages.
- Cost of Living: High costs for housing, shipping, energy, and healthcare; inflationary pressures squeeze residents and businesses, and expected gas shortages in the near future.
- Childcare & Family Services: Limited affordable childcare and elder care; gaps in long-term care and youth/teen activities.
- Education & Workforce Gaps: Underfunded schools, declining K-12 quality, limited trades and technical training, teacher layoffs, and difficulty retaining young families.
- Isolation & Transportation Barriers: Long winters, distance to Anchorage, limited public transit, high travel costs, and vulnerability to shipping disruptions.
- Community Challenges: Substance abuse, domestic violence, intolerance, and “closed community” perceptions undermine resilience and attraction.

SWOT Analysis

Opportunities

- **Housing & Workforce Development:** Largest cross-cutting priority; expand housing options (ADUs, mixed-use, multi-family, workforce housing), pair with robust workforce development, apprenticeships, and childcare support.
- **Energy Diversification:** Expand geothermal, solar, wind, and nuclear; leverage Unity LNG and AK LNG pipeline; invest in efficiency, weatherization, and renewable job creation.
- **Tourism Diversification:** Build year-round offerings — healthcare tourism, cultural/film events, recreation infrastructure, downtown revitalization.
- **Business & Industry Growth:** Strengthen small business resiliency; attract tech, pharmaceutical, clean energy, and digital economy jobs; expand fisheries value-added processing.
- **Fisheries Protection:** Safeguard salmon health and fisheries management to sustain both the economy and culture.
- **Infrastructure Resilience:** Modernize transportation, improve broadband, expand public transit, and strengthen supply chain capacity.
- **Community Vitality:** Invest in schools, childcare, healthcare, and social hubs; support equity, diversity, and inclusion to retain and attract residents.

Threats

- **Housing & Workforce Challenge:** Housing shortages and lack of skilled workforce threaten every sector, from education to healthcare to construction.
- **Natural Hazards:** Wildfires (beetle kill), earthquakes, tsunamis, volcanoes, coastal/bluff erosion, flooding, harsh winters, salmon decline, food insecurity.
- **Energy & Cost Instability:** Overdependence on natural gas; risk of blackouts, high heating costs, and global energy shocks; LNG price volatility.
- **Economic Vulnerability:** Heavy reliance on oil & gas, fisheries, and tourism; recession risks from fuel shocks, tariffs, inflation, and federal/state funding cuts.
- **Governance & Fiscal Risks:** Federal/state budget cuts, PFD instability, education funding formulas, regulatory uncertainty, tariffs, and global policy disruptions (Russia, China).
- **Social Strain:** Outmigration (especially youth), aging population, substance abuse, social division, and intolerance; strain on schools, healthcare, and community services.

TLDR

Across all community input, housing emerged as the number one priority, both the greatest weakness and the most transformative opportunity. Workforce development is the second highest need, directly tied to housing, childcare, and education.

Together, these two issues form the backbone of resilience, shaping the Peninsula's ability to diversify its economy, protect natural resources, and sustain vibrant communities.

Goals & Objectives

Goal 1: Natural Resources & Infrastructure

Strengthen the Borough's resilience by expanding reliable housing, modernizing infrastructure, and diversifying energy sources while protecting natural resources.

Objectives

- **Housing Expansion & Affordability**

Develop workforce, starter, seasonal, and senior housing with a variety of densities – including homes with smaller footprints, increased density, and prioritizing infill – through public-private partnerships, zoning updates, release of Borough-held lands, and short-term rental policies that balance visitor economy with year-round needs.

- **Energy Diversification & Reliability**

Lower household and business costs by expanding geothermal, solar, wind, and exploring nuclear microreactors, while ensuring a stable natural gas supply during the energy transition.

- **Infrastructure Modernization**

Upgrade and natural-disaster harden roads, ports, and airports to improve mobility, enhance resilience to erosion and seismic risks, and enhance readiness for potential mega-projects such as LNG development.

- **Broadband & Connectivity**

Expand access to high-speed broadband across all communities to enable and promote remote work, digital economy growth, telehealth, and educational equity.

- **Natural Disaster Resilience & Hazard Mitigation**

Prepare for wildfire, earthquake, tsunami, erosion, and fisheries decline through proactive planning, hazard mitigation infrastructure, and regional emergency coordination.



Goals & Objectives

Goal 2: Social & Community Engagement

Build thriving, welcoming communities with strong schools, family supports, and civic cohesion that retain and attract residents.

Objectives

- **Workforce Development & Education**

Align training with high-demand sectors (healthcare, energy, trades, maritime, tech) and strengthen youth pathways from K-12 to CTE, AVTEC, and local employers.

- **Childcare & Family Supports**

Expand affordable childcare and elder care options through facility development, employer-supported programs, and nonprofit partnerships to boost workforce participation and family stability.

- **Education Investment**

Improve K-12 and higher education funding, expand CTE and adult retraining, and stabilize teacher recruitment and retention.

- **Equity & Social Cohesion**

Support safe, welcoming neighborhoods, and promote small-town character, and cultural vibrancy.

- **Health & Community Services**

Expand access to healthcare specialists, addiction treatment, and mental health programs. Invest in recreation and cultural hubs to enhance livability and attract young families.



Goals & Objectives

Goal 3: Economic Opportunity

Diversify the economy, support small businesses, and protect legacy industries while preparing for future opportunities.

Objectives

- **Business Diversification & Innovation**

Encourage growth in clean energy, digital economy, mariculture, advanced manufacturing, and year-round tourism sectors.

- **Support for Small Business**

Expand access to financing tools, grants, and technical assistance for at least 500 businesses by 2031 to strengthen resilience and competitiveness.

- **Fisheries & Maritime Protection**

Safeguard Cook Inlet salmon runs and coastal fisheries while expanding mariculture, marine services, and value-added seafood processing.

- **Tourism Diversification**

Invest in year-round tourism opportunities, including healthcare tourism, cultural events, film festivals, and winter recreation.

- **Cost of Living Stabilization**

Pursue housing, energy, and transportation strategies that minimize the increase in the Borough-wide cost of living by at least 10% by 2031.

- **Governance & Fiscal Responsibility**

Advocate for stable education funding formulas, protect local revenue streams, and develop a fiscal resilience plan to manage external risks (tariffs, funding cuts, global instability).



Goals & Objectives

Housing Objective: Support the Development of Workforce and Affordable Housing

"Housing is the foundation that allows the Kenai Peninsula's people, businesses, and communities to thrive." -Community Member at May 2025 Community Meeting

Overview

Across the Kenai Peninsula, access to affordable, quality housing has emerged as a top economic development challenge. Growing the housing supply across all price points will support job growth, stabilize the workforce, help communities retain young people, and improve overall quality of life. This objective reflects the priorities identified in public meetings, business surveys, and community listening sessions.

Addressing housing needs through strategic investment, zoning updates, and partnerships will help attract and retain workers, reduce out-migration, and improve the overall quality of life.

Key Issues

Limited Workforce Housing:

Businesses report worker shortages due to lack of available rental units.

Rising Home Prices: First-time buyers struggle to enter the market, particularly young families.

Seasonal Workforce Pressure:

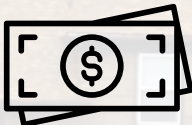
Tourism, healthcare, and fisheries report acute summer housing shortages as long-term housing competes with short-term rentals.

Senior Housing Gaps: Demand for assisted living and accessible housing far exceeds current capacity.

Energy & Utility Costs: High heating, electricity, and maintenance costs further increase total housing costs. (\$0.28/kWh and up to \$4.99/gal of heating oil in 2025)

Slow Development Pace: Limited financing tools, zoning barriers, and construction costs limit new builds.

Aging Housing Stock: Increases maintenance costs and energy inefficiency.



By The Numbers

- **Housing Shortage:** The scale of the affordable housing shortage in the KPB is substantial, workforce and senior housing the most constrained segments.
- **Housing Costs:** By 2025, the median single-family home price in the KPB reached approximately **\$365,000, typical mortgage payments more than doubled since 2020.**
- **Rental Affordability:** Median rents have **increased by 20%** since 2020 (currently \$1,100 HUD Fair Market Rent), while vacancy rates remain below 5% in most communities.
- **Community Perception:** In the Smart Growth Poll, **76% of residents rated housing affordability as fair or poor**, citing it as a top barrier to workforce and family retention.
- **Seward Priority:** Workshop participants ranked housing as the **least adequate** economic "supporter," with 53 negative votes to 1 positive, underscoring widespread concern.
- **Senior Citizens per Licensed Care Bed:** In 2022, there was only **1 bed per 39** seniors.

Goals & Objectives

Opportunities

- **Zoning & Permitting Updates:** Streamlining processes and allowing and encouraging higher-density housing in key areas.
- **Tourism Refocus:** Focus on shoulder season, winter tourism strategies and attractions to increase visitors during the off-season.
- **Research & Planning:** Research and community decision making on Short Term Rental Policies.
- **Public-Private Partnerships:** Engaging developers, employers, and Tribal entities in workforce and senior housing projects.
- **Energy Efficiency Retrofits:** Combining housing initiatives with energy upgrades to reduce operating costs.
- **Federal & State Funding:** Leveraging HUD, USDA Rural Development, and Alaska Housing Finance Corporation programs.
- **Tax Incentives:** Support tax incentives for workforce housing construction.



KPI

- Total number of new units built annually
- Rental vacancy rates by community
- Home and Rental Affordability
- Senior housing capacity
- Participation in housing incentive programs
- Number of new housing partnerships established
- Median Home Sale Price and Median Rent

Why This Matters for Economic Resilience

Solving housing challenges is central to growing the Peninsula's workforce, supporting businesses, retaining families, and building long-term community stability. Without sufficient housing, every other sector – healthcare, tourism, fishing, education, and more – struggles to grow.

Goals & Objectives

Childcare Objective: Expand Access to Affordable, High-Quality Childcare

"Childcare isn't just a family issue — it's a workforce issue. When families can't find care, businesses lose workers." - Community Member at April 2025 Community Meeting

Overview

The Kenai Peninsula faces a growing childcare gap that directly impacts the region's workforce and economy. Without affordable and reliable childcare, parents are forced to stay home, reduce work hours, or leave the workforce entirely. Across KPB, parents, especially women, cite childcare shortages as a significant barrier to entering or remaining in the workforce.

Businesses across industries report that the lack of childcare makes it harder to recruit, retain, and grow their teams. Expanding childcare options will help stabilize the workforce, retain young families, and strengthen long-term economic resilience.

By The Numbers

- **Workforce Impact:** The Smart Growth Poll revealed 79% of residents rate the cost of living—including childcare—as fair or poor, with childcare shortages cited as a top barrier to workforce participation. Thirty percent of households need childcare.
- **Childcare Availability:** The Borough averages only one licensed childcare slot for every three children under age five, with shortages most acute in rural areas.
- **Labor Force Participation:** Women under 50 report the highest dissatisfaction with workforce conditions, citing childcare as a key barrier to full participation. Total labor force participation is lower than pre-pandemic.
- **Seward Priorities:** Workshop participants emphasized childcare as one of the most limited economic “supporters,” ranking alongside housing and energy as significant workforce barriers (Seward Comp Plan).
- **Economic Potential:** National research suggests that every dollar invested in childcare generates \$1.86 in local economic activity through increased parental workforce participation and reduced absenteeism (source: U.S. Chamber of Commerce Foundation).

79%

1:3



\$1.86

Goals & Objectives

Opportunities

- **Public-Private Partnerships:** Employers and community organizations can collaborate to invest in childcare solutions (e.g., employer-sponsored daycare).
- **Expansion of Home-Based Providers:** Regulatory and training support can increase licensed, small-scale childcare options in rural areas.
- **Integration with Workforce Development:** Linking childcare solutions to workforce training hubs like AVTEC and Kenai Peninsula College.
- **Funding Alignment:** Leverage state and federal childcare grants to expand early learning and family support programs.
- **Employer Support:** Support providers' workforce development (OJT) through certification and training programs. Develop employer-supported childcare models.
- **Capital Access:** Expand access to startup and facility funding for new childcare centers.
- **Promote shared-services models:** Encourage or incentivise shared-service models that help small providers with business operations.
- **Policy Advocacy:** Advocate for expanded state and federal funding to support affordability and access.

Example: Providence Alaska in Anchorage, has The Providence Center for Child Development (CCD) in Anchorage which provides high-quality childcare for the children of caregivers who work at Providence. The CCD has slots for 120 children and is open 12 hours a day, Monday-Friday. Providence Alaska subsidizes the program in order to retain high caliber staff and lower costs for families. "We've found [providing] high-quality child care at a reasonable rate is an amazing tool to recruit and retain working moms and dads," said Florian Borowski, chief Human Resources officer for Providence Alaska.

KPI

- Utilization of state and federal childcare grants
- Increase in licensed childcare slots (10 facilities and 100 slots by 2031).
- Employer participation in childcare partnerships (target: 20 major employers by 2031).
- Reduction in workforce absenteeism due to childcare shortages (target: 15% reduction by 2031).
- Labor force participation rate among parents of children under five (target: +10% by 2031).



Why This Matters for Economic Resilience

Access to childcare is a basic building block of a reliable workforce. Without it, businesses lose workers, families struggle financially, and community growth stalls. Closing the childcare gap keeps working parents in the labor force and strengthens KBP's long-term economic stability.

Goals & Objectives

Education Objective: Strengthen Education Pathways to Build a Resilient, Homegrown Talent Pipeline

"A strong education system keeps young people here, supports families, and prepares every generation for success." - Community Member at September 2025 Community Meeting

Overview

Education is central to KPB's long-term economic strength. Strong K-12 schools, technical training programs, and higher education institutions provide residents with the skills and knowledge they need to thrive locally.

But student enrollment is declining, youth outmigration continues, and families face limited early education and enrichment opportunities. Strengthening education systems helps the Peninsula retain young families, prepare future workers, adapt to changing economic conditions, and sustain vibrant communities.

By The Numbers

- **Enrollment:** The Kenai Peninsula Borough School District enrolls **8,355 K-12 students** (including homeschool), a 10% decline over the past decade.
- **Population Growth:** The youth population is projected to decrease by **0.7 percent annually** through 2050.
- **Kenai Peninsula College:** Enrollment was **2,284 students in 2023**, a 23 percent increase from the previous year.
- **AVTEC:** Enrolled **631 vocational students in 2023**.
- **High School Graduation:** The region's high school graduation rate is approximately **85 percent**, a solid baseline for postsecondary and workforce readiness.

8,355
Students

-0.7
Decline in Youth Population

2,284
College Enrollees

631
Voc Tech Students

85%
Graduation Rate

Goals & Objectives

Opportunities

- **Broaden School-to-Work Pathways:** Expand dual-credit and career pathways connecting K-12 to college, AVTEC, and apprenticeships.
- **Education that Reflects the Peninsula:** Support place-based and culturally relevant education that reflects Peninsula industries and communities.
- **Interwoven Partnerships:** Strengthen partnerships between schools, businesses, and training providers to offer real-world experiences.
- **Early Education Expansion:** Build early childhood education capacity to support school readiness.
- **Lifelong Learning:** Encourage lifelong learning and adult education programs to serve the entire population, including seniors.



KPI

- K-12 enrollment stabilization or growth
- Dual-credit and apprenticeship participation rates
- Postsecondary enrollment and graduation rates
- Early childhood education enrollment growth
- Industry partnerships established for career-connected learning

Why This Matters for Economic Resilience

Education builds the homegrown talent needed to sustain the Peninsula's economy for generations to come. By investing in education today, we attract, retain, and strengthen families, create opportunities, and ensure businesses have the skilled workforce they need tomorrow.

Goals & Objectives

Workforce Development Objective: Build a Skilled, Ready, and Resilient Workforce

"People are the Peninsula's greatest asset — investing in workforce means investing in our future." - Community Member in May 2025 Community Meeting

Overview

The Kenai Peninsula's economy depends on a reliable, skilled workforce across many industries: healthcare, oil and gas, fishing, tourism, construction, education, and emerging sectors such as mariculture. Simultaneously, businesses increasingly report challenges in finding qualified workers. The region faces an aging population, limited labor pool growth, and skill gaps that limit the labor force. Workforce development programs to train residents for in-demand jobs, support young people, and connect workers to career pathways are essential for economic growth and resilience.

A skilled, adaptable workforce is essential for the KPB's economic resilience and diversification.

Top Reported Workforce Shortages: Healthcare, skilled trades, education, childcare, marine trades, oil & gas

By The Numbers

- **Workforce Participation:** The Borough's labor force participation rate averaged 59% in 2023, below the statewide rate of 61%.
- **Aging Workforce:** Residents over 65 are projected to outnumber workers under 35 by 2035, signaling a shrinking workforce pool.
- **AVTEC Capacity:** The Alaska Vocational Technical Center trains over 1,200 students annually, with 90% job placement in maritime, welding, and energy fields.
- **Skilled Trade Shortages:** Health care, construction, and energy-related industries have vacancy rates exceeding 10%, contributing to project delays and reliance on out-of-state workers.
- **Resident Priority:** Seward workshop participants ranked education and workforce development as the top economic development driver, emphasizing trades, tourism, and marine workforce programs.
- **Childcare Barrier:** Residents highlighted childcare as a primary barrier to workforce participation, especially for women under 50.



59%

Labor Force Participation



90%

Job Placement in Maritime, Welding and Energy Fields from AVTEC



+10%

Vacancy Rates



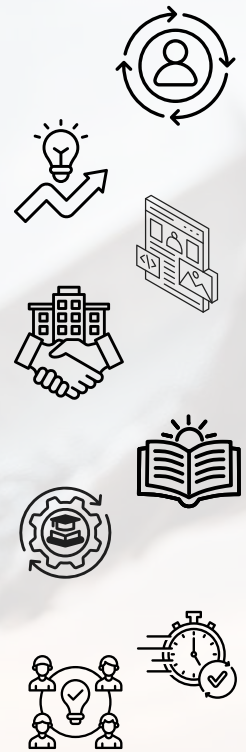
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Childcare Primary Barrier to Workforce Participation

Goals & Objectives

Opportunities

- **Youth Retention & Re-Entry Programs:** Expand internships, apprenticeships, and career pathways in partnership with KPBSD and AVTEC. Increase partnership with employers to align training with job openings.
- **High-Demand Sectors:** Marine services, mariculture, energy efficiency, and health care offer strong year-round employment potential.
- **Remote Work Training:** Broadband expansion opens opportunities for digital economy jobs and workforce flexibility.
- **Public-Private Partnerships:** Industry collaboration can align training with emerging needs, including energy transition and maritime diversification.
- **Career Awareness:** Build programs to promote trades, healthcare, and marine careers for K-12 students.
- **Retraining:** Support training for displaced or transitioning workers as industries change and increase awareness of existing programs.
- **Short-term Credential Programs:** Develop short-term credential programs to quickly build workforce capacity.
- **Coordinate Efforts:** Create regional workforce coalitions to coordinate efforts across industries.



KPI

- Youth employment retention rates (target: +15% by 2031).
- New apprenticeships & internships created (target: +20 by 2031).
- Increase in local hires in health care, energy, and maritime sectors (target: +10% by 2031).
- Increased high school CTE participation rates (50% target)
- Employer-reported workforce satisfaction rates (70% target)
- Increased workforce participation rates among residents 18–65 (75% target)

Why This Matters for Economic Resilience

A strong, diverse, and homegrown workforce allows the Kenai Peninsula to adapt to changing industries, support local businesses, and keep young families rooted in the region. Workforce development ensures economic resilience by building skills that stay local and meet tomorrow's needs.

Goals & Objectives

Energy Resilience Objective: Expand Reliable, Affordable, and Locally-Sourced Energy Options

"Energy costs impact every home, business, and industry — resilient energy systems keep our economy strong." -Community Member in May 2025 Community Meeting

Overview

Energy costs on the Kenai Peninsula are among the highest expenses for both residents and businesses. From heating homes to powering manufacturing, reliable and affordable energy is essential for long-term economic growth.

The Peninsula relies heavily on Cook Inlet natural gas for heating and power. However, as gas production declines and prices rise, the region faces growing risks tied to energy supply, price volatility, and limited diversification. Building energy resilience means expanding renewable options, improving infrastructure, and planning for future energy transitions.

By The Numbers

- **Oil & Gas as a Foundation:** In 2022, the oil and gas industry supported 2,518 jobs and \$183.5 million in wages in the Kenai Peninsula Borough alone
- **Statewide Economic Impact:** Oil and gas account for 16% of all Alaska employment and 17% of total wages, contributing over \$4 billion to state revenues annually
- **Production Trends:** North Slope oil production is forecast to decline steadily through 2032, with infield development necessary to sustain operations; Cook Inlet fields also show declining yields
- **High Costs for Residents:** Residential electricity costs in the Borough range from \$0.20 to \$0.28 per kWh, significantly higher than the Anchorage and U.S. averages of \$0.20 and \$0.16, respectively, while heating oil averages \$5.50 per gallon in rural areas.
- **Energy Demand from Residents:** 79% of residents rank the cost of living, including energy, as fair or poor.

2,518

Oil & Gas Jobs

\$183.5

Millions of Dollars in Wages



Gas Production Declining

\$0.28

per KWH

79%

Rank Energy Costs as Fair to Poor

Goals & Objectives

Opportunities

- **Battery Storage:** Expand battery storage and smart grid infrastructure.
- **Energy Efficiency:** Encourage energy efficiency upgrades for homes, businesses, and public buildings.
- **Distributed Energy Generation:** Support distributed energy generation for remote or off-grid communities.
- **Leverage Government Funding:** Leverage state and federal funding opportunities for energy transition and natural disaster resilience, including renewable projects, such as solar and heat pump deployment.
- **Renewable Adoption:** Develop wind, solar, hydro, tidal, and geothermal resources available on the Peninsula to capitalize on growing community interest in solar, tidal, and heat pump technologies.
- **Public-Private Partnerships:** Opportunities exist to partner with utilities, oil and gas companies, and Tribal entities to modernize energy infrastructure and reduce costs.



KPI

- Number of energy efficiency retrofits completed
- New large-scale renewable projects developed or permitted
- Total dollars leveraged in state and federal energy resilience grants
- Storage capacity added to regional grids
- Percent of Borough energy from renewable sources (target: 15% by 2031).
- Reduction in average residential energy costs (target: 10% by 2031).
- Jobs created in renewable energy & energy efficiency sectors (target: +150 new jobs by 2031).
- Number of households adopting energy efficiency upgrades (target: 1,000 by 2028).



Why This Matters for Economic Resilience

Energy reliability underpins every part of the Kenai Peninsula's economy. Reducing dependence on a single fuel source, expanding renewables, and lowering energy costs will strengthen economic stability, attract new industries, and support long-term community resilience.

Goals & Objectives

Maritime Sector Diversification Objective: Expand Maritime Industries for Future Economic Growth

"The Kenai Peninsula's coastal location creates long-term opportunities to strengthen and diversify our maritime economy." -Community Member in May 2025 Community Meeting

Overview

The Kenai Peninsula has long depended on its proximity to rich waters for fishing, tourism, and transportation. While commercial fishing remains a pillar, the broader maritime sector holds untapped potential to support new industries, strengthen resilience, and create year-round employment.

Emerging sectors like mariculture, research, vessel repair, marine logistics, and marine technology offer promising diversification opportunities. Investing in the maritime economy can leverage the region's natural assets, skilled workforce, and existing infrastructure to build long-term prosperity.

By The Numbers

- **Commercial Fishing Dominance:** The Kenai Peninsula consistently ranks among Alaska's top fishing regions, with Upper and Lower Cook Inlet yielding 85-95 million pounds of salmon annually in recent years and approximately 2,100 harvesting and processing jobs combined.
- **Aquaculture Growth Potential:** Active aquatic operations in the Borough already receive federal support, with over \$1 million in mariculture farm payments in 2023 and steady growth in oyster production, as well as potential for increased kelp farming.
- **Maritime Employment:** Borough-wide maritime-related employment, including commercial fishing, seafood processing, and marine services, supports an estimated 3,500-4,000 jobs annually.
- **High Wages:** Maritime and seafood sector wages average \$68,000 annually, exceeding Borough averages by 15%.
- **Marine Research:** The region has Kachemak Bay Research Reserve, APMI, and UA partnerships to advance marine research.

**85-95M
lbs**

**of Salmon Harvested
Annually**

2,100

**Estimated Annual Processing
Jobs**

\$1 M

Aquaculture Farm Payments

**3,500-
4,000**

**Estimated Annual Ocean
Supported Jobs**

\$68,000

**Avg Annual Wage in
Mariculture**

3

Maritime Research Orgs

Goals & Objectives

Opportunities

- **Aquaculture Expansion:** Federal and state support for mariculture provides a pathway to diversify and stabilize revenue.
- **Marine Services & Research:** Leveraging existing port infrastructure in Seward and Homer to attract vessel repair, shipbuilding, marine science research partnerships, and support diversified uses (vessel repair, mariculture, military support, tourism, research).
- **Value-Added Processing:** Investment in seafood processing technologies and cold storage, and value-added facilities can increase local economic retention.
- **Workforce Alignment:** AVTEC and local training programs can provide marine engineering and mariculture certification programs to meet emerging sector needs. And strengthen maritime workforce training in vessel repair, navigation, mariculture, and marine safety.
- **Logistics Support:** Develop logistics hubs to support Arctic shipping, defense needs, offshore energy, and port-related services.

KPI

- Increase in mariculture production (target: +50% by 2031).
- Number of new local mariculture permits and businesses (target: +10 by 2031).
- Growth in value-added seafood processing (target: +25% local processing capacity by 2031).
- Jobs created in maritime services and mariculture (target: +200 by 2031).
- Growth in local shellfish/seaweed production volumes (target: +25% local production volume by 2031).
- Cold storage and processing capacity
- Number of maritime workforce credentials earned
- Infrastructure investments secured for port improvements



Why This Matters for Economic Resilience

Maritime sector diversification offers the Peninsula a pathway to reduce reliance on single industries, create new jobs, and build stability in the face of resource, natural disaster, and market shifts. Early action today will position the region to capture long-term opportunities.

Goals & Objectives

Infrastructure & Transportation Objective: Strengthen Critical Infrastructure and Improve Regional Connectivity

"Safe, reliable infrastructure connects our communities, supports our industries, and prepares us for the future." - Community Member in September 2025 Community Meeting

Overview

The Kenai Peninsula's economy depends on its roads, railroads, marine highway, ports, airports, energy systems, water infrastructure, and communications networks to connect workers to jobs, businesses to markets, and communities to essential services.

Aging infrastructure, rural connectivity gaps, and growing demands from tourism, freight, and population shifts are straining existing systems. Upgrading, maintaining, and diversifying our infrastructure will improve safety, support industry growth, and increase resilience against natural disasters and economic disruptions.

By The Numbers

- **Transportation Hubs:** The Borough hosts 40 airports or landing strips, with Kenai Municipal Airport serving as the region's busiest commercial hub.
- **Marine Infrastructure:** Seward's deep-water port is a critical link for cargo and tourism; marine freight volume increased 12% from 2020-2023 as vessel repair and tourism rebounded.
- **Road Network:** The Sterling and Seward Highways carry over 6,500 average daily vehicles near urban hubs, but rural sections lack year-round maintenance reliability.
- **Broadband Gaps:** Approximately 15% of households lack reliable high-speed internet, limiting remote work and education opportunities.
- **Public Sentiment:** Residents specifically called for sidewalk upgrades, bike paths, and snow removal improvements
- **Natural Disasters:** There have been multiple earthquakes and landslides in the region recently, damaging infrastructure. Residents have indicated that infrastructure capable of withstanding natural disasters is a high priority.

40

Airports

12%

Increase in Freight Volume

6,500

Avg Daily Vehicles

15%

Lack Reliable Internet

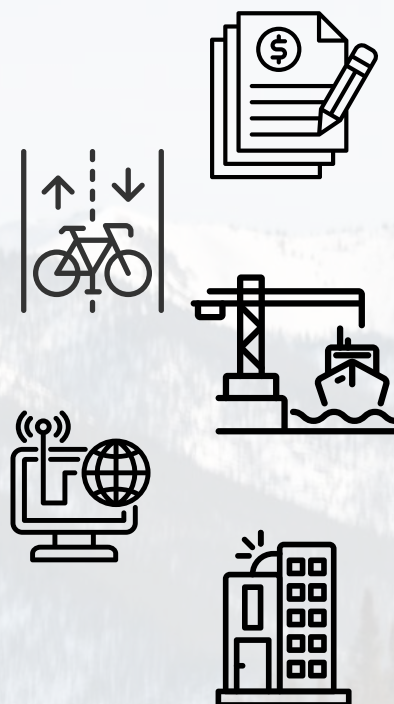


Resilient Infrastructure

Goals & Objectives

Opportunities

- **Federal Infrastructure Funding:** Aligning projects to modernize ports, roads, and broadband with IJA (Infrastructure Investment and Jobs Act) programs can magnify the impact.
- **Active Transportation Demand:** Residents support increased walkability, bike lanes, and safe pedestrian infrastructure.
- **Port Expansion & Marine Services:** Upgrading harbors and cargo-handling facilities can attract more maritime commerce and ship repair work.
- **Digital Economy Growth:** Expanding broadband access and redundancy supports remote work, education, and health care delivery.
- **Resilient Infrastructure:** Strengthen intermodal connections. Improve resilience by upgrading critical lifeline routes between air, marine, road, and rail corridors to withstand floods, fires, and seismic events.



KPI

- Miles of roads improved or maintained to year-round standard (target: +50 miles by 2031).
- Increased broadband access (target: 95% of households with reliable high-speed internet by 2031).
- Port & harbor capacity expansion (target: +20% freight volume capacity by 2031).
- Added miles of pedestrian/bike infrastructure (target: +10 miles by 2031).
- Federal/state infrastructure funds secured
- Freight movement efficiency (travel time, congestion reduction)
- Emergency evacuation route improvements completed

Why This Matters for Economic Resilience

Strong infrastructure supports every part of the Kenai Peninsula's economy – from jobs and industry growth to public safety and emergency response. Investments made today will reduce long-term costs, strengthen local industries, and ensure communities remain connected and competitive in the years ahead.

Economic Resilience

Overview

Economic resilience is the capacity of a region to anticipate, withstand, and recover from disruptions, whether caused by natural disasters, industry decline, or global market changes. For the Kenai Peninsula, resilience is not only about reacting to challenges but about maintaining and growing the diverse forms of community wealth that support long-term prosperity. This includes the region's human, natural, built, social, and financial capital.

Resilience on the Kenai Peninsula is strengthened when communities maintain and diversify the assets that make the region prosperous—from its skilled workforce and natural resources to the social and institutional relationships that sustain them.

The Kenai Peninsula's unique geography and economic base create both strengths and vulnerabilities. The region's assets, its fisheries, energy resources, natural beauty, and entrepreneurial culture, are also intertwined with risks such as commodity volatility and workforce transitions. Building resilience, therefore, means investing in people and place while diversifying the economy to ensure that future generations inherit a more adaptable and resilient regional foundation.

Major Resilience Challenges

The following interconnected challenges shape the Peninsula's resilience priorities:

- **Natural Disasters and Hazards:** The Kenai Peninsula faces increasing wildfire risk, coastal and riverine erosion, earthquake activity, and flooding. These threats affect homes, ports, roads, and energy systems critical to commerce and safety.
- **Energy Transition and Affordability:** The region's reliance on Cook Inlet gas and imported fuel creates exposure to price and supply fluctuations. Energy diversification is essential for economic stability and community sustainability.
- **Housing and Workforce Retention:** High housing costs, limited childcare, and seasonal employment contribute to workforce shortages, constraining the region's capacity to recover quickly from shocks.
- **Economic Dependence on a Few Sectors:** Oil and gas, commercial fishing, tourism, and healthcare are major employers. Fluctuations in any of these sectors, whether driven by global markets, environmental change, or regulatory shifts, can ripple through the local economy.
- **Aging Infrastructure:** Deferred maintenance and limited redundancy in ports, airports, and broadband infrastructure pose risks to supply chain continuity and emergency response capacity.

Economic Resilience

Building Adaptive Capacity

The region's resilience is strengthened through collaborative leadership, local ownership of assets, and continuous learning. KPEDD and its partners are advancing resilience through the following strategies:

Economic Diversification: Supporting growth in renewable energy, mariculture, research, and value-added manufacturing to reduce reliance on extractive or seasonal industries.

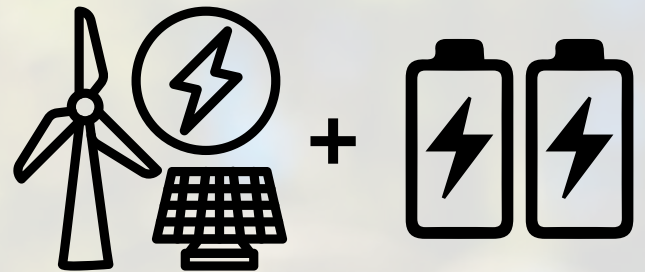


Housing and Workforce Development:

Partnering with municipalities, Tribes, and the private sector to expand workforce housing, childcare, and vocational pathways that keep working-age residents in the region.

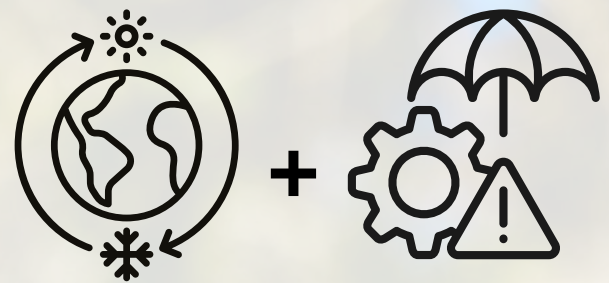


Energy Reliability and Transition: Promoting development of geothermal, wind, solar, and small modular nuclear systems to ensure stable, affordable energy for communities and industries.

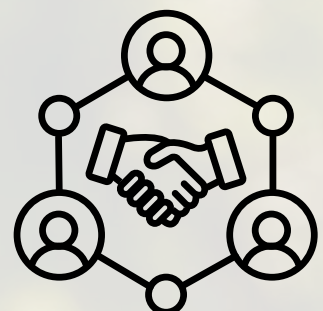


Natural Disaster Adaptation and Hazard Mitigation:

Aligning local hazard mitigation plans with regional infrastructure investment priorities, emphasizing erosion control, wildfire preparedness, and resilient transportation networks.



Community and Social Capital: Strengthening partnerships among local governments, Tribes, educational institutions, and industry associations to enhance coordinated response capacity and resource sharing.



Economic Resilience

Measuring Resilience through Wealth Creation

Resilience is expressed through the region's ability to sustain and regenerate multiple forms of community wealth. KPEDD's approach integrates this broader definition into its planning and evaluation framework:

Form of Capital	Example of KPEDD Resilience Strategy
Human	Expanding vocational education and childcare access to stabilize the workforce.
Natural	Supporting habitat restoration and sustainable fisheries to maintain ecosystem productivity.
Built	Modernizing roads, ports, and broadband to strengthen connectivity and emergency response.
Social	Fostering collaboration among communities, Tribes, and industry to leverage shared assets.
Financial	Encouraging local investment, entrepreneurship, and public-private partnerships to retain wealth locally.

By linking resilience and wealth creation, the CEDS positions the Kenai Peninsula to thrive in the face of disruption. A resilient economy is one that not only rebounds from shocks but uses them as opportunities to innovate, diversify, and expand the long-term well-being of its people and communities.

Post-Disaster Economic Recovery

The Kenai Peninsula Economic Development District (KPEDD) serves as the lead regional convener for post-disaster economic recovery and long-term resilience. As the federally designated Economic Development District for the Kenai Peninsula Borough, KPEDD coordinates recovery planning, mobilizes resources, and connects local governments, businesses, and nonprofits with state and federal support systems. The organization's leadership ensures that economic recovery efforts are rapid, coordinated, and aligned with long-term development goals.

KPEDD's approach to recovery focuses not only on rebuilding but also on strengthening the region's capacity to withstand future disruptions. Through its deep local partnerships and technical expertise, KPEDD helps the Borough and its communities transition from immediate disaster response to long-term resilience and diversification.

Economic Resilience

Key Recovery Functions



Central Coordination and Technical Assistance:

Serves as the regional liaison to federal and state disaster programs, helping businesses, communities, and local governments access and manage recovery funds.



Economic Impact Assessment: Conducts data-driven analyses to quantify economic losses, identify vulnerable sectors, and prioritize investments that restore critical economic activity.



Infrastructure Restoration and Resilience: Supports planning and funding for infrastructure repair and upgrades that enhance regional resilience to future natural and economic shocks.



Business Continuity and Workforce Support: Provides guidance, communication, and coordination for businesses to resume operations, maintain employment, and adapt to changing economic conditions.



Diversification and Future Planning: Ensures recovery efforts align with long-term strategies to diversify the regional economy and reduce dependence on single industries or geographies.



Funding Alignment and Partnership Development:

Leverages KPEDD's extensive network of public and private partners to attract investment, promote green infrastructure, and ensure equitable recovery outcomes.

Through these functions, KPEDD positions the Kenai Peninsula Borough to not only recover from disruption but to emerge stronger, more adaptive, economically diverse, and resilient to the challenges of a changing global economy

Action Plan and Implementation Strategy

Overview

The Action Plan translates the Kenai Peninsula's vision into a coordinated implementation framework. It aligns the region's strategic priorities—housing, workforce, energy, childcare, fisheries, tourism, and cost of living—with measurable outcomes that reflect both economic growth and community resilience. Each initiative is rooted in partnership, recognizing that long-term success depends on shared investment and coordinated leadership among KPEDD, the Kenai Peninsula Borough, municipalities, Tribal governments, educational institutions, nonprofits, and the private sector.

This plan is designed to guide implementation through 2031, balancing near-term actions with long-term transformation. The strategies reflect a dual focus: building economic capacity today while strengthening the foundational assets—human, natural, built, and social capital—that underpin the region's prosperity.

Strategic Priorities and Implementation Pathways

Housing

By 2031, the Kenai Peninsula aims to add 200 affordable housing units across workforce, starter, seasonal, and senior categories. KPEDD will collaborate with the Borough and cities to identify and release developable Borough-held land, revise zoning to enable mixed-use and higher-density developments, and support adoption of short-term rental (STR) regulations that balance community livability with visitor economy growth. Success will depend on leveraging public-private partnerships and coordinating infrastructure investments to unlock new housing supply in growth-ready areas.

Energy

Energy diversification is central to the Peninsula's resilience. By 2031, KPEDD and regional utilities will advance at least three renewable energy demonstration projects—geothermal, solar, tidal, or small modular nuclear—aimed at achieving a 15% reduction in energy costs by 2031. These efforts will include pilot projects in remote and rural communities, paired with workforce development in renewable system maintenance and construction. The region's energy strategy will align with the State of Alaska's clean energy goals and position the Peninsula as a leader in rural energy innovation.

Workforce Development

By 2031, KPEDD and its education partners will facilitate training for 1,000 residents in high-demand occupations and double enrollment in Career and Technical Education (CTE) programs. Implementation will include developing micro-credential pathways through AVTEC, Kenai Peninsula College, Kenai Peninsula School District, and Tribal training programs; expanding apprenticeships in skilled trades, maritime, and healthcare; and coordinating with employers to align curricula with real-time industry needs. A resilient workforce strategy will also emphasize career retention, job quality, and wage growth.

Action Plan and Implementation Strategy

Childcare

To sustain workforce participation and support families, the region will create 100 new licensed childcare slots by 2031 through partnerships among employers, providers, and municipalities. KPEDD will convene cross-sector partners to develop employer-assisted childcare models, secure capital and operating grants for facilities, and integrate early childhood workforce training into the regional education pipeline. By 2031, at least 10 employer partnerships will demonstrate sustainable models for childcare provision, increasing labor force participation and economic stability.

Fisheries and Mariculture

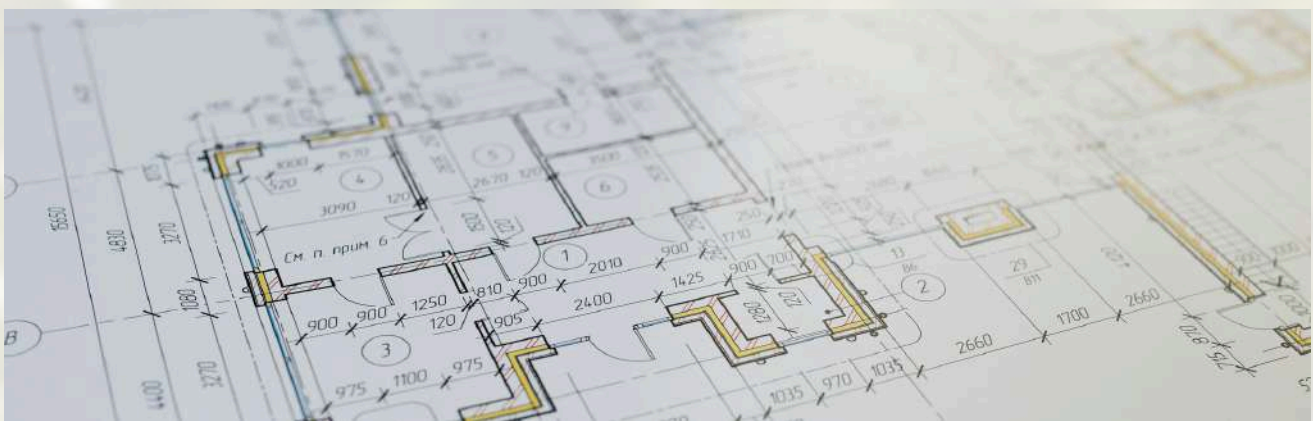
The Peninsula's fisheries are a cornerstone of both economic and cultural wealth. By 2031, KPEDD will support the development of two new value-added seafood processing or mariculture facilities, with a focus on local ownership and sustainability. Collaborative efforts with Tribes, research institutions, and processors will prioritize salmon run protection, product innovation, and cold storage infrastructure. These investments will help retain more of the fisheries value chain within the region, diversify income sources, and support the long-term health of Cook Inlet ecosystems.

Tourism and Community Revitalization

Tourism is a growth engine for small communities across the Peninsula. By 2031, the region aims to achieve 20% year-round growth in tourism activity through strategic marketing, infrastructure investment, and downtown revitalization projects. KPEDD will collaborate with destination marketing organizations, cities, and local Chambers to expand shoulder-season offerings, improve visitor amenities, and integrate cultural and ecological tourism experiences. These initiatives will enhance livability for residents while strengthening the visitor economy.

Cost of Living Reduction

Reducing the overall cost of living by 10% by 2031 is a cross-cutting objective that reflects progress across all other goals. Lower energy costs, improved housing supply, and expanded local food production will collectively contribute to this target. KPEDD will monitor changes in energy prices, transportation costs, and household expenses to measure progress and guide policy interventions that sustain affordability for residents and businesses alike.



Partnership Framework

No single entity can achieve these outcomes in isolation. KPEDD will serve as the regional convener—aligning federal, state, Tribal, and local resources; facilitating collaboration among sectors; and providing data, analysis, and grant development support to partners. The partnership framework will include:



Public Sector: Kenai Peninsula Borough, municipal governments, school districts, State of Alaska departments, and the U.S. Economic Development Administration.



Private Sector: Employers, developers, utilities, and industry associations in tourism, fisheries, and manufacturing.



Tribal and Nonprofit Partners: Tribal councils, regional corporations, faith-based organizations, and nonprofit organizations advancing workforce, housing, and social services.



Education and Training Institutions: AVTEC, Kenai Peninsula College, and K-12 districts collaborating on CTE and workforce pipeline initiatives.

Together, these partners will steward implementation through shared responsibility, transparent communication, and coordinated investment.

Example Partnerships

Action Item	Lead Partners
Conduct KPB-wide infrastructure resilience assessment	KPEDD, KPB, DOT&PF, Cities
Integrate disaster-resilient design into infrastructure upgrades	KPEDD, FEMA, State of Alaska, Cities, KPB
Conduct a Peninsula-wide Maritime Sector Opportunity and Diversification Strategy	KPEDD, Industry, State of Alaska
Support permitting, technical assistance, and financing for mariculture startups	Alaska Mariculture Alliance, DCCED, NOAA, USDA
Support diversification of power generation sources and Pilot Renewable Projects (e.g., solar arrays, tidal demonstration sites, and district heat pump systems) in high-cost communities.	Cities, Private Developers, Electric Utilities

Evaluation Framework & KPI

Guiding Principles

KPEDD’s evaluation framework is grounded in four principles:

- 1. **Accountability:** Tracking progress toward measurable, time-bound targets.
- 2. **Transparency:** Publicly reporting outcomes and financial stewardship.
- 3. **Adaptability:** Adjusting strategies based on data, feedback, and emerging conditions.
- 4. **Equity:** Ensuring the benefits of growth and investment are shared across communities and populations.

Key Performance Indicators (KPIs)

To measure progress, KPEDD will monitor a mix of quantitative and qualitative indicators across major strategic areas:

Focus Area	Key Indicators of Progress
Housing	Number of new affordable units; land released for development; adoption of STR policies; housing affordability index.
Energy	Number and scale of renewable projects; percentage of energy mix from renewable sources; average household energy cost.
Workforce	Number trained in high-demand sectors; CTE enrollment rates; median wage growth; job retention.
Childcare	New childcare slots created; employer partnerships; childcare workforce growth.
Fisheries	Value-added processing facilities; salmon run data; fisheries employment and revenue trends.
Tourism	Year-round visitation; tourism-related employment; infrastructure investments; community revitalization milestones.
Cost of Living	Household expenditure trends; energy and housing cost indices; local food production.
Infrastructure & Broadband	Percentage of households with high-speed internet; completion of major infrastructure projects such as port upgrades, Cooper Landing Bypass, etc.
Fiscal & Economic Diversification	New business formation; share of local vs. external investment; fiscal revenue diversification.

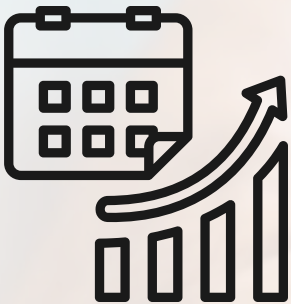
Evaluation Framework & KPI

Monitoring and Reporting Progress

Progress toward these indicators will be monitored and reported annually. KPEDD will maintain a regional performance dashboard summarizing metrics for each goal area, using available data from state and local partners. Reporting timelines include:



- **Annual Monitoring:** Each year, KPEDD will publish a concise “CEDS Progress Update” summarizing quantitative progress and qualitative case studies of implementation success.



- **Mid-Cycle Review (2027):** A formal evaluation will assess whether strategies are achieving expected outcomes, identify challenges, and recalibrate targets as needed.



- **Final Review (2031):** KPEDD will conduct a comprehensive evaluation of all metrics, incorporating public feedback, to inform the next five-year CEDS cycle.

Reports will be available on the KPEDD website: [KPEDD.org/CEDS](https://www.kpedd.org/CEDS)
Progress will also be reported at annual forums and through direct communications with stakeholders.

Adaptive Management

Flexible Implementation

Implementation will remain flexible. External factors, such as state energy policy shifts, market changes, or natural disasters, may influence timelines or priorities. KPEDD will use ongoing data collection, partner feedback, and scenario planning (introduced in Phase 2) to adapt the strategy while maintaining alignment with the region's long-term goals of resilience and shared wealth creation.

Communicating Progress

To maintain public trust and engagement, KPEDD will share results through its website, annual forums, and direct communications with stakeholders. These updates will highlight both quantitative milestones (e.g., units built, workers trained) and qualitative outcomes (e.g., partnerships formed, resilience improvements, community impacts).

Through this cycle of implementation, evaluation, and adaptation, the Kenai Peninsula will continue to advance toward a more resilient, attractive, and prosperous regional economy.



Funding & Investment Priorities

Achieving the goals of Vision 2031 requires coordinated investment from local, state, federal, Tribal, nonprofit, and private partners. The following funding and investment priorities are derived from the Action Plan and reflect the most critical needs for resilience and long-term prosperity.

Priority 1: Housing

- Workforce, senior, and seasonal housing developments.
- Starter homes and affordable rentals to retain families and workers.
- Public-private partnerships for infrastructure-ready land development.
- Financing mechanisms such as community land trusts, tax incentives, and low-interest loans.

Priority 2: Workforce & Education

- Expansion of career and technical education (CTE), apprenticeships, and AVTEC/UAA programs.
- Childcare facilities and workforce to support working families.
- Teacher recruitment, retention, and stable education funding formulas.

Priority 3: Energy Diversification & Infrastructure

- Renewable energy projects (geothermal, solar, tidal, nuclear microreactors).
- Weatherization and efficiency upgrades to lower costs for households and businesses.
- Transportation upgrades, including Sterling Highway, marine highway, airports, and community transit.
- Broadband expansion for 100% household and business coverage.

Priority 4: Fisheries & Natural Resources

- Sustainable salmon management and support for fisheries-dependent communities.
- Value-added seafood processing facilities to create year-round jobs.
- Mariculture expansion and ocean economy investments.
- Coastal erosion and natural disaster adaptation projects.

Priority 5: Economic Diversification & Small Business

- Business Innovation Fund to support startups in tech, digital economy, and advanced manufacturing.
- Tourism diversification projects: cultural, healthcare, and winter recreation.
- Small business financing and technical assistance for 500+ firms by 2031.

Priority 6: Community Wellbeing & Resilience

- Healthcare specialist recruitment and expansion of regional medical services.
- Addiction treatment and mental health programs.
- Recreation and cultural hubs to strengthen livability and cohesion.
- Emergency preparedness and hazard mitigation projects (wildfire, tsunami, seismic, flooding).

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Appendices



CEDS Committee and Stakeholder Engagement

CEDS Strategy Committee Members:

Name	Seat
Julie Engebretsen	City of Homer
Laura Rhyner	City of Soldotna
Dana Cannava	Kenai Peninsula Borough
Shanon Davis	Central Peninsula Hospital
Larissa Arbelovsky	Epperheimer, Inc.
Samantha Allen	Seward Chamber of Commerce
Caitlin Coreson	Kenai Peninsula Economic Development District

Community Engagement:

KPEDD and Economic Development Consultants (EDC) led a series of community and industry engagement sessions between March and May 2025 to inform the Comprehensive Economic Development Strategy (CEDS). These meetings were designed to surface local insights, validate data trends, and identify shared priorities across the Kenai Peninsula Borough.

A total of 175 individuals participated in six facilitated workshops and follow-up online sessions. Participants included municipal officials, Tribal leaders, small business owners, educators, health care professionals, nonprofit directors, and residents. Workshops were hosted in Kenai, Soldotna, Homer, Seward, Ninilchik, and Anchor Point, with virtual options for those unable to attend in person.

Each session incorporated Mentimeter live polling to capture quantitative and qualitative data in real time. Participants ranked priorities, identified barriers to growth, and shared ideas for economic diversification, housing solutions, and workforce resilience.

Common themes across workshops included:

CEDS Committee and Stakeholder Engagement

- Housing availability and affordability were consistently ranked the top barrier to economic growth, particularly workforce and seasonal housing.
- Workforce development and career and technical education (CTE) were identified as critical to retaining youth and meeting local labor needs.
- Energy affordability and reliability were major concerns, with strong interest in renewable demonstration projects.
- Childcare access emerged as a key workforce constraint, with participants identifying the need for both employer partnerships and new facilities.
- Transportation and infrastructure — including ports, roads, and broadband — were cited as essential for economic competitiveness.
- Quality of life and natural amenities were seen as economic advantages that help attract residents, remote workers, and visitors.

Participants expressed optimism about the Peninsula's future but stressed the importance of proactive planning and investment to maintain affordability and resilience as the region grows.

Asynchronous Engagement Results

To complement the in-person workshops, KPEDD collected asynchronous input through Mentimeter surveys, open comment forms, and virtual engagement sessions from March through May 2025. This allowed stakeholders who could not attend meetings to contribute their perspectives.

A total of over 300 data points were collected and analyzed across all online and in-person sessions. These results provided quantitative insight into community priorities and informed the CEDS SWOT analysis.

Key Findings from KPEDD's Mentimeter Engagement Surveys (March–May 2025)

Top-Identified Regional Strengths:

- Access to natural resources and recreation opportunities;
- Strong sense of community and volunteerism;
- Entrepreneurial culture and small business ecosystem;
- Strategic location and existing transportation infrastructure (ports, highway, airports).

CEDS Committee and Stakeholder Engagement

Most Critical Weaknesses:

- Limited housing availability across all price points;
- Workforce shortages and training gaps;
- High energy and utility costs;
- Insufficient childcare options;
- Limited transportation connectivity in rural areas.

Key Opportunities Identified:

- Growth in renewable energy, mariculture, and outdoor recreation industries;
- Expansion of remote work and broadband-enabled entrepreneurship;
- Collaboration among municipalities, Tribal governments, and private industry on infrastructure and housing projects;
- Redevelopment of underutilized Borough land for housing and mixed-use projects.

Top Threats to Economic Stability:

- Dependence on volatile industries (oil, tourism, and fisheries);
- Rising cost of living and loss of young families;
- Energy insecurity and declining Cook Inlet production;
- Natural disaster impacts, including erosion and wildfire risk.

Key Takeaways

The Mentimeter engagement process confirmed that the region's economic constraints and opportunities are deeply interconnected. Housing, workforce, energy, and childcare are not isolated issues but part of a larger system that determines the region's ability to retain and attract working families.

This real-time stakeholder feedback directly shaped the Goals and Objectives of this CEDS, especially:

- Expanding affordable housing and modern infrastructure;
- Strengthening workforce development and childcare systems; and
- Supporting energy diversification and community resilience.

CEDS Committee and Stakeholder Engagement

Connection to CEDS Goals and Strategic Framework

The insights gathered through KPEDD's regional workshops, Mentimeter surveys, and asynchronous engagement directly informed the development of the CEDS Goals and Objectives. Each theme identified through public input was translated into a measurable strategy designed to address both immediate and systemic challenges across the Kenai Peninsula Borough.

Community participants consistently emphasized that housing, workforce development, energy affordability, and infrastructure modernization are the interdependent pillars of the region's economic stability. In response, the CEDS Action Plan prioritizes these focus areas through targeted objectives, such as expanding affordable housing, reducing energy costs through diversification, doubling enrollment in career and technical education (CTE) programs, and creating new childcare capacity to support workforce participation.

This alignment ensures that the CEDS is not a top-down planning document, but rather a community-driven strategy built from the priorities, values, and lived experiences of the Borough's residents, business leaders, and local governments. The plan reflects a collective vision: to build a resilient, attractive, and opportunity-rich economy that supports every community on the Kenai Peninsula.

Dates:

April 2, 2025
April 9, 2025
April 14, 2025
April 24, 2025
May 5, 2025
May 28, 2025
May 28, 2025
May 29, 2025
Sept 8, 2025
April -Dec 2025

Engagement:

Kenai City Council Meeting
Soldotna Luncheon
AK Dept of Labor and Workforce Development Job & Career Fair
Industry Overview Forum
KPBSD Board of Education Meeting
Kenai/Soldotna Chamber Luncheon
Soldotna City Council Meeting
Homer Kachemak City, Kachemak Bay Campus
Dissemination of Asynchronous Survey Flyer and Post on Facebook
Promotion of Online Asynchronous Survey

Appendix B

Regional Demographic and Economic Data

Climate and Geography

KPB is 25,600 square miles, of which 15,700 square miles are land, and approximately 9,900 square miles are water. The population per square mile of land is 3.9. The borough is larger than the state of West Virginia.

The borough is surrounded by Anchorage to the north, the Alaska Range to the west, the Gulf of Alaska and Prince William Sound to the south and east. The Kenai Mountains run to the north and south of the borough. The Cook Inlet runs through the center of the borough, creating two landmasses. Approximately 99 percent of the population resides in the Peninsula, with the west side of the borough being sparsely populated.

The borough's 37 communities are connected by land, air, and ferry. KPB has 40 airports or landing strips (discussed further in the infrastructure and transportation section). The air miles from major public KPB airports to Anchorage, the closest hub city, are as follows:

Kenai	60 miles	Anchorage
Soldotna	55 miles	
Homer	119 miles	
Seward	75 miles	
Seldovia	134 miles	

*Table 1: Air miles between Anchorage and Borough Communities.
Source: State of Alaska Community Database Online.*

The borough encompasses diverse landscapes, including glacial rivers, mountain ranges, spruce forests, and coastal fjords. Much of this diverse region is part of national and state forests and parks within or adjacent to KPB, including:

- Chugach National Forest;
- Katmai National Park and Preserve;
- Kasilof Area State Recreation Area;
- Kenai Fjords National Park;
- Kenai National Wildlife Refuge;
- Lake Clark National Park and Preserve; and,
- Kachemak Bay State Park & Wilderness Park.

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Regional Demographic and Economic Data

The Kenai Peninsula is an earthquake-prone region. The edge of the Pacific Plate passes through the Gulf of Alaska and is still quite active. The January 24th, 2016, and November 30, 2018, earthquakes were centered in the Cook Inlet region. Both earthquakes were 7.1 magnitude. There are also volcanoes in the borough, including Mt Redoubt, Mt Iliamna, Mt Augustine, and Mt Spur, which is at the time of this writing under a yellow advisory.

The Borough is home to numerous waterways that support its mariculture, tourism, and fishing economic sectors. Among the key habitats for wildlife are the Chickaloon River Flats, a significant saltwater estuary, and the Kenai National Wildlife Refuge. The refuge drains to numerous waterways, including:

- Kenai River
- Anchor River
- Six Mile Creek
- Fox River
- Snow River
- Chuitna River
- Trail Creek
- Palmer Creek
- Chakachatna River
- Rocky River⁶

Climate

Winter

The Borough has relatively mild winters, with average winter temperatures ranging from 7 to 32 degrees Fahrenheit (F). The winter season has far less sunlight; the shortest day of the year, December 21st, has only 5 hours and 48 minutes of sunlight. The average snowfall varies widely by location. The greatest average snowfall is in Homer (100.6 inches), and the smallest is in Nikiski (33 inches). Many other communities in the Borough have average snowfalls more similar to Homer.

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Regional Demographic and Economic Data

Spring

Spring lasts from March until May. This is when the snow begins to melt as temperatures and daylight hours increase. This is the time of year people use to harvest, particularly perennial plants such as fiddleheads, young marsh marigolds, and Devil's club. Many people are engaging in king salmon fishing, and the tourism shoulder season begins.

Summer

The summers are mild, with average temperatures ranging from 49 to 64 degrees F. Summer lasts from June through August and is the prime season for fishing and tourism. The average precipitation ranges from 66 inches in Seward to 18 inches in Nikiski.

Summer brings much more sunlight; the longest day of the year, June 21st, has 19 hours and 22 minutes of daylight.

Fall

Beginning in September, as many tourists and sport fishermen leave, precipitation levels increase. Many seasonal businesses close for the winter. The temperature begins to drop, with an average high of 43 degrees F and a low of 28 degrees F as moose hunting season begins.

Human Capital

Population and Age

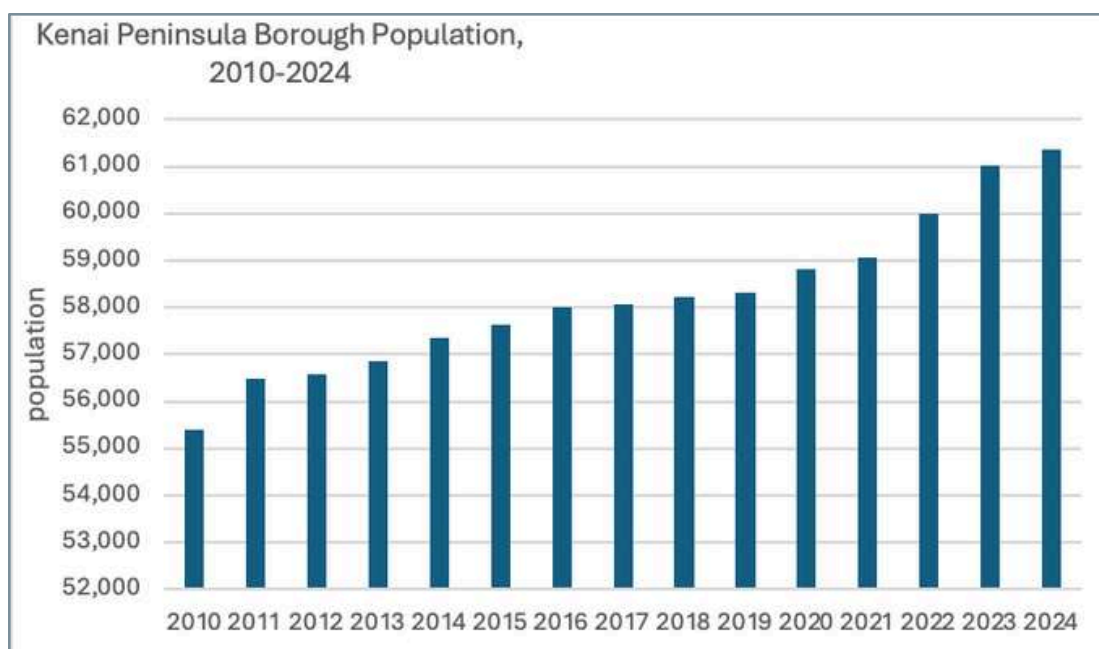


Figure 1: Total KPB population estimates. Source: AKDOLWD

Appendix B

Regional Demographic and Economic Data

By 2050, the population is projected to grow by roughly 7/10 of 1 percent. This results in a projected 61,784 residents, suggesting an average annual growth rate of 0.02 percent. After 2035, the peninsula's population is expected to decline gradually due to lower births, higher mortality, and reduced immigration. The projected decrease in migration comes from decreasing state in-migration rates. The state population is expected to decline at an annual rate of -0.32 percent through 2050.

At the community level, growth rates vary considerably. The bedroom communities of the Central Peninsula, a highway-accessible area spanning from Sterling to Kasilof, showed both growth and decline over the last decade. This includes Ridgeway, 0.3; Kalifornsky, 1.0; and Salamatof, -0.3, all located a short drive from the commercial centers of Soldotna, 0.6, and Kenai, -0.3. The population of Seward held steady over the last decade.

The small coastal communities of the Peninsula, such as Halibut Cove, Tyonek, and Seldovia, were more likely to see a shrinking population. Anchor Point, Clam Gulch, and Diamond Ridge, however, showed steady annual growth. Highway access, buildable land, and proximity to an existing population center seem to be linked to population growth, but they do not guarantee it. Point Possession, a remote area at the mouth of the Swanson River, saw the most growth, although on a small scale. Over the last decade, the Point Possession population is estimated to have grown by 12 individuals in 2024, giving it a growth rate of 50 percent.

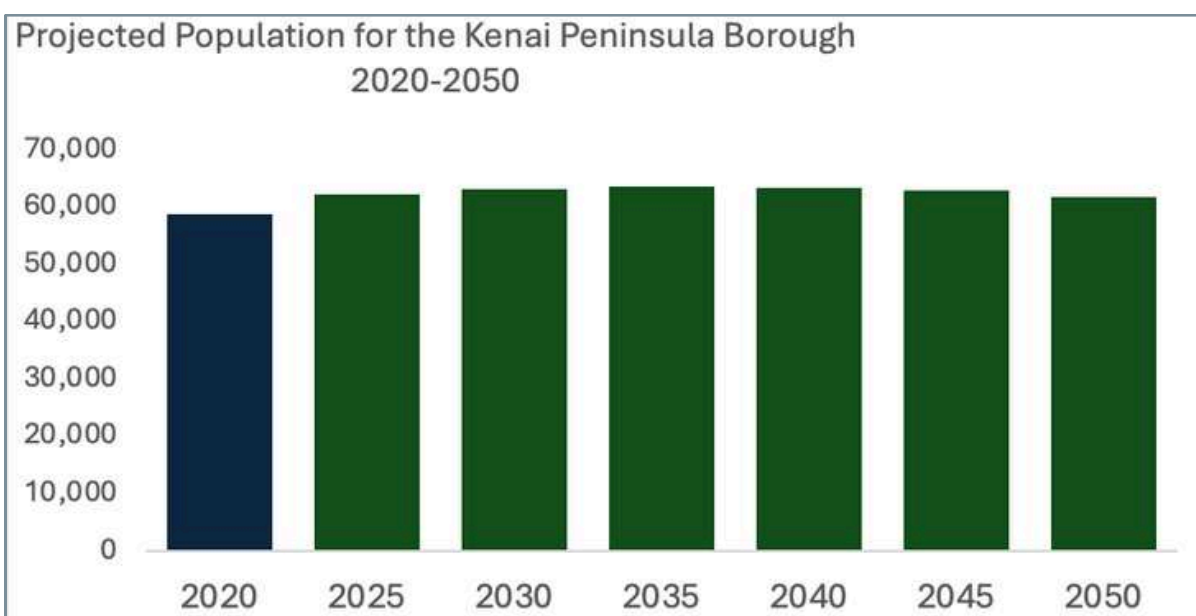


Figure 2: Projected population of KPB. Source: AKDOLWD, 2025-2050.

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Community	Population 2024	Average Annual Growth 2013-2024
Point Possession	12	50.00%
Sunrise	13	0.80%
Beluga	30	7.60%
Halibut Cove	62	-2.40%
Lowell Point	75	0.40%
Primrose	80	0.40%
Crown Point	123	6.40%
Tyonek	142	-2.20%
Port Graham	144	-0.10%
Seldovia Village	177	1.70%
Hope	178	-0.30%
Moose Pass	228	-0.70%
Nanwalek	233	-1.50%
Seldovia city	242	-0.50%
Clam Gulch	247	3.50%
Cooper Landing	365	2.30%
Nikolaevsk	398	3.20%
Balance	401	-1.90%

Table 2: Population of Kenai Peninsula Borough Communities
Source: AKDOWLD

Community	Population 2024	Average Annual Growth 2013-2024
Kasilof	559	-0.60%
Kachemak city	677	4.00%
Fox River	679	0.60%
Happy Valley	775	2.80%
Ninilchik	939	1.10%
Salamatof	1,096	-0.30%
Funny River	1,183	3.10%
Diamond Ridge	1,386	1.90%
Cohoe	1,549	1.20%
Bear Creek	2,000	0.00%
Ridgeway	2,166	0.30%
Anchor Point	2,359	1.50%
Seward city	2,483	0.00%
Fritz Creek	2,534	2.50%
Soldotna city	4,552	0.60%
Nikiski	4,618	0.10%
Homer city	5,648	1.00%
Sterling	6,324	1.00%
Kenai city	7,555	0.30%
Kalifornsky	9,118	1.00%
Kenai Peninsula Borough	61,350	0.80%

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Regional Demographic and Economic Data

In any region, there are two main components of population change: natural increase and net migration. Natural increase is the number of births minus the number of deaths, while net migration is the number of people moving into a location minus the number of people moving out of a location. The region was one of only three boroughs and census areas to experience positive net migration between 2010 and 2019. From 2013 to 2024, the region's population increased by 4,498 individuals.

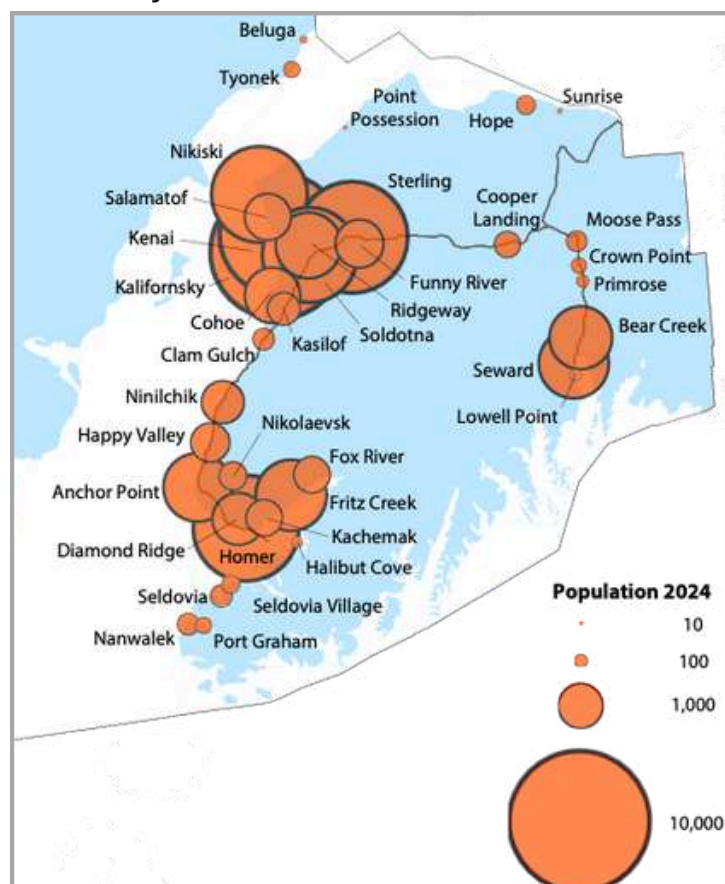


Figure 3: Population of Kenai Peninsula Communities. Source: AKDOLWD, 2020.

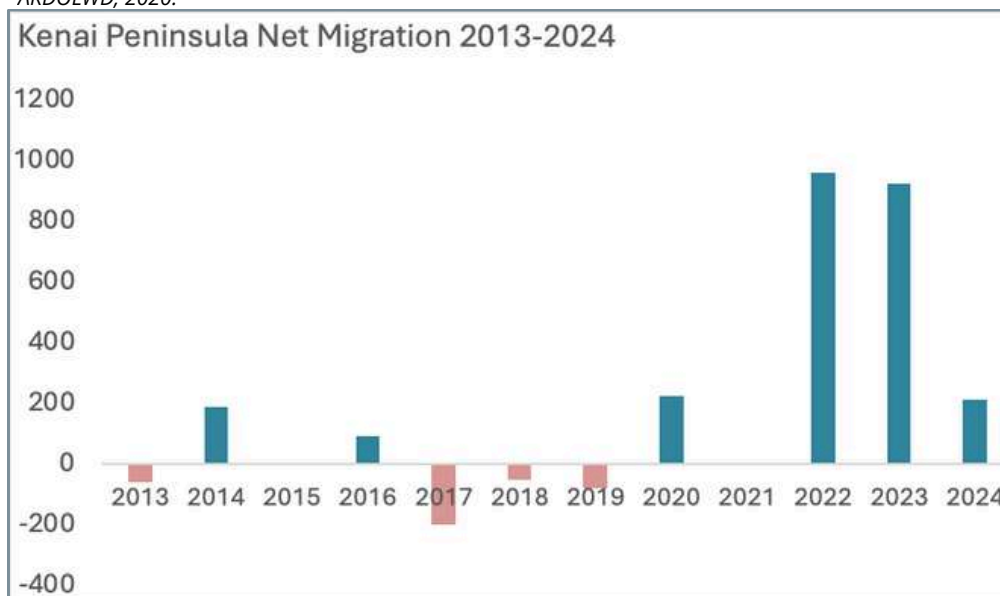


Figure 4: Migration to/from the Kenai Peninsula. Source: AKDOLWD, 2011-2020.

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Regional Demographic and Economic Data

Of the 211 individuals who migrated to KPB in 2024, the majority came from out of state or the Anchorage Municipality. The flow of population in and out of the region primarily came from the same areas. The region's economically active population (individuals between the ages of 20 and 65) makes up 53.8 percent of the borough's total population. Statewide, the share of the economically active population was 58.0 percent in 2023.

However, population projections generated by the State of Alaska Department of Labor and Workforce Development estimate that the portion of economically active population will not grow in the near term and the share of retired and elderly individuals will grow. Labor availability is a key component of economic resilience. If this trend continues it will pose a challenge to the regional economy. Simultaneously, an older population with regular retirement income can be a source of money flowing into the region thus adding economic resilience by essentially becoming a new base sector.

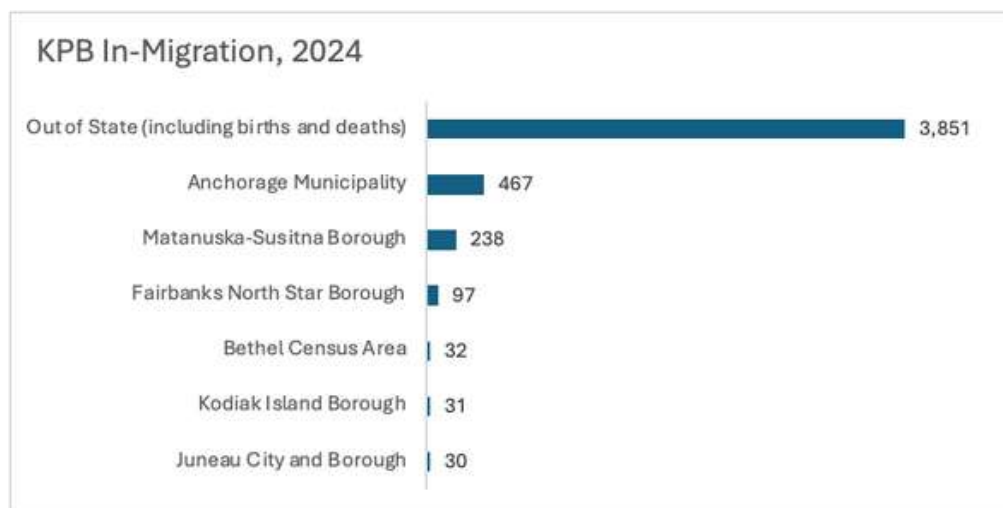


Figure 5: Migration to Kenai Peninsula by Number of PFD Applications. Source:AKDOLWD

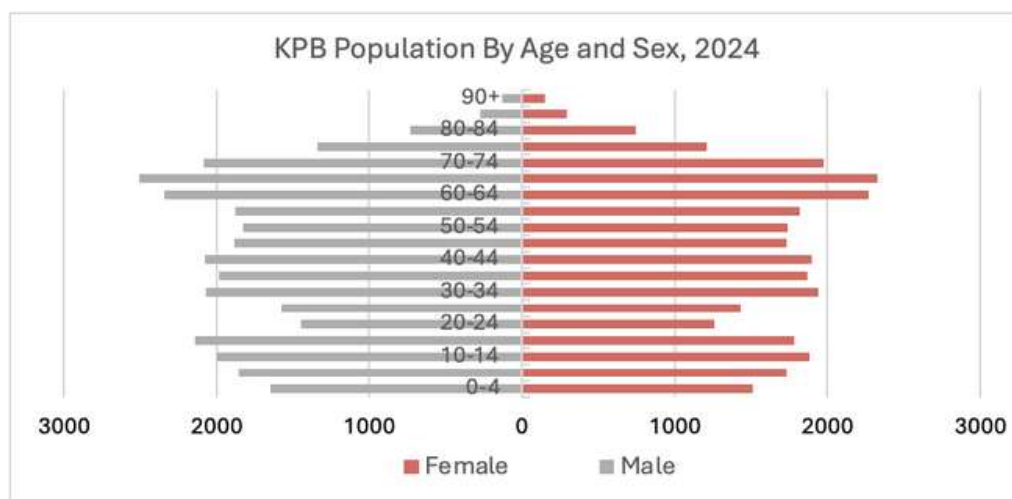


Figure 6: KPB population by Age Group. Source: AKDOLWD, 2020.

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Regional Demographic and Economic Data

Race and Ethnicity

KPB is less ethnically diverse than the state as a whole. The majority of Peninsula residents are white (83 percent in 2023, compared to about 64 percent statewide). Making up approximately 8 percent of the total population, 'American Indian and Alaska Native' is the second largest group in the region.

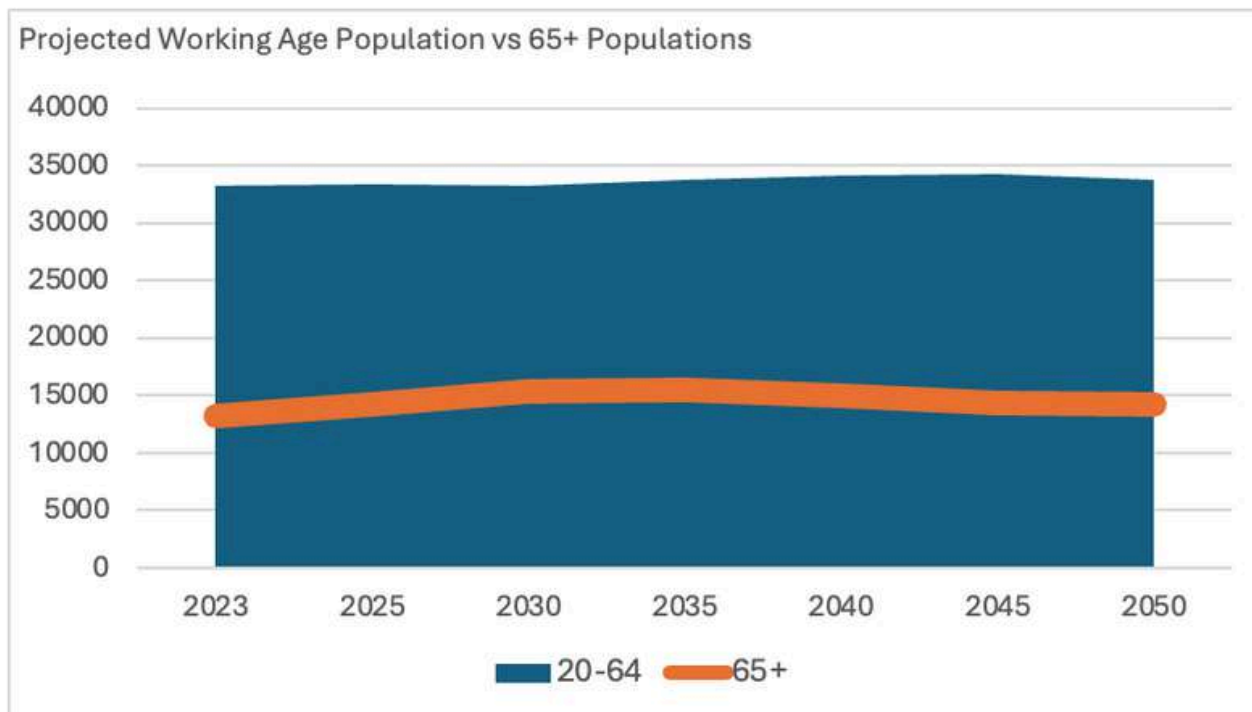


Figure 7: Projected economically active population vs. population over 65 in KPB. Source: AKDOLWD

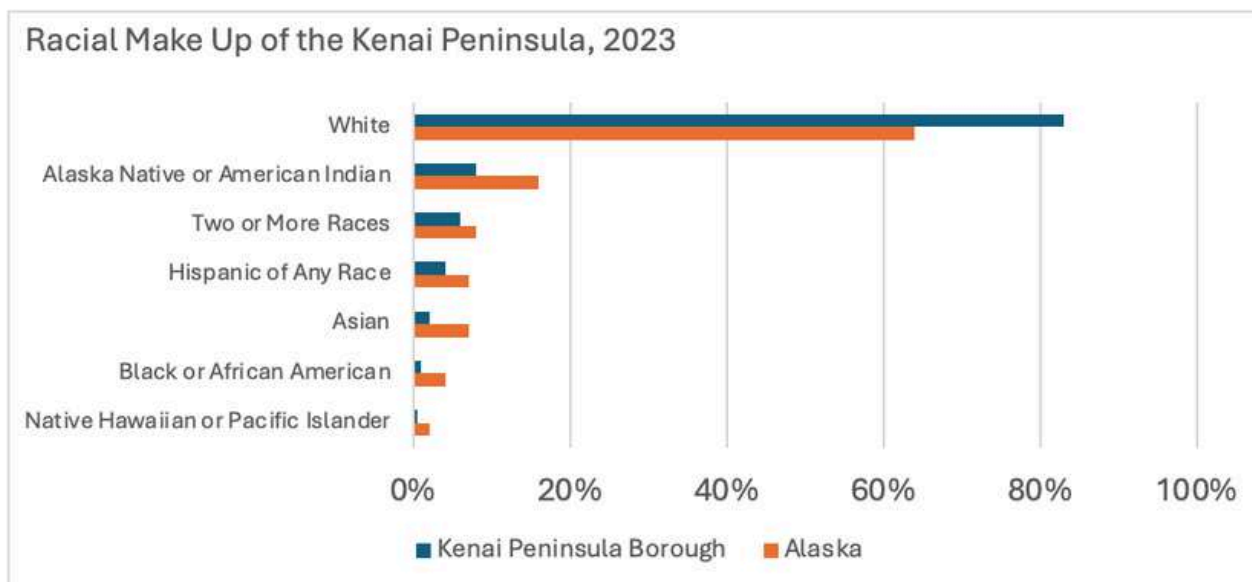


Figure 8: Self-identified race as a percent of total population in KPB. Source: AKDOLWD, 2019.

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Regional Demographic and Economic Data

Employment

The Kenai Peninsula region hosted an average of 21,361 jobs in 2023. Jobs in the region experienced an unprecedented decline in 2020, falling 6 percent over the year. Since that low point, employment has grown 13.5 percent and is currently at an all-time high. Pre-pandemic, jobs peaked in 2014 at 21,000 before the 2016 statewide recession. Between 2014 and 2019, the region lost nearly 800 jobs.

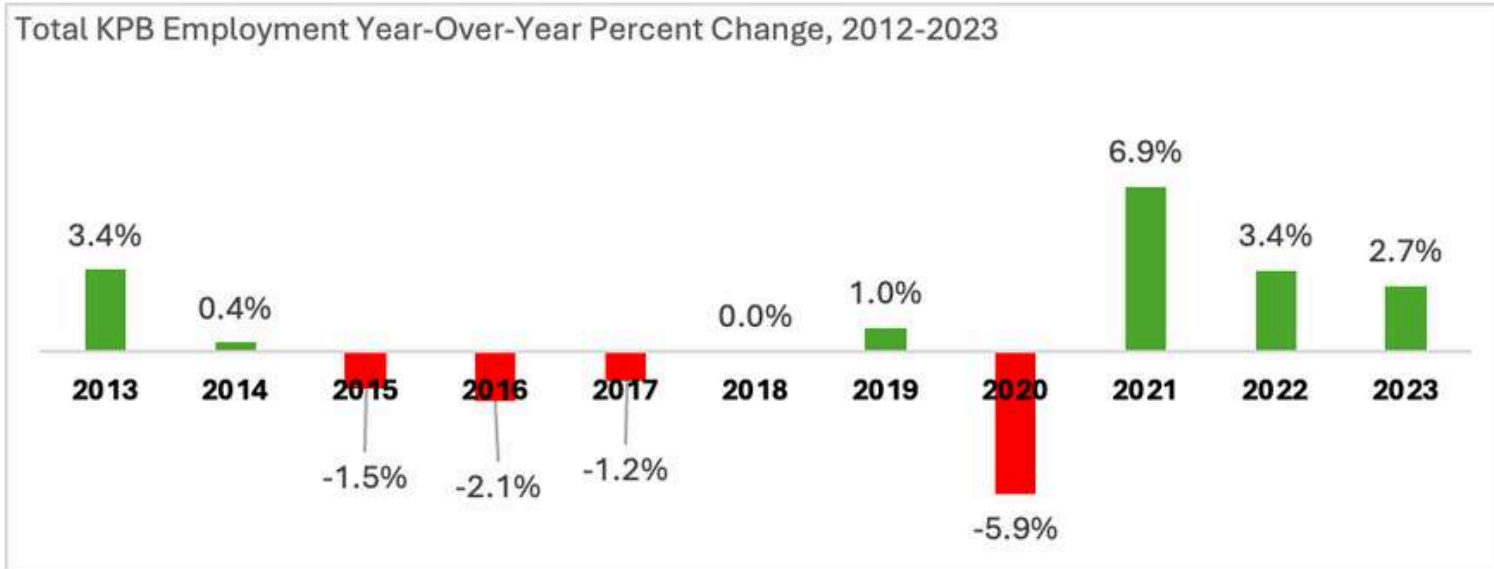


Figure 9: Average annual employment change in KPB. Source: QCEW, 2013-2023

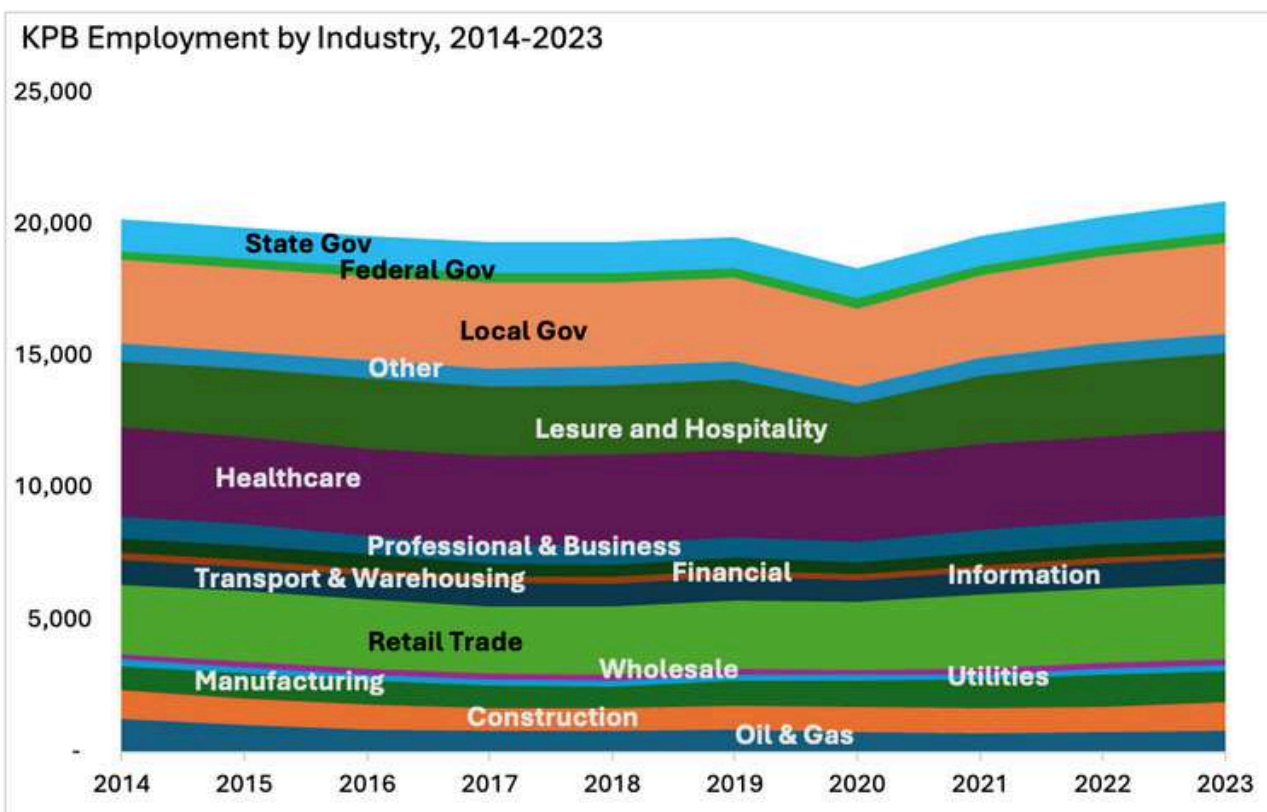


Figure 10: Annual Employment by Industry in KPB. Source: AKDOLWD

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Regional Demographic and Economic Data

The Kenai Peninsula is home to a diverse mix of well- established and emerging industries. Using data collected by the Quarterly Census of Employment and Wages (QCEW), 'Local Government' represents the largest single industry portion of employment, with 3,553 jobs across the borough. Local Government includes local school district employment, city and borough administration, and local police and fire departments. Recent growth in local government has come from city and borough employment rather than growth at the school district level.

In the private sector, 'Trade, Transportation, and Utilities' is the largest employment sector, with 4,283 jobs in 2023. This sector includes 'Retail Trade' as the largest subsector, 'Wholesale Trade', 'Transportation and Warehousing', and 'Utilities'.

'Educational and Health Services' sector, which is comprised primarily of healthcare services, comprises 3,296 jobs. The 'Leisure and Hospitality' industry hosts 2,891 jobs, primarily in the accommodation and food services sector, catering to visitors to the Peninsula. This is also the industry that took the biggest hit in 2020, losing over 600 jobs.

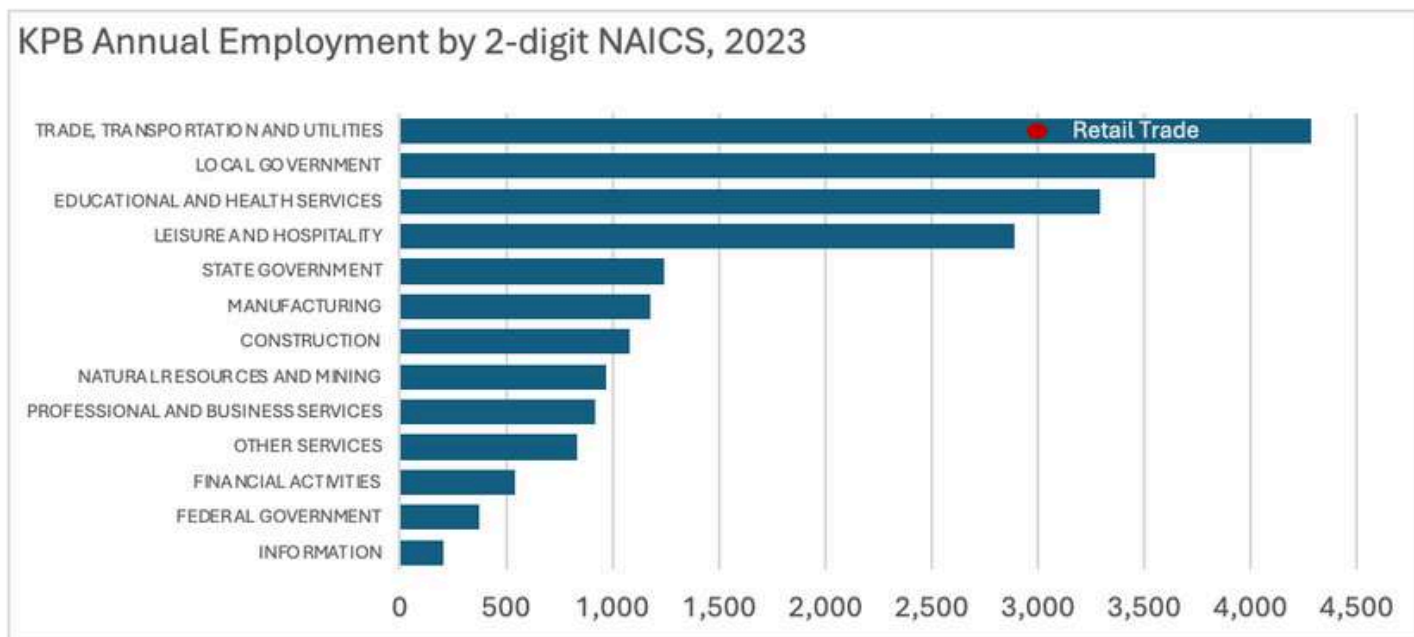


Figure 11: KPB industry employment by 2 digit NAICS. Source: QCEW, 2023

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Regional Demographic and Economic Data

State government, with 1,240 jobs on the peninsula, includes AVTEC, jobs with the Alaska Marine Highway System, and state government workers in departments that oversee food safety and job training, to name a few.

When analyzing employment in the region, it is helpful to understand that many individuals are employed in industries outside of traditional definitions. For example, employment in the fishing industry is not fully captured by the QCEW; only employment in seafood processing is captured in that data set under 'Manufacturing.' The State of Alaska Department of Labor and Workforce Development generates separate estimates of employment in the fishing and seafood industry (fisheries employment is discussed separately in the industries section). Self-employed individuals who do not pay into unemployment insurance tax are also not captured in these numbers, nor are the military or Coast Guard.

Education

The Kenai Peninsula region is home to a wealth of educational resources, including a robust school district, Kenai Peninsula College, and AVTEC. With approximately 11,394 school-aged children living in KPB, educational resources across the region play an important role in the Kenai Peninsula economy. The school-aged population is spread evenly across the different age groups and cumulatively makes up 19 percent of the borough's total population.

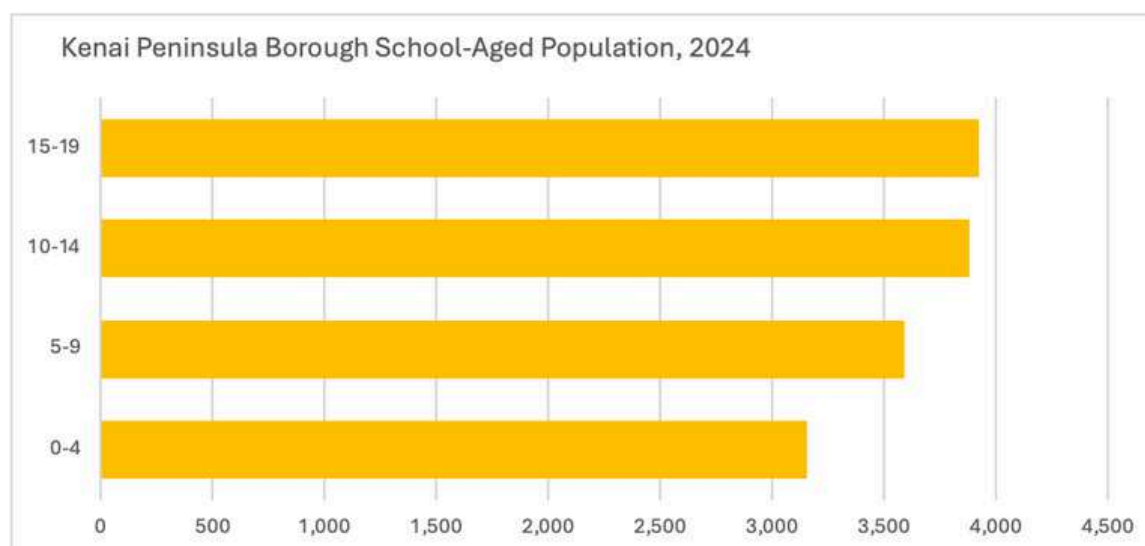


Figure 12: Population of school-aged individuals in KPB. Source: AKDOLWD, 2020.

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Regional Demographic and Economic Data

The Kenai Peninsula Borough School District operates 42 schools, serving 8,355 students from kindergarten to 12th grade in the 2024-2025 school year, including preparatory, charter, and alternative schools. Students living in the region are also enrolled in any of the three private schools and statewide and nationwide homeschool programs; however, enrollment data for those programs is not publicly available.

Over the last decade, the population of students enrolled at the Kenai Peninsula School District has declined while the population of school-aged individuals declined at a slower rate. This trend was exacerbated after the COVID pandemic. Despite limited information on private school and homeschool enrollment, this trend indicates increased enrollment at institutions outside of the Kenai Peninsula Borough School District.

Looking toward the future, the population of school age children in the borough is expected to decrease by an average of -0.7 percent annually until 2050.

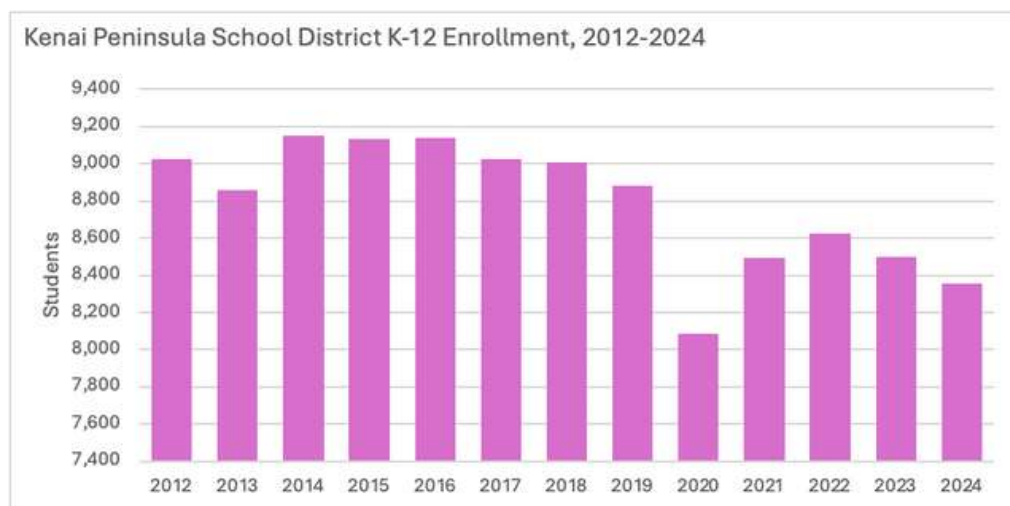


Figure13: Kenai Peninsula Borough School DistrictK-12 enrollment. Source:AK Department of Education and Early Development, 2012-2024.

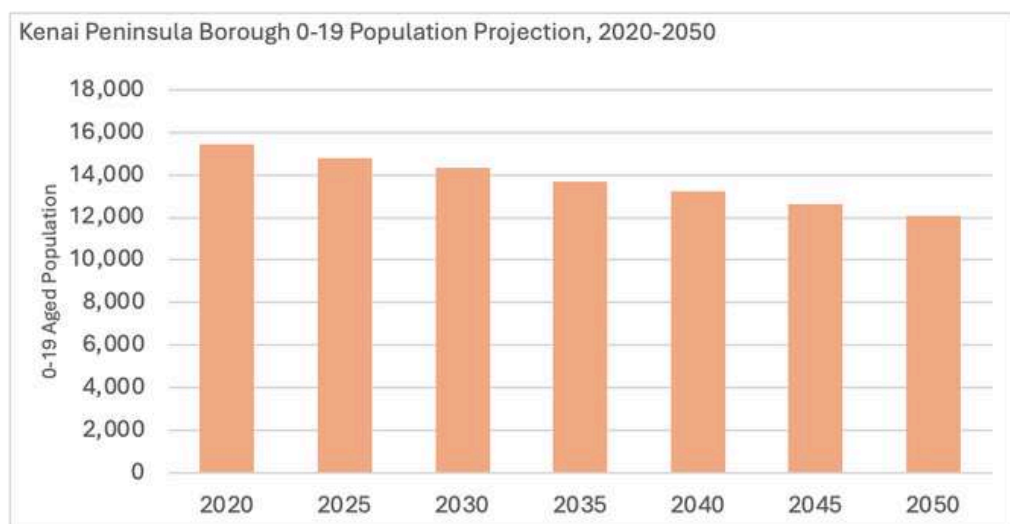


Figure 14: Projected KPB population under 19.Source: AKDOLWD, 2015-2045.

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Regional Demographic and Economic Data

Post-secondary educational institutions on the peninsula play an important role in residents' continuing education. The University of Alaska Anchorage – Kenai Peninsula College had 2,284 students enrolled in the fall of 2023. This is a 23.4 percent increase from the previous year. The Kenai Peninsula College has four campuses: Kenai River Campus in Soldotna, Kachemak Bay Campus in Homer, Resurrection Bay Extension Site in Seward, and the Anchorage Extension Site. Enrollment at Kenai Peninsula College has increased over the last three years, after a slight decline post-COVID. Decreased funding for the University of Alaska system and cuts to academic programming system wide may reverse this trend in the future. A robust secondary education system increases the region's economic resilience by providing rapid retraining opportunities and enabling individuals no longer in the workforce to maintain their connections to the community and to learning. Educational institutions also facilitate the transfer of intergenerational knowledge by offering opportunities for retired individuals to teach courses in a variety of life skills.

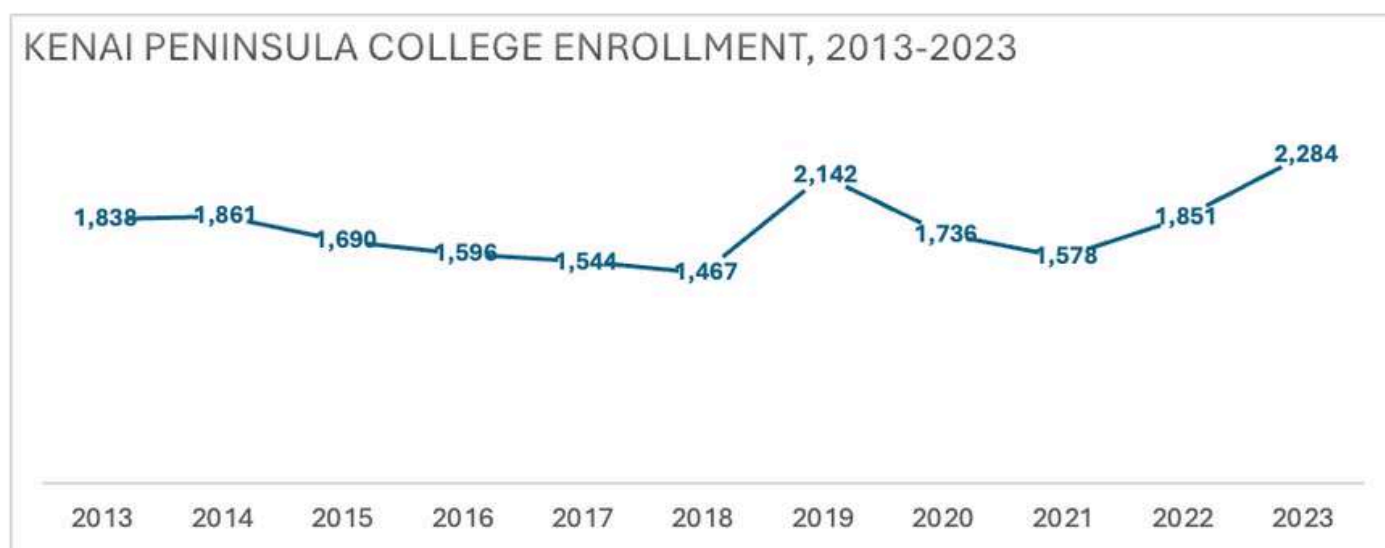


Figure 15: Enrollment at UAA Kenai Peninsula College. Source: UAA, 2016-2020.

The borough is also home to the Alaska Vocational Technical Center (AVTEC), which draws students from across the state to Seward for its vocational training programs. In fall 2023, AVTEC had 1,336 students enrolled in any programs ranging from culinary arts to industrial welding. The table below lists the programs available at AVTEC.

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Regional Demographic and Economic Data

Sample AVTEC Vocational Programs	
Maritime Training Program	Industrial Electricity
Business and Office Technology	Industrial Welding
Construction Technology	Information Technology
Culinary Arts	Plumbing and Heating
Diesel/Heavy Equipment Technologies	Refrigeration

Table 3: AVTEC Vocational Programs. Source: AVTEC, 2021.

Other technical and vocational programs are also present in the borough. These include, but are not limited to, the Alaska Construction Academy, Amundsen Educational Center, and Alaska Petroleum Academy.

Cost of Living and Quality of Life

Housing

Housing costs in the region in 2024 were among the lowest in Alaska after the Fairbanks North Star Borough, with the housing affordability index lower than the median in the Municipality of Anchorage and the Matanuska-Susitna Borough, but slightly higher than the state as a whole. The median rent price in was \$1,152, including utilities, in March of 2024.

During the same period, the average price of a single-family home in the region was \$337,212. This means the average home on the Kenai Peninsula is roughly than \$67,000 cheaper than the average Anchorage home, and almost \$22,000 less than the Mat-Su average.

KPB Housing Costs			
	KPB	Mat-Su	Anchorage
Median Rent (2020)	\$1,152	\$1,482	\$1,597
Average Single-Family Sales Price (2025)	\$360,625.00	\$415,463.00	\$462,844.00

Table 4: KPB Housing Costs. Source: KPEDD 2025 Housing Report (Draft), 2025

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Regional Demographic and Economic Data

Housing affordability is an important component of quality of life. The 2018 Statewide Housing Assessment (the most recent available), conducted by the Alaska Housing Authority, determined that in the KPB, 27 percent of households were cost-burdened. “Cost burdened” is defined as households that spend more than 30 percent of their household income on total housing costs. This is a smaller proportion than Anchorage or the state as a whole.

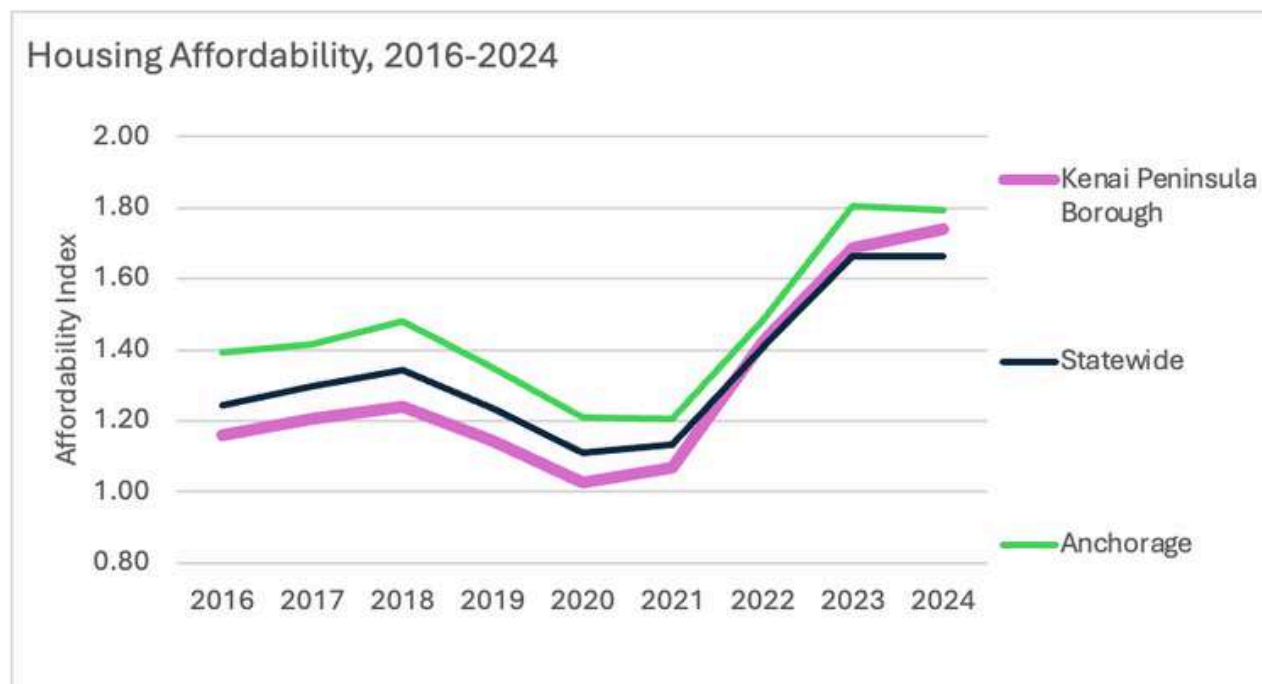


Figure 16: Housing Affordability in Kenai Peninsula Borough Compared to Anchorage and Alaska.
Source: AKDOLWD.

As of 2025, there were only 364 income-based rentals across the entire peninsula, and an overall rental vacancy rate of 5 percent. Costly housing reduces a region’s resilience as the area cannot flex to accommodate a growing workforce, and the existing workforce lacks the disposable income to engage in local economic activity.

Housing availability is another component of housing quality. In 2023, the region saw the construction of 50 new housing units across Seward, Soldotna, Kenai, Homer, and Seldovia. Homer and Kenai experienced the most construction, with 22 and 11 new housing units built, respectively. In both Homer and Kenai, new housing units were predominantly single-family dwellings, with single-family dwellings built at two times the rate of multi-family dwellings.

Appendix B

Regional Demographic and Economic Data

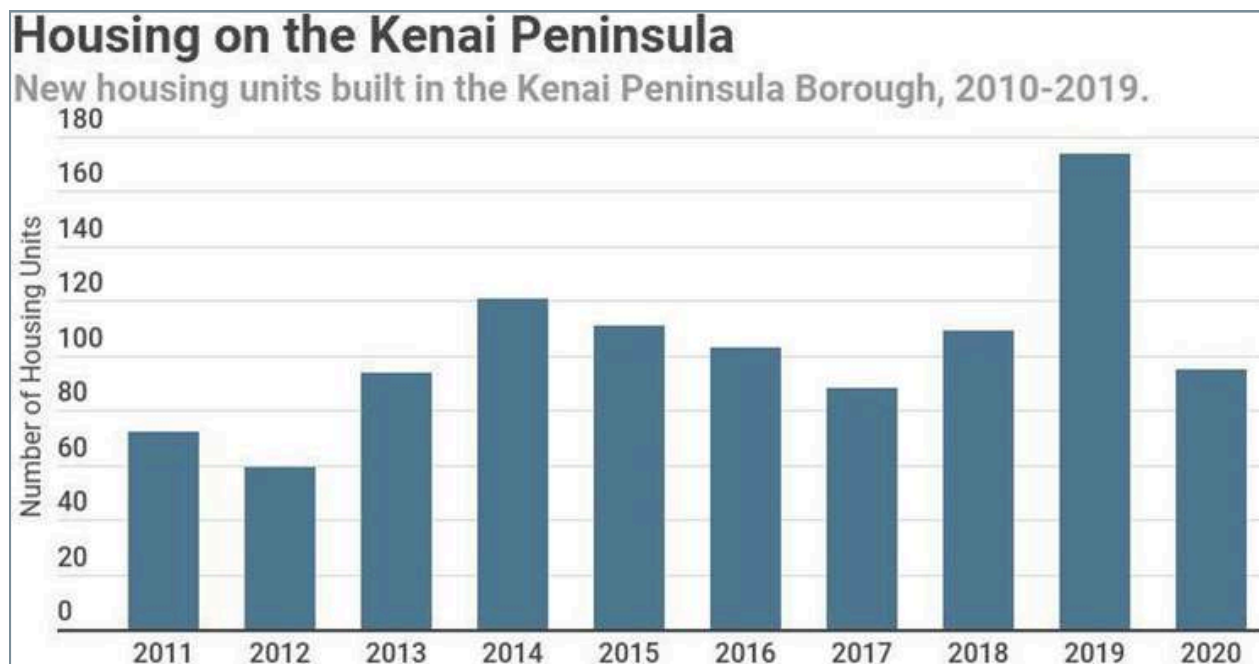


Figure 17: New housing units built in KPB. Source: AHFC, 2011-2020.

Across Alaska, housing conditions are a critical indicator of quality of life. Draftiness, housing stock without complete plumbing, and increased risk of indoor air quality (IAQ) issues are all indicators of housing stock quality. On average, housing units on the Kenai Peninsula are at a lower risk for IAQ issues, and fewer are considered drafty compared to Anchorage and the state as a whole. However, a larger percentage of homes have incomplete plumbing, compared to Anchorage and statewide.

KPB Housing Stock Quality, 2018			
	KPB	Anchorage	Statewide
Housing stock at risk for IAQ issues	59%	69%	56%
Occupied Housing Considered Drafty	29%	33%	36%
Homes with Incomplete Plumbing	5%	1%	1%

Table 5: KPB House Stock Quality. Source: AHFC, 2018.

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Regional Demographic and Economic Data

With the expected growth in the borough's senior population, senior housing is expected to become a growing concern. In 2016, it was estimated that KPB had 22 senior citizens per licensed senior facility bed, significantly higher than the statewide average of 15. In the next ten years, this statistic is estimated to grow to 39 senior citizens per licensed senior facility bed.

While not every senior citizen is in need of a bed at a care facility, the statistic does represent a growing concern over senior housing and care capacity in the region.

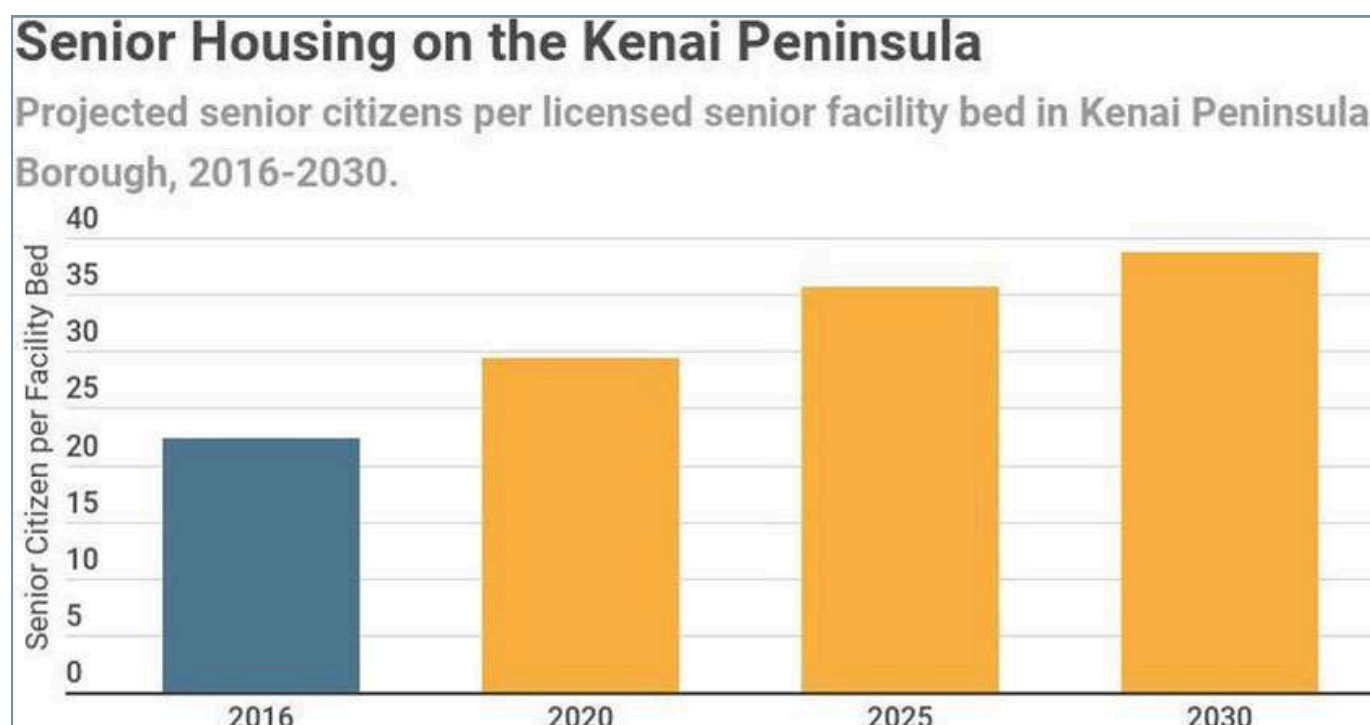


Figure 18: Projected senior citizens per licensed senior facility bed in KPB. Source: AHFC:2016-2031.

Income and Poverty

According to the 2023 U.S. Census Bureau American Community Survey, the estimated median household income in the borough is \$77,722, almost identical to the U.S. average of \$77,719. As a region with such a wide spread of urban and rural communities, household income varies widely across KPB. In the more urban center of Soldotna, the estimated median annual household income is \$62,984. In Homer, on the southern end of the borough across from Seldovia, the estimated median household income is \$73,723. In Seward, the estimated median household income is \$71,016. Cooper Landing had the highest estimated median household income of any community in the borough at \$140,500.

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Regional Demographic and Economic Data

Borough-wide, real average annual wages have decreased over the last five years. In 2023, average wages in KPB were \$60,532, lower than the statewide annual average of \$67,956. Average annual wages have trended upward since 2012, with a more dramatic increase in 2020 during the COVID pandemic as employers lured employees back to the labor force with incredibly high wages.

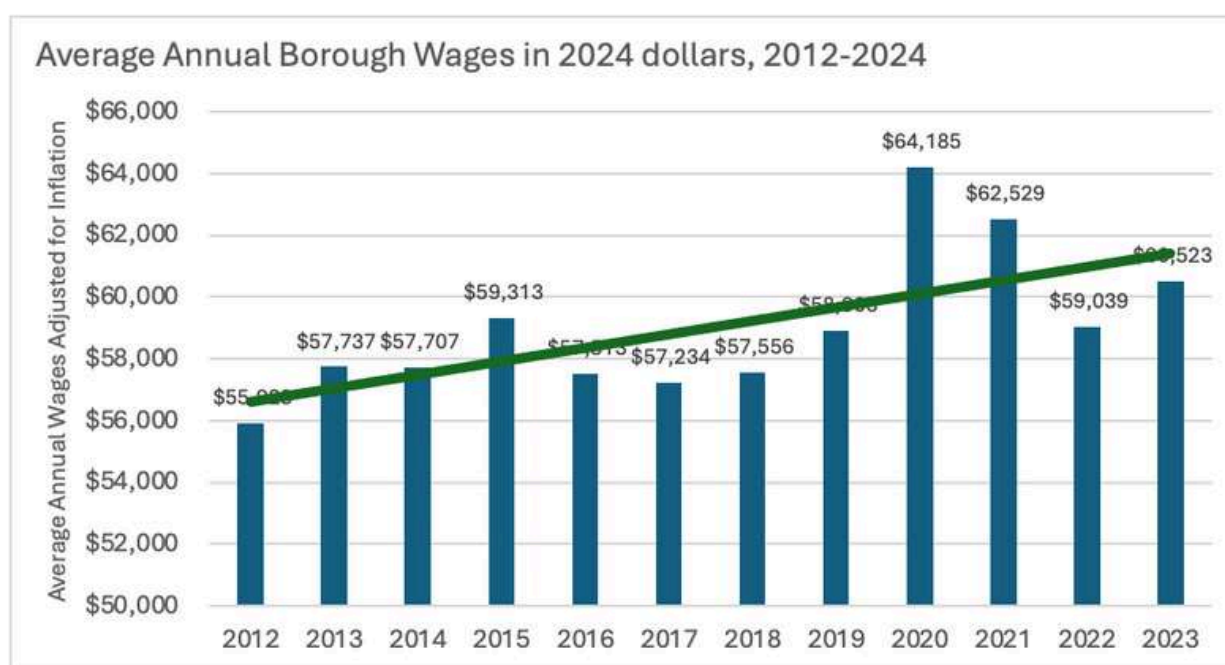


Figure 19: Average annual wages in KPB, in real 2019 dollars. Source: QCEW, 2010-2019.

Unemployment in the region is lower than the statewide rate. The most recent annual unemployment rate, as of 2024, was 5.1 percent. Employment in the region was affected by the COVID-19 pandemic. At its peak in 2020, the region's annual unemployment rate reached 9.6 percent. Historically, the region's annual unemployment rate has been higher than the state's, largely due to the seasonal nature of the workforce in the visitor and seafood processing industries. This trend reversed in 2021. The unemployment rate is not always an accurate measure of joblessness in a given region, as it does not account for individuals who have left the labor force. The downward trend in the annual unemployment rate is, in part, attributable to residents opting to retire or otherwise leave the labor force, as evidenced by the decline in the region's labor force.

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Regional Demographic and Economic Data

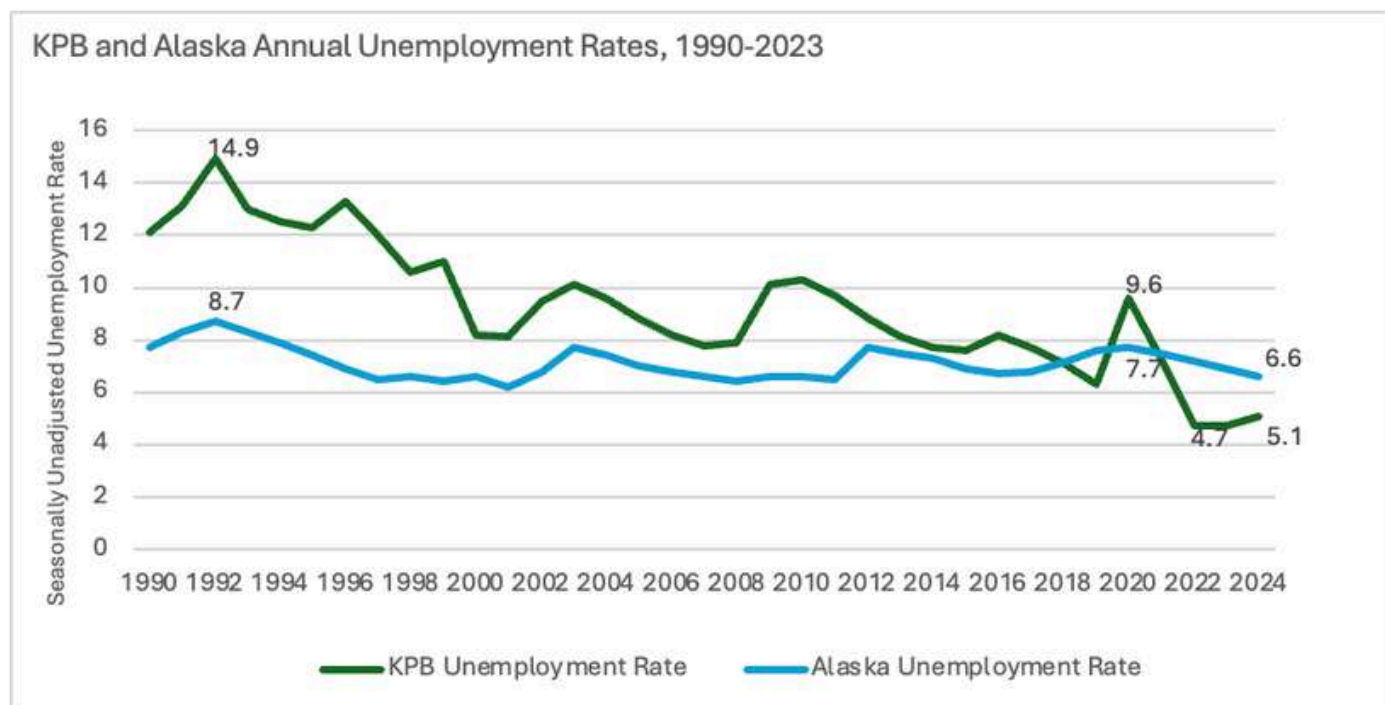


Figure 20: Average annual unemployment rate in KPB and state of Alaska. Source: AKDOLWD, 2011-2020.

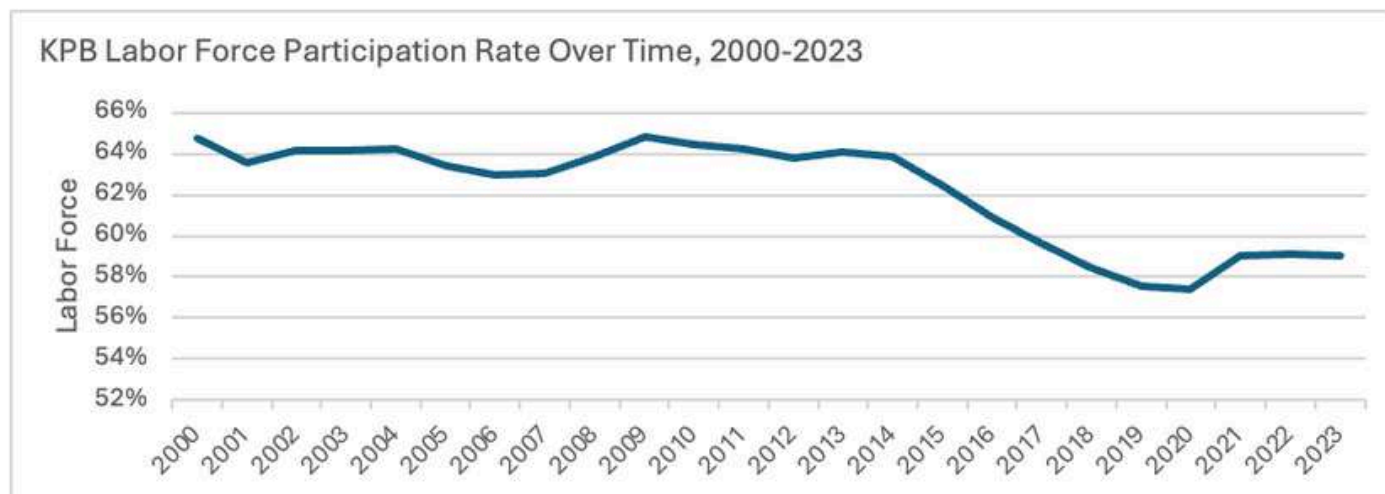


Figure 21: Average annual unemployment rate in KPB and state of Alaska. Source: AKDOLWD, 2011-2020.

An estimated 11.6 percent of the borough's population lives below the poverty line, slightly higher than the statewide average of 10.4 percent and slightly lower than the US average of 12.4 percent. The population of KPB is distributed across rural and urban areas, and the borough's higher-than-average poverty rate is partly attributable to elevated rates in remote areas. In Soldotna, nearly one in five households lives in poverty.

Regional Demographic and Economic Data

Sample of Community Level Poverty Rates in KPB, 2023	
Community	Poverty Rate
Soldotna	18.50%
Homer	11.80%
Nanwalek	13.90%
Kenai	12.30%

Table6: Sample of Community Level Poverty Rates. Source: American Community Survey, 2023,5-Year Estimates.

The Denali Commission generates a list of communities in Alaska considered “distressed.” Distressed communities are defined as communities meeting a number of criteria, including:

- Community-wide average income compared to full-time minimum wage earnings;
- Percentage of population earning greater than the full-time minimum wage earning; and,
- Percentage of population engaged in year-round wage and salary employment.

The 37 communities in KPB are considered distressed. Table 7 presents a list of distressed communities in the borough.

Distressed Communities in KPB, 2024	
Anchor Point	Homer
Beluga	Kachemak
Clam Gulch	Kasilof
Cohoe	Moose Pass
Cooper Landing	Nanwalek
Crown Point	Nikolaevsk
Diamond Ridge	Ninilchik
Fox River	Point Possession
Fritz Creek	Primrose
Funny River	Salamantof
Halibut Cove	Seldovia
Happy Valley	Seldovia Village

Table 7: Distressed Communities in KPB. Source: Denali Commission, 2024.

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Regional Demographic and Economic Data

Cost of Living

The cost of living in the borough is high compared to more urban areas of Alaska, like Anchorage, and the national average. Cost-of-living index information is limited in Alaska outside of Anchorage; however, the Department of Defense Overseas Cost of Living Allowance Index includes select communities in the Borough and allows some comparison of cost of living in the region.

While the housing costs in the region are lower on average than other areas of the state, other variables influencing cost of living in the region are more expensive. Power costs in the region, from Homer Electric Association (HEA), are among highest of the electric cost on the integrated system of utilities in urban Alaska, referred to as the Railbelt. Select areas of the peninsula are served by Chugach Electric Association (CEA), with some of the lowest electric rates across urban Alaska.

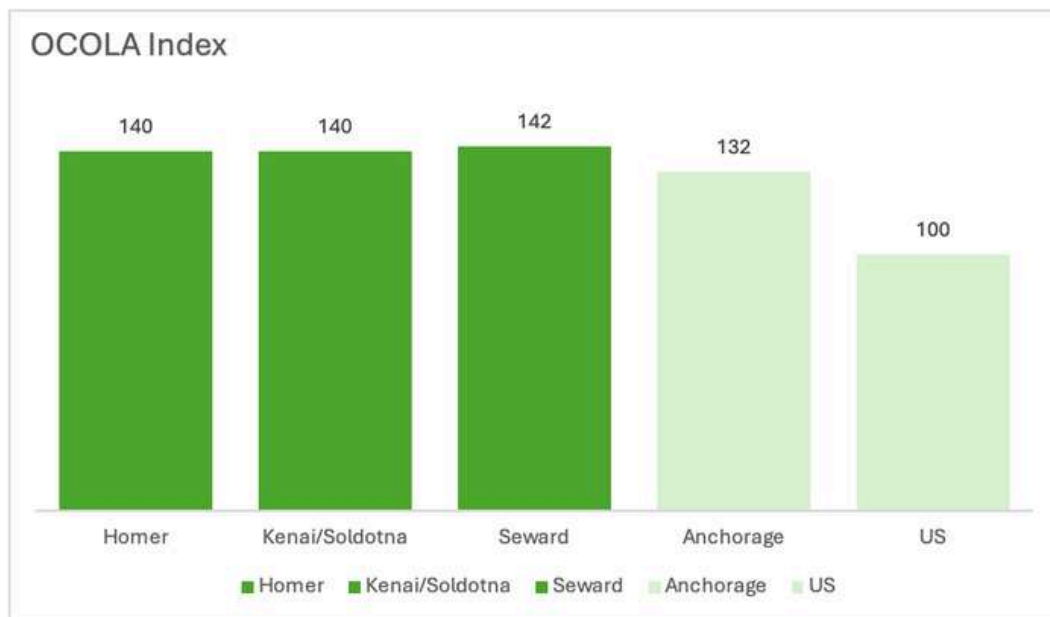


Figure 22: DOD Overseas Cost of Living Adjustment index of select Kenai Peninsula communities. Source: DOD, 2024.

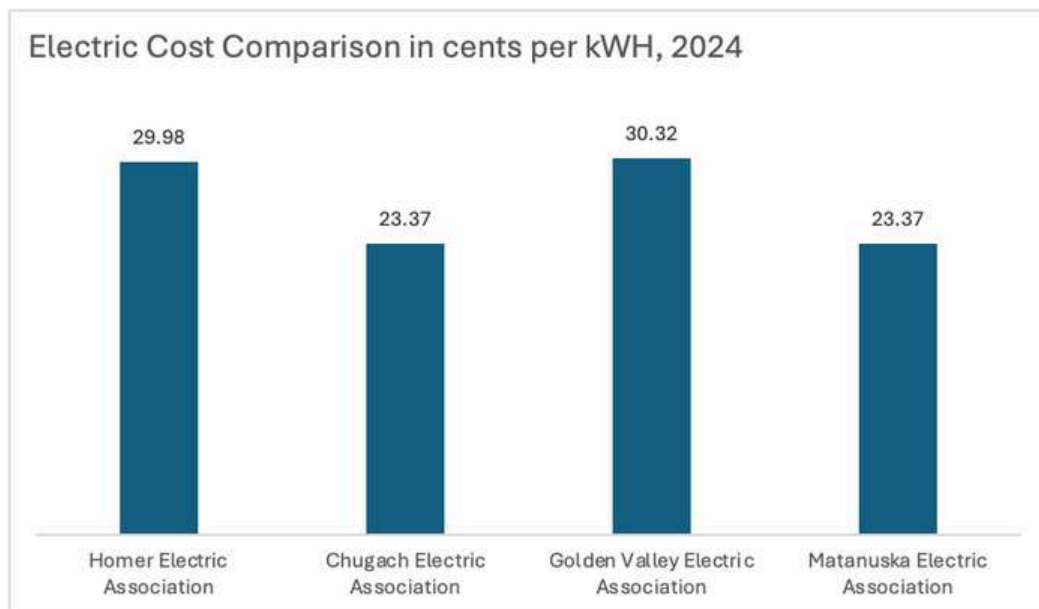


Figure 23: Kenai Peninsula electric utility cost compared to other urban Alaska utilities. Source: Regulatory Commission of Alaska, 2020.

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Regional Demographic and Economic Data

Food

Food costs in the region are slightly higher than other urban regions of Alaska. The University of Alaska Fairbanks Cooperative Extension Service tracks food costs across Alaska. In 2018, the most recent year for which data are available, the average food cost for a family of four in Kenai was estimated at \$184.02 per week.

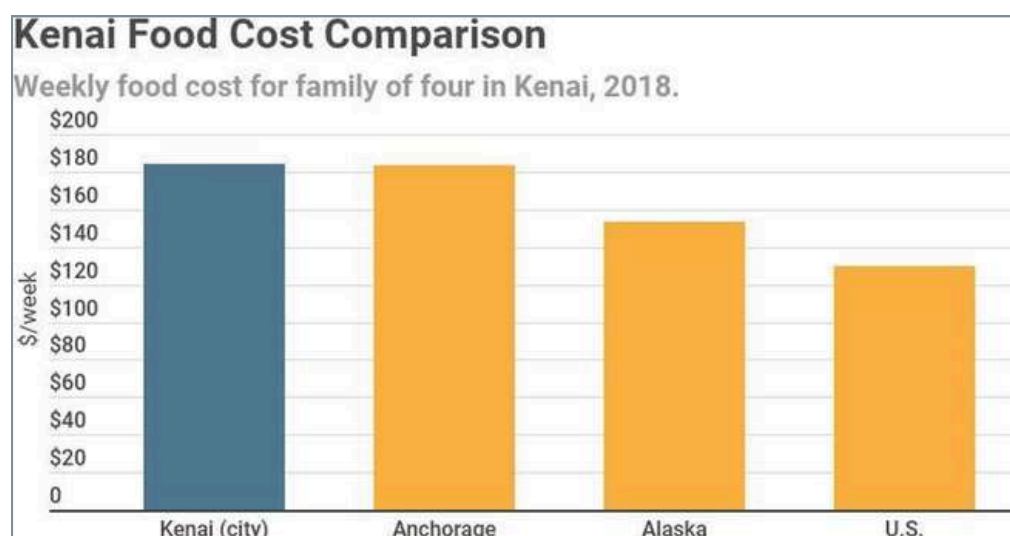


Figure 24: Weekly food cost for family of four in Kenai. Source: UAF, 2018.

Energy

Electricity in the region is primarily provided by HEA, which serves the majority of Kenai Peninsula residents. HEA provides electricity to customers at a lower cost, thanks to access to affordable natural gas and economies of scale. Northwest regions of the peninsula are served by CEA. CEA also serves Tyonek, a remote community in the borough on the northern side of the Cook Inlet. The City of Seward manages its own electric utility, serving approximately 3,000 customers.

Electricity Costs Across KPB, 2020		
Utility	Energy Source	Cost per kWh
Homer Electric Association	Natural Gas, Hydroelectric,	\$0.27
Chugach Electric Association	Natural Gas, Wind,	\$0.21
City of Seward	Natural Gas, Hydroelectric	\$0.24

Table 8: Electricity costs across KPB. Source: Regulatory Commission of Alaska and City of Seward, 2024.

Regional Demographic and Economic Data

Space heating in the region is fueled by a patchwork of energy sources. Parts of the borough, including Homer, Kenai, Nikiski, Sterling, and Soldotna, are served by ENSTAR NaturalGas Company which enables natural gas fueled heating. Other space heating is fueled by propane and heating fuel.

Fuel Cost by Source in KPB and selected communities, 2025	
Fuel Source	Cost
Natural Gas (\$/CCF)	\$1.06
Heating Fuel (\$/Gallon) Seldovia	\$6.37
Gasoline (\$/Gallon) Seldovia	\$6.28
Heating Fuel (\$/Gallon) Homer	\$3.79
Gasoline (\$/Gallon) Homer	\$3.40

Table 9: Fuel cost by source in KPB. Source: Regulatory Commission of Alaska, 2025 and Department of Community and Rural Affairs, 2025.

Access to the road system and local natural gas infrastructure helps to maintain lower fuel costs in more urban regions of the peninsula. In remote areas, communities off the road system, such as Seldovia, have significantly higher fuel costs. For example, Homer is on the road system, and in January 2025, heating fuel in the community was priced at \$3.79 per gallon. Across Kachemak Bay, and off the road system, the heating fuel price recorded in Seldovia during the same period was \$6.37 per gallon, 68 percent higher than prices in Homer.

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Regional Demographic and Economic Data

Communications

Approximately 87 percent of households in the borough have internet subscriptions, which is lower than in Anchorage (94 percent) and in Alaska (90 percent). Of households with internet access, 53 percent have broadband. The remaining households utilize dial-up or satellite internet.

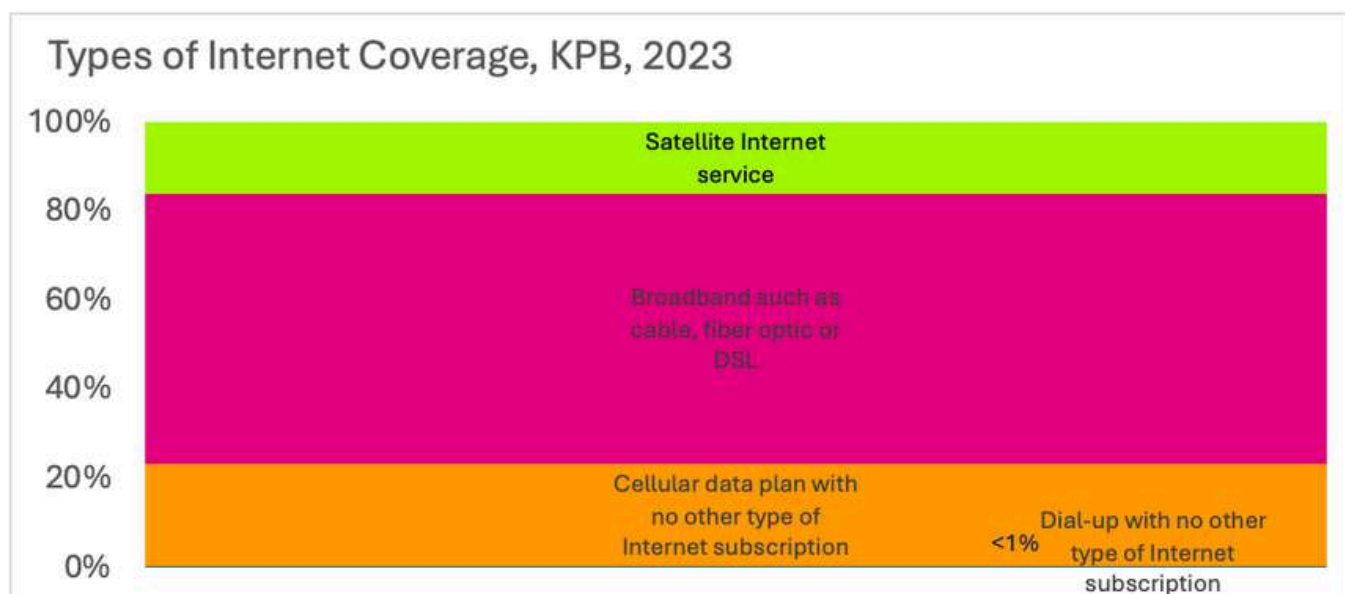


Figure 25: Households with broadband access by type of access. Source: American Community Survey, 2013 5-Year Estimates.

Broadband quality and affordability can vary widely across Alaska and the Kenai Peninsula Borough, from remote to urban areas. Therefore, households with internet subscriptions may not have affordable, reliable, and fast internet connections. Rural areas experience higher costs and slower speeds.

“Middle-mile” infrastructure, the infrastructure connecting networks coming into Alaska from the Lower 48 to the “last-mile,” smaller community-level networks in the region, has expanded over the last decade. Portions of the region are also connected to GCI’s TERRA network and other GCI fiber networks. The percentage of homes connected to satellite internet has doubled since 2019.

Appendix B

Regional Demographic and Economic Data

In 2020, KPB allocated \$1.2 to \$2 million in CARES Act funding to improve public access to the internet. That allocation is funding the construction of new communication towers to expand broadband coverage in underserved areas of the borough. The number of households with cellular internet access has increased from 55 percent of households to 78 percent since 2019.

The increase in fast, reliable internet access strengthens resilience on the peninsula by expanding economic and educational opportunities and fostering entrepreneurship. Increased connectivity enables residents to take advantage of markets outside the peninsula and even outside Alaska, and brings new problem-solving ideas to the region. Lastly, it opens the door for individuals to move to the community and work from home while earning wages outside the peninsula, thereby increasing the impact of their wages.



Appendix B

Regional Demographic and Economic Data

Infrastructure and Transportation



Roads

Large portions of the Kenai Peninsula Borough (KPB) are connected to the North American Highway System via Anchorage. The Seward and Sterling Highways serve as the primary overland transportation arteries across the Peninsula, facilitating year-round access to the rest of Alaska, Canada, and the Lower 48. The Kenai Spur Highway links the Central Peninsula communities of Kenai, Nikiski, Ridgeway, and Salmatof to the Sterling Highway, facilitating the movement of goods, services, and people throughout the region.

At the southern and eastern terminus of the Peninsula, the Sterling and Seward Highways connect the cities of Seward and Homer, supporting the development of communities such as Moose Pass, Cooper Landing, and Anchor Point. The region's relatively well-developed road network significantly enhances economic activity by reducing transportation costs for consumer goods, construction materials, and tourism-related services—particularly compared to communities that rely exclusively on air or marine transport.

However, several Southern Peninsula and west-side communities remain disconnected from the road system, including Seldovia, Nanwalek, Port Graham, and Tyonek, all of which are accessible only by air or boat. This lack of road access presents ongoing challenges, including higher living costs, reduced access to emergency and routine healthcare, and fewer employment opportunities than in road-connected areas of the borough.

The Kenai Peninsula Borough Road Service Area maintains over 645 miles of roads, with approximately 95% gravel and 5% paved. In recent years, the Borough has advanced plans to extend the Kenai Spur Road north to improve access to Gray Cliffs and Moose Point, two remote subdivisions on the west side of Cook Inlet. The North Road Extension Advisory Task Force was established to gather public input, assess feasibility, and provide recommendations. As of early 2025, the project remains under active consideration, with community engagement and preliminary planning underway through the task force's coordination.

The Cooper Landing Bypass Project, part of the Sterling Highway Milepost 45–60 corridor improvements, is currently under phased construction, with work underway on roadway realignments and the Juneau Creek Bridge, a major project component expected to continue through the late 2020s. Full project completion and opening to traffic is anticipated in the early 2030s, contingent on the availability of future state and federal funding. Once complete, the bypass is expected to significantly improve safety and travel reliability on the Sterling Highway, reduce congestion through the Cooper Landing community, and support long-term economic activity, tourism, and freight movement across the Kenai Peninsula.

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Regional Demographic and Economic Data

Infrastructure and Transportation

Marine Highway

The Alaska Marine Highway System (AMHS) plays an important role in supporting transportation access, economic connectivity, and regional resilience within the borough, particularly for coastal and road-limited communities. AMHS provides passenger, vehicle, and freight service linking the Borough to communities across Southcentral and Southeast Alaska, as well as to regional hubs that are otherwise difficult or costly to reach by road or air. For communities such as Seldovia and Port Graham, marine transportation remains a practical and necessary component of regional connectivity.

Beyond basic mobility, the Marine Highway functions as a key economic and logistical asset for the Borough. AMHS supports tourism by facilitating visitor travel to coastal destinations such as Homer, Seldovia, and Seward, enabling vehicle-based tourism and extended stays that contribute to local lodging, retail, food service, and recreation industries. The system also supports commercial activity by enabling residents and businesses to transport vehicles, equipment, and goods more cost-effectively than air transport, particularly for oversized or seasonal freight.

The Marine Highway contributes to the resilience of the Kenai Peninsula's transportation network. In a region characterized by geographic separation, weather-related disruptions, seismic risk, and limited redundancy in surface transportation corridors, marine routes provide an alternative mode that can help maintain connectivity during emergencies, road closures, or aviation service interruptions. This redundancy supports continuity of travel and commerce and reduces reliance on single transportation corridors.

In recent years, changes in AMHS service levels and reliability have introduced new challenges for residents, businesses, and visitors in the Kenai Peninsula Borough. Reduced sailings and schedule uncertainty have limited the system's ability to support residents, tourism, and commercial logistics at historical levels. These conditions highlight the importance of coordinated planning across transportation modes and underscore the role of marine transportation.

Appendix B

Regional Demographic and Economic Data

Marine Highway

Looking forward, the AMHS remains a strategically important component of the Kenai Peninsula Borough's long-term transportation and economic development planning. Continued coordination among state agencies, local governments, and regional partners will be necessary to align service levels with transportation demand, economic activity, and fiscal sustainability. Within the context of this CEDS, the Marine Highway is best understood as a foundational element of a multi-modal transportation network that supports regional connectivity, economic activity, and long-term stability across the Kenai Peninsula.

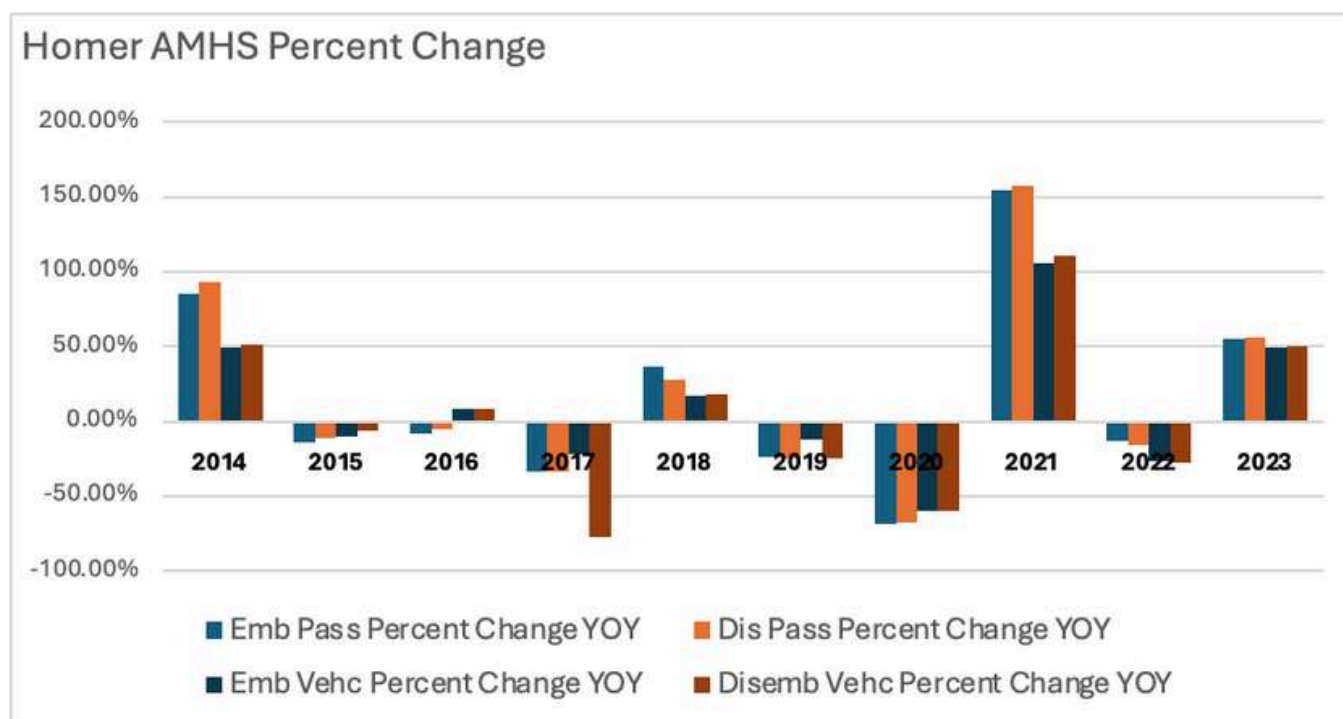


Figure 26: Percent change in AMHS embarking and disembarking passengers and vehicles at the Homer AMHS port. Source: AMHS, 2014-2023.

Appendix B

Regional Demographic and Economic Data

Infrastructure and Transportation



Aviation Facilities

The Kenai Peninsula Borough is served by a mix of public and private airports, ranging from major facilities with scheduled commercial service, such as Kenai Municipal Airport and Homer Airport, to small, remote gravel airstrips. Public airports accommodate a range of services, including scheduled passenger flights, air cargo, charter operations, emergency medical transport, and personal aviation. Larger airports, particularly Kenai Municipal Airport, are capable of supporting jet service and have historically accommodated regional carriers, cargo operations, and occasional charter activity.

Private airports and airstrips throughout the borough provide access to remote properties, homesteads, and resource-development areas. These facilities may require prior permission to land, be members-only, or be served by on-demand charter operators. The predominance of private and general aviation reflects the borough's geography and the continued need for air access to locations not connected to the road system.

Flightseeing tours remain a popular visitor experience, particularly in Homer, Soldotna, and Kenai. The tourism sector continues to rely heavily on general aviation infrastructure to support both recreation and point-to-point transportation, especially during peak summer months.

Kenai Municipal Airport is the region's largest airport and serves as the primary hub for scheduled passenger, cargo, and mail services. Regular commuter flights connect the Central Peninsula to Anchorage, approximately 60 air miles away. The airport also supports freight operations, emergency services, and aviation-related businesses and has been identified locally as a strategic asset with potential for future facility improvements or expansion to support growing industrial, cargo, and energy-related activity, including LNG-related projects.

Recently, air service patterns within the borough have shifted. Homer Airport has seen a reduction in scheduled commercial service, increasing Kenai's relative importance as a regional aviation center. In 2020, RavnAir Group, formerly a primary commercial carrier serving the Kenai Peninsula, declared bankruptcy and ceased operations. Although Ravn Alaska later resumed limited service, subsequent ownership and operational changes resulted in the withdrawal of scheduled flights. In response, other carriers and operators, including Kenai Aviation, Aleutian Airways, and charter providers, have helped maintain air connectivity and demonstrated continued demand for aviation services within the borough.

Appendix B

Regional Airstrips

Location, Ownership, Runway Type	Max Runway Length	Location, Ownership, Runway Type	Max Runway Length
Anchor Point	4541	Nikishka	4000
Private	4541	Private	4000
Gravel	2500	Gravel	1500
Water	4541	Asphalt-Gravel	4000
Gravel-Dirt	2200	Nikiski	1083
Beluga	5002	Private	1083
Private	5002	Dirt	1083
Gravel	5002	Ninilchik	2400
Concrete	60	Public	2400
Cooper Landing	2200	Gravel	2400
Public	2200	Port Graham	1975
Gravel-Dirt	2200	Public	1975
Homer	6701	Gravel-Dirt	1975
Private	3200	Seldovia	1845
Gravel	2400	Public	1845
Turf	1800	Gravel	1845
Turf-Gravel	3200	Seward	4249
Public	6701	Public	4249
Asphalt-Paved	6701	Asphalt-Gravel	4249
Hope	2040		
Public	2040		
Gravel	2040		

Appendix B

Regional Air Strips

Location, Ownership, Runway Type	Max Runway Length	Location, Ownership, Runway Type	Max Runway Length
Kasilof	2400	Soldotna	5001
Public	2400	Private	2800
Gravel	2400	Dirt	2000
Kenai	7855	Gravel	2100
Private	4100	Turf	2712
Gravel	4100	Gravel-Dirt	2800
Turf	2640	Turf-Gravel	1300
Turf-Gravel	2600	Public	5001
Public	7855	Gravel-Dirt	2300
Gravel	1980	Asphalt	5001
Water-Gravel	4600	Sterling	2500
Asphalt	7855	Private	2500
Lawing	2355	Gravel	2500
Public	2355	Turf	1900
Gravel	2355	Trading Bay	4500
Nanwalek	1850	Private	4500
Public	1850	Gravel-Dirt	4500
Gravel-Paved	1850	Tyonek	4100
Jakalof Bay	1000	Private	3000
Public	1000	Gravel	3000
Gravel-Paved	1000	Public	4100
		Gravel	4100

Appendix B

Regional Demographic and Economic Data

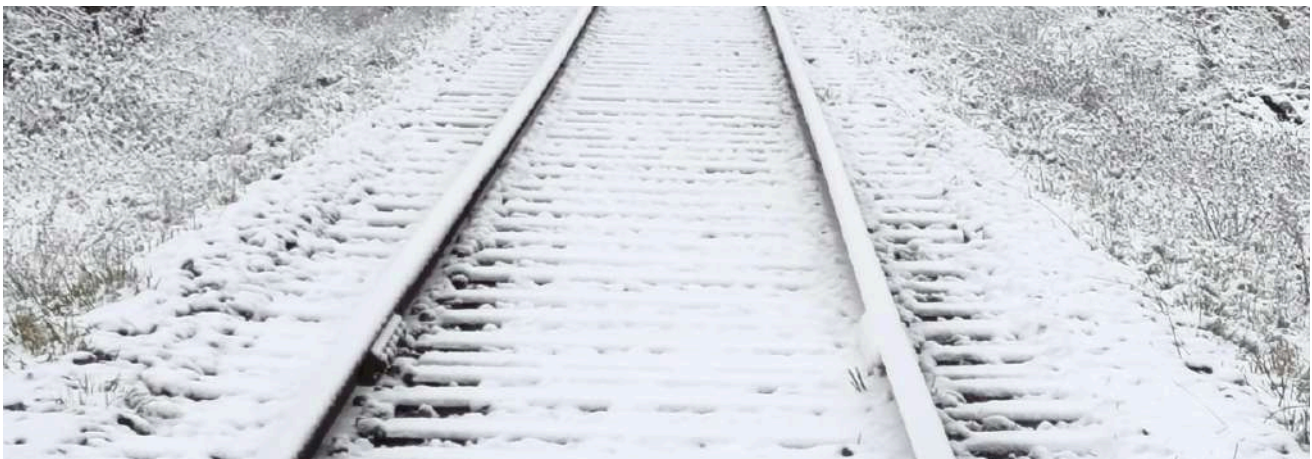
Rail

Seward is the only community in the Kenai Peninsula Borough with direct rail access, served by the Alaska Railroad Corporation (ARRC) via the rail line connecting Anchorage to Seward. This rail connection plays a significant role in the borough's transportation system by linking the ice-free Port of Seward to Southcentral Alaska's population centers and freight corridors. The rail line provides an alternative to highway transportation for both passengers and goods and contributes to the overall redundancy and resilience of the regional transportation network.

During the summer tourism season, the Anchorage–Seward rail line serves as a major conduit for visitor travel, transporting cruise ship passengers arriving at the Port of Seward to Anchorage, Denali National Park, and Interior Alaska destinations. Passenger rail service supports the tourism economy and related spending across lodging, retail, food service, and visitor attractions throughout the region.

Historically, rail freight operations included the transport of coal from Interior Alaska to Seward for export. This activity ceased in 2016 following changes in global coal markets and export demand, and the associated coal-loading infrastructure at the Port of Seward was demolished in 2024. The removal of this infrastructure marked a shift in the nature of rail-served freight activity in the community and closed a long-standing chapter of Seward's industrial port operations.

Today, rail freight service through Seward focuses on moving general cargo, construction materials, petroleum-related equipment, and other commodities, supporting local and regional supply chains. Rail service continues to complement marine and highway freight by providing a cost-effective option for bulk or heavy goods and by supporting port operations at Seward. While rail access is geographically limited to a single community within the borough, its integration with port, highway, and tourism infrastructure gives it an outsized role in supporting regional economic activity and transportation reliability.



Appendix C

SWOT and Scenario Planning Results

Purpose and Overview

This appendix summarizes the Strengths, Weaknesses, Opportunities, and Threats (SWOT) identified during KPEDD's CEDS engagement process and outlines the scenario planning discussions that informed the region's strategic priorities. The SWOT process was conducted between March and May 2025 through in-person workshops, Mentimeter polling, and follow-up stakeholder interviews.

The analysis integrated perspectives from business owners, Tribal governments, municipal leaders, educators, and nonprofit organizations across the Kenai Peninsula Borough. The resulting findings guided the development of the Goals and Objectives in the main CEDS document, ensuring that strategies respond directly to locally defined priorities and risks.

SWOT Summary

Strengths

- Abundant natural resources and scenic landscapes that support fisheries, tourism, and recreation.
- Strong community cohesion, volunteerism, and quality of life.
- Access to ports, airports, and the Sterling Highway for regional and export trade.
- Entrepreneurial culture and small-business resilience.
- Rich Alaska Native heritage and cross-sector partnerships.

Opportunities

- Expansion of renewable energy, mariculture, and outdoor recreation industries.
- Redevelopment of Borough-owned land for mixed-use and housing.
- Growth of remote work and digital entrepreneurship enabled by broadband.
- Collaboration among Tribes, municipalities, and private industry for joint infrastructure projects.
- Government investment via infrastructure, energy, and workforce grants.

Weaknesses

- Severe shortage of affordable and workforce housing across all communities.
- High cost of living, utilities, and transportation.
- Workforce shortages and limited career and technical education capacity.
- Limited childcare availability restricting workforce participation.
- Aging infrastructure and deferred maintenance in roads, water, and energy systems.

Threats

- Economic volatility tied to oil, gas, and tourism cycles.
- Declining natural gas production in Cook Inlet and rising energy costs.
- Out-migration of young families due to housing and childcare shortages.
- Natural disaster-related hazards: coastal erosion, wildfire, flooding, and seismic activity.
- Limited local fiscal capacity to match federal funding opportunities.

Appendix C

SWOT and Scenario Planning Results

SWOT Analysis Process

Participants were asked to identify the factors most affecting the Borough's economic resilience and competitiveness. Across more than 300 data points collected through Mentimeter polling and facilitated discussion, five themes emerged as region-wide priorities:

1. **Housing:** Persistent shortages limit workforce growth and affordability.
2. **Energy:** Reliability and cost drive both household economics and industrial feasibility.
3. **Workforce Development:** Strengthen alignment between K-12, CTE, and employer demand.
4. **Infrastructure:** Maintain and modernize ports, roads, broadband, and water systems.
5. **Quality of Life:** Preserve environmental assets and community identity while accommodating growth.

These priorities were subsequently validated by KPEDD's Strategy Committee and used to shape the CEDS Goals and Action Plan.

Scenario Planning Results

To test the resilience of strategies identified through the SWOT analysis, KPEDD facilitated scenario-planning discussions focused on future conditions that could significantly influence the region's economy. Stakeholders considered several plausible scenarios for the 2026–2031 period. Key findings of the scenario planning exercise are below:

Scenario	Description	Key Implications
Energy Transition	Gradual decline in Cook Inlet production combined with investment in renewables and microreactors.	Need for workforce retraining, local power reliability, and investment in renewable demonstration projects.
Population Shift	Continued out-migration of young workers coupled with an influx of retirees and remote professionals.	Housing mix and service demand changes; expanded healthcare and telework infrastructure needed.
Natural disaster and Infrastructure Stress	Increased wildfire, erosion, and storm impacts on roads and ports.	Necessitates natural disaster-hardened infrastructure, diversified logistics, and emergency coordination.

Appendix C

SWOT and Scenario Planning Results

Scenario	Description	Key Implications
Major Project Investment	Launch of large-scale industrial or energy project (e.g., LNG, port expansion).	Potential surge in temporary jobs and housing demand; need for proactive workforce and housing planning.

Across all scenarios, participants emphasized diversification, proactive planning, and regional coordination as essential to resilience. Strategies that perform well under multiple futures, such as renewable energy development, childcare expansion, and broadband investment, were prioritized in the final Action Plan.

Conclusion

The SWOT and scenario planning exercises established the analytical foundation for the CEDS. They revealed that the Kenai Peninsula's greatest strengths, its natural assets, community spirit, and entrepreneurial capacity, can only be sustained through deliberate action on housing, workforce, and infrastructure. The following Goals and Objectives translate these insights into a forward-looking roadmap for broad-based and resilient economic growth.



Appendix D

Implementation Matrix

Purpose and Overview

This appendix outlines the specific actions, lead partners, timelines, and performance measures associated with each CEDS goal and objective. It translates the strategic framework into a coordinated work plan for the Kenai Peninsula Economic Development District (KPEDD) and its partners.

The matrix identifies the responsible entities for implementation, approximate time horizons, and potential funding sources. The plan will be reviewed annually by KPEDD's Strategy Committee to track progress, measure outcomes, and update priorities.

Implementation Matrix

Goal 1: Natural Resources & Infrastructure

Strengths

- Abundant natural resources and scenic landscapes that support fisheries, tourism, and recreation.
- Strong community cohesion, volunteerism, and quality of life.
- Access to ports, airports, and the Sterling Highway for regional and export trade.
- Entrepreneurial culture and small-business resilience.
- Rich Alaska Native heritage and cross-sector partnerships.

Weaknesses

- Severe shortage of affordable and workforce housing across all communities.
- High cost of living, utilities, and transportation.
- Workforce shortages and limited career and technical education capacity.
- Limited childcare availability restricting workforce participation.
- Aging infrastructure and deferred maintenance in roads, water, and energy systems.



Appendix D

Implementation Matrix

Goal 1: Natural Resources & Infrastructure

Strengthen the Borough's resilience by expanding reliable housing, modernizing infrastructure, and diversifying energy sources while protecting natural resources.

Objective / Action	Lead & Partners	Timeframe	Potential Funding Sources	Performance Indicators
1.1 Housing Expansion & Affordability: Release Borough-held land for housing. Adopt zoning and STR policies that balance year-round and visitor needs.	KPEDD (lead), KPB Planning Dept., AHFC, municipalities, developers	Short (1-3 yrs) / Ongoing	EDA Public Works, AHFC Housing Innovation, USDA RD, HUD CDBG	200 affordable units by 2031; Land release completed by 2027
1.2 Energy Diversification & Reliability: Develop 3 renewable energy demonstration projects by 2028. Promote community energy efficiency and microreactor exploration.	KPEDD, Homer Electric Association, AEA, DOE Office of State and Community Energy Programs	Short- to Mid-term (2025–2029)	DOE EERE, EDA Disaster Supplemental, Inflation Reduction Act grants	15% reduction in average energy cost by 2031; Projects completed by 2028
1.3 Infrastructure Modernization: Prioritize natural disaster-resilient investments in ports, roads, airports, and broadband. Integrate erosion and hazard mitigation measures.	KPB OEM, AK DOT&PF, KPEDD, local governments, private utilities	Ongoing (2025–2031)	BIL & IJIA infrastructure funds, FEMA BRIC, EDA Public Works	Infrastructure projects completed on time and within budget; Resiliency criteria adopted

Appendix D

Implementation Matrix

Goal 1: Natural Resources & Infrastructure

Strengthen the Borough's resilience by expanding reliable housing, modernizing infrastructure, and diversifying energy sources while protecting natural resources.

Objective / Action	Lead & Partners	Timeframe	Potential Funding Sources	Performance Indicators
1.4 Broadband & Connectivity: Expand high-speed internet to unserved areas.	KPEDD, AK Broadband Office, Tribal broadband entities, ISPs	Short (1-3 yrs)	BEAD, NTIA Middle Mile, USDA ReConnect	100% community coverage by 2029
1.5 Natural disaster Resilience & Hazard Mitigation: Integrate CEDS with Hazard Mitigation Plan. Develop post-disaster recovery framework.	KPEDD, KPB OEM, Tribal governments, FEMA Region 10	Ongoing (2025–2031)	FEMA HMGP, EDA Disaster Supplemental	Updated plans and drills completed every 2 yrs

Goal 2: Social & Community Engagement

Build thriving, welcoming communities through workforce development, access to childcare, and civic participation.

Objective / Action	Lead & Partners	Timeframe	Potential Funding Sources	Performance Indicators
2.1 Workforce Training & Education: Expand career and technical education (CTE) pathways in energy, health care, and manufacturing. • Partner with UAA KPC and school districts.	KPEDD, Kenai Peninsula Borough School District, UAA KPC, AK DOLWD	Short to Mid (2025–2031)	EDA Workforce Development, DOL Apprenticeship Grants, State CTE funds	1,000 trained workers in high-demand occupations; CTE enrollment doubles

Appendix D

Implementation Matrix

Goal 2: Social & Community Engagement

Build thriving, welcoming communities through workforce development, access to childcare, and civic participation.

Objective / Action	Lead & Partners	Timeframe	Potential Funding Sources	Performance Indicators
2.2 Childcare Access & Employer Partnerships: Support 10 new employer-supported childcare initiatives by 20.	KPEDD, Chambers of Commerce, municipalities, nonprofit providers	Short (1-3 yrs)	USDA Community Facilities, DOL Women's Bureau grants, local business matches	100 new childcare slots created by 2031
2.3 Community Resilience and Equity: Engage Tribal and rural partners in regional planning and data collection.	KPEDD, Tribal governments, nonprofits	Ongoing (2025–2031)	EDA Partnership Planning, BIA Planning Grants	Increased representation on CEDS committee and regional projects



Appendix D

Implementation Matrix

Goal 3: Business & Economic Diversification

Encourage entrepreneurship, strengthen key industries, and foster innovation across the Borough.

Objective / Action	Lead & Partners	Timeframe	Potential Funding Sources	Performance Indicators
3.1 Industry Diversification: Support growth in mariculture, value-added seafood, and manufacturing.	KPEDD, AK Mariculture Alliance, MEA, Alaska MEP	Mid-term (2026–2031)	EDA Build to Scale, NOAA Seafood Trade Relief, State Mariculture funds	3 new processing or manufacturing facilities by 2031
3.2 Entrepreneurship & Small Business Support: Expand business advising and grant readiness assistance through KPEDD and partners.	KPEDD, SBDC, Alaska Startup Week, Chambers of Commerce	Short (1-3 yrs)	EDA CAP, SBA Growth Accelerator Fund	100 businesses served annually; \$5 million leveraged investment
3.3 Tourism & Creative Economy: Develop regional marketing initiatives and off-season tourism strategies.	KPEDD, ATIA, City of Seward Port & Harbor, City of Homer	Mid (2025–2029)	EDA Tourism Recovery, State Destination Development grants	Increase shoulder-season visitor spending by 15%

Appendix D

Implementation Matrix

Goal 3: Business & Economic Diversification

Encourage entrepreneurship, strengthen key industries, and foster innovation across the Borough.

Objective / Action	Lead & Partners	Timeframe	Potential Funding Sources	Performance Indicators
3.4 Food Security & Local Production: Promote food manufacturing and agriculture innovation for resilience.	KPEDD, ADF&G, AK Farm Bureau, USDA	Long (2026–2031)	USDA Value-Added Producer Grants, EDA Tech Hubs	Local food supply increases by 10%

Monitoring and Evaluation

KPEDD will maintain a centralized Performance Dashboard tracking quantitative metrics (housing units, trained workers, childcare slots, energy cost reduction, business starts) and qualitative indicators (community satisfaction, resiliency outcomes).

The Strategy Committee will review progress annually and issue a CEDS Performance Report summarizing accomplishments, barriers, and emerging opportunities. Adjustments will be made as necessary to keep strategies aligned with changing economic conditions and funding availability.



Appendix E

Resilience and Recovery Framework

Post Disaster Recovery Framework Summary

Economic resilience is the foundation of sustained prosperity for the Kenai Peninsula Borough. While the preceding sections of this CEDS outline strategies for growth and diversification, this appendix focuses on how the region prepares for, withstands, and recovers from disruption. KPEDD's Resilience and Recovery Framework integrates hazard mitigation, emergency coordination, and long-term economic planning to ensure that recovery efforts strengthen, not simply restore, the region's communities, infrastructure, and industries.

The Kenai Peninsula Economic Development District (KPEDD) plays a central coordinating role in post-disaster economic recovery, helping communities restore business operations, rebuild infrastructure, and strengthen long-term resilience after natural or economic disruptions.

KPEDD's recovery framework is designed around three pillars: **Preparedness, Coordination, and Long-Term Resilience.**

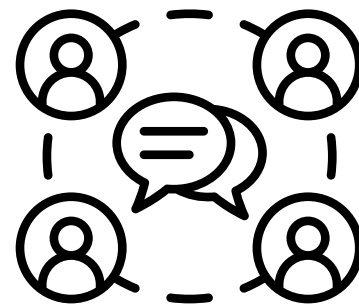
Preparedness:

KPEDD works with local governments, Tribal organizations, and the Kenai Peninsula Borough Office of Emergency Management (OEM) to identify economic vulnerabilities before disasters occur. This includes mapping business clusters, assessing workforce dependencies, and coordinating continuity-of-operations planning across critical sectors.



Coordination:

Following a disruption, such as a wildfire, flooding, an earthquake, or an economic shock, KPEDD convenes local partners to assess impacts, prioritize recovery investments, and serve as the regional liaison to the U.S. Economic Development Administration (EDA), FEMA, SBA, and the Alaska Division of Homeland Security and Emergency Management.



Long-Term Resilience:

KPEDD integrates recovery investments into the region's broader economic strategy, ensuring that rebuilding efforts promote diversification, energy efficiency, and hazard mitigation. Recovery projects are prioritized based on their potential to reduce future risk and strengthen the regional economy.



Appendix E

Resilience and Recovery Framework

Post Disaster Recovery Framework Summary

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KPEDD's recovery framework is designed around three pillars: **Preparedness, Coordination, and Long-Term Resilience**. The framework emphasizes a “build back stronger” philosophy, viewing disaster recovery not merely as restoration, but as an opportunity to invest in more adaptive infrastructure, energy systems, and workforce capacity that enhance long-term stability.

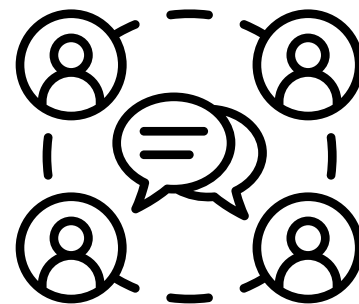
Preparedness:

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Coordination:

Following a disruption, such as a wildfire, flooding, an earthquake, or an economic shock, KPEDD convenes local partners to assess impacts, prioritize recovery investments, and serve as the regional liaison to the U.S. Economic Development Administration (EDA), FEMA, SBA, and the Alaska Division of Homeland Security and Emergency Management.



Long-Term Resilience:

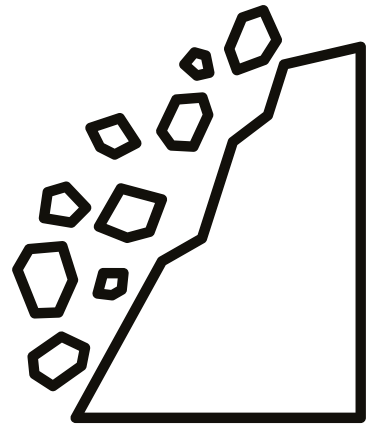
KPEDD integrates recovery investments into the region's broader economic strategy, ensuring that rebuilding efforts promote diversification, energy efficiency, and hazard mitigation. Recovery projects are prioritized based on their potential to reduce future risk and strengthen the regional economy.



Appendix E

Risk and Vulnerability Assessment

The Kenai Peninsula Borough faces a unique set of **geophysical, climatic, and economic hazards**. KPEDD's role is to integrate economic planning with risk mitigation by understanding these vulnerabilities and identifying strategies that reduce exposure.



1. Natural Hazards:

- **Seismic Activity:** The Kenai Peninsula lies within Alaska's active seismic zone, and the region's infrastructure is susceptible to earthquake and tsunami events.
- **Coastal Erosion and Flooding:** Coastal communities like Kenai, Homer, and Seward face chronic erosion and rising sea levels that threaten ports, roads, and homes.
- **Wildfire Risk:** Increasingly dry summers have led to more frequent wildfires, threatening residential areas, power infrastructure, and tourism assets.
- **Volcanic Ash and Air Quality:** Eruptions from neighboring volcanoes (e.g., Augustine, Redoubt) periodically disrupt air traffic and power systems.

2. Economic Vulnerabilities:

- **Energy Dependence:** The Borough's heavy reliance on Cook Inlet natural gas leaves businesses and households vulnerable to price and supply volatility.
- **Industry Concentration:** Oil and gas, tourism, and fisheries remain economic mainstays; disruptions in any of these sectors have ripple effects across the regional economy.
- **Labor Constraints:** Workforce shortages, housing scarcity, and childcare gaps limit recovery speed after disruptions.
- **Supply Chain Fragility:** Transportation interruptions, whether due to weather, road closures, or port delays, disrupt the flow of goods and fuel.

3. Social Vulnerabilities:

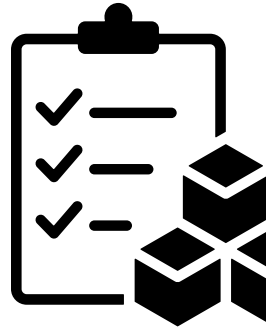
- **Aging Population:** An increasing share of retirees affects workforce availability and the capacity for volunteer-led recovery efforts.
- **Rural Isolation:** Small and remote communities may face delayed access to recovery resources and emergency services.
- **Housing Insecurity:** Limited affordable and temporary housing options slow both evacuation and reconstruction.

Appendix E

Mitigation Priorities:

KPEDD's recovery planning prioritizes mitigation measures that address these risks through:

- Expansion of renewable and distributed energy systems;
- Infrastructure hardening (ports, roads, broadband, utilities);
- Workforce and housing investment to improve adaptive capacity; and
- Integration of hazard mitigation planning into economic development strategies.



Critical Infrastructure Inventory

The Kenai Peninsula Borough's economic vitality depends on its interconnected infrastructure network, linking coastal ports, road systems, airports, broadband, and utilities. KPEDD maintains an evolving inventory of assets to support both pre-disaster planning and rapid post-disaster assessment.

Transportation Infrastructure

- **Ports and Harbors:** Major maritime hubs include Seward, Homer, Kenai, and Nikiski, which support commercial fishing, energy exports, and tourism.
- **Highways and Roads:** The Sterling and Seward Highways form the region's economic spine, connecting communities and enabling freight movement. Vulnerabilities include landslides, flooding, and frost heave.
- **Airports:** The Kenai Municipal Airport and Homer Airport serve as critical regional links for freight, medevac, and workforce mobility.

Energy Infrastructure

- **Natural Gas Production and Distribution:** Cook Inlet provides the primary energy supply for residential, commercial, and industrial users; declining production presents long-term reliability concerns.
- **Electric Grid:** Homer Electric Association and Chugach Electric manage distribution; power lines are exposed to wildfire, wind, and ice damage.
- **Emerging Renewable Assets:** Wind, solar, and geothermal pilot projects are under evaluation to diversify energy resilience.

Communications and Broadband

- **Broadband:** High-speed internet connectivity is expanding but remains uneven in rural areas. KPEDD supports broadband resilience planning in coordination with the Alaska Broadband Office to ensure continuity of business operations during outages.

Appendix E

Critical Infrastructure Inventory

Water and Wastewater Systems:

- **Water and Sewer:** Aging water and sewer infrastructure in several communities (particularly coastal zones) poses both environmental and economic risks. Modernization is a high priority for recovery investment.

Critical Community Facilities:

- **Building Upgrades:** Schools, health care facilities, and emergency shelters are key to social and economic recovery. KPEDD collaborates with local governments to identify needs for upgrades, redundancies, and emergency energy systems.

Continuity of Operations Overview

KPEDD maintains a **Continuity of Operations Plan (COOP)** to ensure uninterrupted support for regional partners during and after a disruption. The plan outlines clear lines of authority, communication procedures, and data management protocols to maintain coordination across the Borough.

Organizational Continuity:

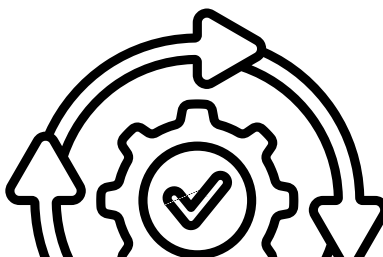
- KPEDD has established alternate workspace and remote operating procedures to ensure staff can continue essential functions if offices are inaccessible.
- Key personnel have defined succession roles and cross-training to maintain critical capabilities in the event of staff unavailability.

Communication and Data Systems:

- Essential records are cloud-based with secure off-site backup to enable immediate access.
- KPEDD uses multiple communication platforms (phone, Teams, email, SMS) to maintain contact with partners during network disruptions.

Partner Coordination:

- Memoranda of Understanding (MOUs) with the Kenai Peninsula Borough Office of Emergency Management, Alaska Department of Commerce, and local Chambers of Commerce enable coordinated messaging and resource deployment.
- KPEDD will activate its Recovery Coordination Group, comprised of key local and industry partners, within 48 hours of a disaster event to evaluate economic impacts and funding needs.



Appendix E

Continuity of Operations Overview

Post-Event Recovery Operations:

- Within the first 30 days of an event, KPEDD will compile a **Rapid Economic Impact Report** to identify affected businesses, infrastructure, and employment sectors.
- Recovery priorities will be coordinated with Borough and State emergency operations centers (EOCs) and shared with EDA, FEMA, and SBA for funding alignment.

Long-Term Integration:

- Recovery activities will feed directly into CEDS updates to capture lessons learned, track funding outcomes, and refine mitigation strategies.
- KPEDD's annual CEDS performance report will include an assessment of resiliency actions implemented and recovery capacity improvements.

Conclusion

The Kenai Peninsula's future economic stability depends on proactive resilience planning and the ability to recover swiftly from disruption. KPEDD's integrated recovery framework, grounded in data, partnerships, and forward-looking infrastructure investment, ensures that the Borough can withstand shocks, protect livelihoods, and emerge stronger and more adaptable after every event.





Funding and Investment Roadmap

How to Use Appendix F:

1. When scoping a project, select 2–3 primary programs above and build a funding stack (e.g., EDA Public Works + AIDEA financing + AHFC GOAL for housing; or MARAD PIDP + AIDEA for port upgrades; or DOE SCEP + AEA REF for community energy).
2. Choose the P3 model that fits cash-flow and risk (e.g., ESPC for facility energy resilience, DBFOM for port electrification with availability payments, CLT for permanent affordability on Borough land).
3. Work through the checklist before drafting narratives; most scoring losses occur due to missing site control, weak BCA, or unclear match.

Federal and State Investment Opportunities

Multi-sector / Core Economic Development:

- **EDA Public Works & Economic Adjustment Assistance (PWEAA):** Capital for job-creating infrastructure (sites, utilities, industrial facilities) and flexible EAA investments for regions facing shocks; FY2025 NOFO consolidates requirements and review procedures. Relevance: industrial sites, port-adjacent utilities, innovation space.
- **EDA Economic Adjustment Assistance (program overview):** Most flexible EDA tool—planning, technical assistance, infrastructure, and workforce in response to sudden or long-term adverse changes. Relevance: recovery, diversification, project development.

Resilience / Hazard Mitigation:

- **FEMA BRIC (Building Resilient Infrastructure & Communities):** Competitive mitigation funding emphasizing capacity-building and large, risk-reducing projects; technical assistance materials available. Relevance: erosion control, wildfire hardening, seismic retrofits for ports/roads.

Transportation, Ports, and Freight:

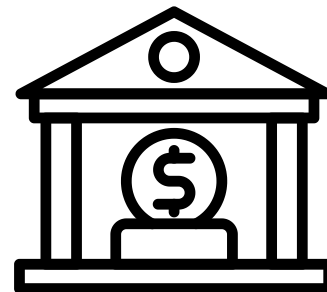
- **USDOT MARAD - Port Infrastructure Development Program (PIDP):** Discretionary grants to improve port efficiency, reliability, and safety; Relevance: Seward/Homer/Kenai/Nikiski port projects, cargo yards, and electrification.
- **USDOT RAISE (formerly BUILD).** Surface transportation projects with local/regional impact (complete streets, freight corridors, multimodal links); detailed NOFO sets 2 CFR 200 compliance. Relevance: Sterling/Seward Highway bottlenecks, port-road connectors.

Broadband and Digital Infrastructure:

- **USDA Rural Development – ReConnect.** Loans/grants for rural broadband construction and equipment; program resources and BABAA guidance maintained even between rounds. Relevance: last-mile in un/underserved KPB areas.
- **Alaska Broadband Office – BEAD implementation & Alaska Broadband Grant Program:** State administration of BEAD with ~\$991M slated for Alaska; program timelines and draft narratives public. Relevance: Borough-tribal-ISP partnerships, middle/last-mile.

Funding and Investment Roadmap

Federal and State Investment Opportunities



Energy Diversification & Efficiency:

- **DOE Office of State & Community Energy Programs (SCEP):** Place-based clean energy investments, including EECBG, Local Government Energy Program, and community energy initiatives. Relevance: community-scale efficiency, distributed generation pilots.
- **Alaska Energy Authority – Renewable Energy Fund (REF):** Competitive grants to reduce/stabilize energy costs via renewables; program extended in perpetuity; recent rounds funded multiple projects. Relevance: wind/solar/geothermal/storage demos in KPB.

Housing and Community Facilities (including Childcare):

- **AHFC – GOAL (Greater Opportunities for Affordable Living):** Grants, LIHTC, and zero-interest loans to develop affordable rental housing. Relevance: workforce/seasonal/senior housing tied to employer demand.
- **AHFC – Rural Professional Housing Grants:** Capital for teacher/health/public-safety housing in rural communities. Relevance: targeted recruitment/retention.
- **USDA RD – Community Facilities (Direct Loans/Grants/Guarantees):** Essential rural facilities incl. childcare, healthcare, public safety; fixed-rate financing and grants. Relevance: stand-alone childcare centers and vocational facilities.
- **HHS/ACF – Child Care & Development Fund (CCDF):** State-administered subsidies and quality funds; can underpin operating models for employer-supported childcare. Relevance: demand-side support complementing new slots.

Industry, Workforce, and Innovation:

- **USDOL – Apprenticeship Building America (ABA):** Grants for state system building, youth RAPs, equity pathways, and hubs; Round 2 FOA and fact sheets detail allowable uses. Relevance: maritime, construction, energy tech apprenticeships.

Development Finance (State):

- **AIDEA – Development Finance Programs:** Financing for industrial/energy/commercial facilities, equipment, and infrastructure; ability to own/operate assets where appropriate. Relevance: gap financing for port, energy, or manufacturing projects.

Appendix F

Funding and Investment Roadmap

Public-Private Partnership (P3) Models for KPEDD Priorities

- **DBFOM Concession (Design-Build-Finance-Operate-Maintain):** Bundles lifecycle delivery with private capital; often used for transportation/port assets; can incorporate availability payments or user-fee structures. Relevance: port terminals, logistics yards, district energy.
- **Availability-Payment P3:** Public sector pays performance-based fees over time (no direct tolling), aligning incentives for reliability and maintenance. Relevance: roads/bridges and potentially port access improvements.
- **Energy Savings Performance Contracts (ESPCs):** Private ESCO finances and implements efficiency/resilience upgrades; repayment from guaranteed savings. Adaptable to municipal facilities, schools, and ports. Relevance: backup power, electrification, efficiency retrofits.
- **Community Land Trust (CLT) Ground-Lease Model:** Separates land from improvements to reduce housing costs and preserve long-term affordability; compatible with HOME/LIHTC and local subsidy layers. Relevance: workforce and teacher housing on Borough or partner land.
- **AIDEA Co-Investment / Ownership:** State development authority can co-invest, provide credit support, or own/operate strategic assets that advance economic goals. Relevance: port/industrial park expansions, energy projects.

Grant Readiness Checklist (EDA/USDA/DOT/FEMA/HHS-aligned)

Organizational & Compliance:

- **Active registrations:** UEI + SAM.gov; Grants.gov workspace established. (Consistent with federal NOFO requirements such as RAISE/EDA.) Department of Transportation
- **2 CFR 200 policies:** Procurement, financial management, conflict of interest, and subrecipient monitoring documented (referenced across DOT/EDA NOFOs). Department of Transportation
- **BABA / domestic preference plan** where applicable (e.g., USDA ReConnect resources)



Appendix F

Funding and Investment Roadmap

Grant Readiness Checklist (EDA/USDA/DOT/FEMA/HHS-aligned)

Project Definition & Feasibility:

- **CEDS alignment memo:** One page tying project to KPEDD goals, metrics, and equity considerations (supports EDA eligibility).
- **Site control:** Deeds/leases/MOUs; right-of-way status for transportation.
- **Engineering & cost estimates:** 15–30% design (or better) with stamped opinions of probable cost, schedule, and risk register.
- **Environmental & permitting:** NEPA class of action identified; cultural/tribal consultation plan; coastal zone consistency (if relevant). (Common to DOT/FEMA/USDA.)
- **Benefit–Cost Analysis (BCA):** Required or strongly scored for DOT and FEMA BRIC; quantify resilience, safety, travel-time/fuel savings, emissions.

Funding & Match:

- **Match certification & source letters** (cash/in-kind), with budget by cost category aligned to NOFO; leverage narrative for private/State contributions (AIDEA/AHFC/REF).
- **Operating model** (for facilities/childcare) showing sustainability beyond construction; tie to CCDF where applicable.

Partnerships & Community:

- **Letters of support/commitment** from municipalities, Tribes, utilities, and employers; MOUs for data sharing and maintenance.
- **Public engagement record** consistent with Appendix A; equity access plan for benefits distribution. (Aligns with BRIC/RAISE capacity-building and partnership principles.)

Management & Performance:

- **Project governance:** Org chart, roles, and procurement plan; third-party PM/CM if applicable.
- **Outcomes & KPIs:** Jobs, wage impacts, housing units, energy cost reduction, childcare slots; baseline + targets; evaluation plan mirrors Appendix D metrics (align to EDA scoring).
- **Readiness attachments:** Maps, permits, utility will-serve letters, port capacity data, broadband design sheets; upload formats per NOFO checklist (DOT/EDA).

Quality of Life and Community Well-Being Indicators



Quality of Life Study Summary:

The Homer Quality of Life Study (City of Homer EDAC, 2022) provides a nuanced local perspective that complements KPEDD's regional data. Participants described Homer, and by extension, much of the Kenai Peninsula, as a community defined by small-town character, volunteerism, and daily proximity to nature. Residents cited outdoor access, local business variety, and cultural vibrancy as defining strengths.

However, the same study highlighted widening affordability gaps. Limited workforce housing, rising energy and food costs, and childcare shortages constrain early- and mid-career families. The community identified a "slow loss of volunteer-run organizations and events" as a warning sign that economic pressures are beginning to erode civic engagement.

The study's recommended priorities, encouraging multifamily housing, expanding vocational training, and improving pedestrian and storm-water infrastructure, directly informed the CEDS Goals 1 and 2 (Housing and Workforce). It reinforces that economic development and livability are inseparable for sustaining the Kenai Peninsula's character and resilience.

Community Satisfaction Data:

KPEDD's Smart Growth Poll (2025) gathered responses from 358 residents across the Borough. Eighty-one percent rated the Kenai Peninsula's overall quality of life as good or excellent, citing natural beauty, recreation, and safety as top reasons for satisfaction. Yet three-quarters (76 percent) rated housing affordability as fair or poor, and 79 percent expressed concern about cost of living. Road and transportation infrastructure earned the lowest satisfaction score at 37 percent positive, while parks, healthcare, and broadband access scored above 60 percent positive.

Notably, younger respondents and families with children reported lower satisfaction levels than retirees, especially regarding job opportunities, childcare availability, and entertainment options. Women under 50 were the most likely group to say quality of life had worsened over the past three years.

Across all demographics, residents voiced strong support for projects that reduce costs, increase housing supply, and maintain the region's environmental quality. These findings substantiate KPEDD's integrated approach linking housing, energy, and childcare to workforce stability and economic growth.

Quality of Life and Community Well-Being Indicators

Livability and Workforce Attraction Indicators

To measure the link between livability and economic vitality, KPEDD tracks indicators in four domains aligned with the State CEDS “Economic Foundations” goals:

Domain	Indicator (2024 Baseline)	Target / Trend by 2031	Relevance to Workforce Attraction
Housing Affordability	Median home price $\approx$ 5.8 $\times$ median household income	$\leq 4.5\times$ income	Improves ability of young families and essential workers to reside locally
Energy Cost Burden	14 % of household income on energy	≤ 10 %	Reduces cost-of-living differential vs Anchorage and Mat-Su
Childcare Availability	1 slot per 4 children who need care	1 slot per 2 children	Enables higher labor-force participation among parents
Broadband Access & Remote Work	86 % of residents with 25 Mbps+ service	100 % coverage	Supports remote work and decentralized entrepreneurship
Community Health & Safety	92 % report “feel safe” in neighborhood	Maintain > 90 %	Retention factor for remote professionals and retirees
Civic Engagement	58 % volunteer in past year (Homer EDAC data)	≥ 65 %	Proxy for community cohesion and resilience

These metrics, monitored annually in partnership with the Kenai Peninsula Borough, Alaska Housing Finance Corporation, and Homer and Seward, provide an evidence base for evaluating progress toward a more affordable, connected Kenai Peninsula.

KPEDD will update indicators during CEDS annual reviews.

Appendix H

Key Industry Profiles

The Kenai Peninsula economy is driven by the strength of a number of established industries, including fisheries, health care, oil and gas, and tourism and recreation. A handful of emerging industries also show signs of growth in the region, like agriculture and marine-based sectors (mariculture, marine services, and marine research). Almost all sectors have had some level of growth since the pandemic.

Fisheries

DID YOU KNOW?

- In 2021, three cities within the Kenai Peninsula Borough ranked among the top 100 U.S. seafood ports by value of landings: **Seward at 34th, Homer at 53rd, and Kenai at 87th.**
- In 2021, borough fishermen landed seafood with an estimated **ex-vessel value of \$165.4M.**
- As of 2021, there were 1,373 borough commercial fishing permit holders, owning **2,174 permits.**

The rich marine waters of Cook Inlet and the Gulf of Alaska have sustained the Dena'ina and Alutiiq peoples of the Kenai Peninsula for millennia. Commercial fisheries in the region began in the 1880s and have since become integral to the local economy. The ports of Seward, Homer, and Kenai are particularly significant, each ranking among the top 100 U.S. seafood ports by value of landings in 2021—Seward at 34th, Homer at 53rd, and Kenai at 87th.

In 2021, these three ports collectively landed approximately 165.4 million pounds of seafood, with an estimated ex-vessel value of \$165.4 million. Specifically, Kenai reported landings of 13.1 million pounds valued at \$12.1 million.

The seafood processing sector is a significant employer in the borough. In 2020, the Kenai Peninsula Borough employed 1,129 seafood processing workers, with 26.6% being local residents. While exact figures for seafood harvesters are not readily available, in 2021, there were 1,373 commercial fishing permit holders residing in the borough, collectively owning 2,174 permits.



Appendix H

Key Industry Profiles

Fisheries

The Alaska Department of Fish and Game (ADF&G) divides the waters around the peninsula into Upper Cook Inlet and Lower Cook Inlet. Upper Cook Inlet drift and set gillnet fisheries primarily target sockeye salmon, while Lower Cook Inlet purse seiners and set gillnetters focus on pink salmon. In 2021, the Upper Cook Inlet commercial salmon harvest totaled approximately 1.6 million fish, with sockeye salmon comprising the majority of the catch.

Beyond salmon, Seward and Homer are notable ports for landings of Individual Fishing Quota (IFQ) species such as halibut and sablefish (black cod). In 2021, Homer recorded 5.23 million net pounds of halibut and 1.65 million round pounds of sablefish landings, while Seward reported 4.71 million net pounds of halibut and 0.98 million round pounds of sablefish landings.

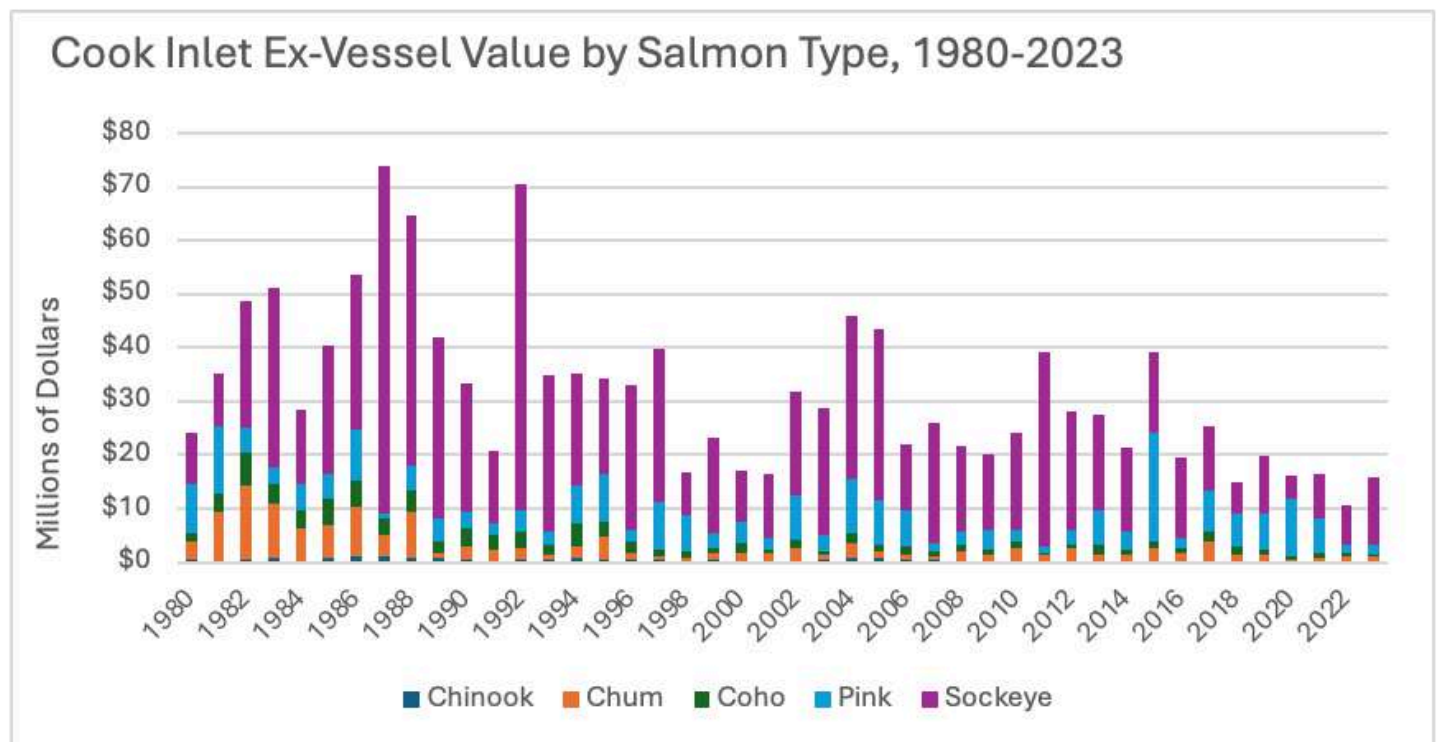


Figure 27: Grossweight of commercial salmonharvestsin Upper and Lower Cook Inlet. Source: ADF&G,1975-2019.

Appendix H

Key Industry Profiles

Health Care

DID YOU KNOW?

- In 2023, the health care and social assistance sector **employed 3,296 individuals**, accounting for 15% of total employment in the Kenai Peninsula Borough. Contributing over **\$204M** in annual wages. Employment in the sector has been fairly flat since 2012.
- **Central Peninsula Hospital:** Located in Soldotna, this 49-bed, borough-owned, non-profit hospital is operated by Central Peninsula General Hospital, Inc. (CPGH, Inc.), dedicated to promoting wellness and providing high-quality healthcare to the Central Kenai Peninsula.
- **South Peninsula Hospital:** Located in Homer, this non-profit hospital has grown over sixty years into a state-of-the-art facility licensed for 22 medical beds and 28 nursing home beds.
- **Providence Seward Medical Center:** Located in Seward, this critical access hospital provides inpatient and outpatient health care services, including a 24-hour emergency department, laboratory and radiology services, and rehabilitation services.
- Taxable sales in the health care industry spiked during the COVID-19 pandemic reaching **over \$10M**.

The health care industry on the Kenai Peninsula is critical to the quality of life on the peninsula. The region's three hospitals provide critical medical services to residents, including inpatient, outpatient, and emergency medical services. In addition, numerous health clinics assist in filling in gaps in health care needs in remote and rural areas of the borough. Access to specialized health services remains a challenge in many areas, often requiring residents to travel to Anchorage or out-of-state to obtain affordable and timely care. Addressing these service gaps remains key to increasing community health, economic resilience, and well-being.

Borough sales tax information shows that taxable sales in the health care and social assistance industry reached a peak reached unseen heights during the COVID-19 pandemic. Taxable sales on health care have since resumed their declining trend, dropping from \$1.8M in 2018 to \$1.3M in 2024 and annually.⁴⁶ Total receipts/revenue for the healthcare and social assistance sector in 2023 were a substantial \$827.2M, according to the US Census Bureau's American Community Survey.



Appendix H

Key Industry Profiles

Healthcare

The health care industry is also one of the largest employers in the borough. The health care and social services sector hosted 3,296 jobs, representing 15 percent of the total jobs on the Kenai Peninsula in 2023. Despite the increase in taxable sales during the pandemic, the sector has shown an overall downward trend since 2016. Most of the decline in employment in the industry can be attributed to job loss in the social assistance sub-sector, which lost 22 percent of its total jobs between 2016 and 2023.⁴⁷

The largest single year of job losses were in 2020 when jobs in the sector dropped to 3,221, coinciding with the economic impacts of the COVID-19 pandemic.

With projected increases in the borough's population of individuals over 65, the health care industry is expected to play an increasingly important role in the region's job market and overall economic resilience. Providing services to the over-65 population could stem out-migration of individuals over 65 and maintain or grow their economic impact on the region.

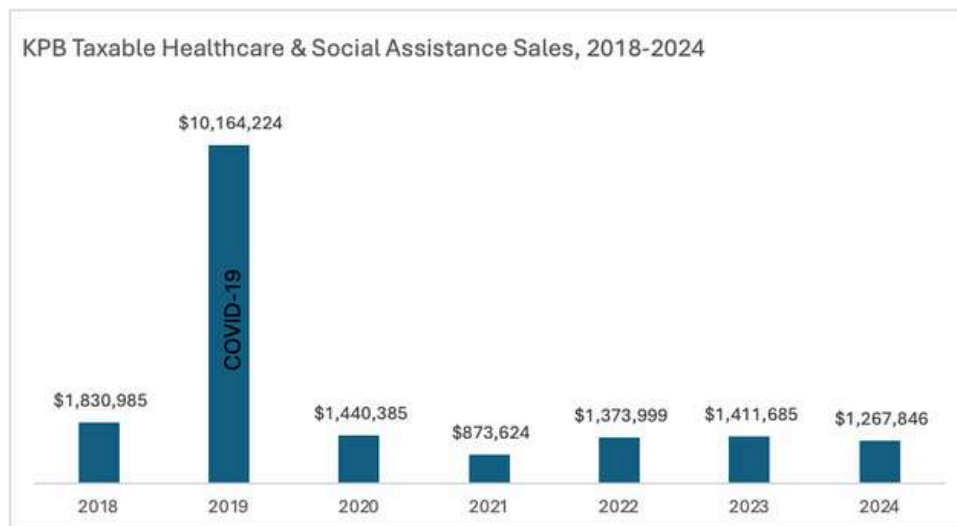


Figure 28: Borough-wide health care and social assistance industry taxable sales. Source: KPB, 2018- 2024.

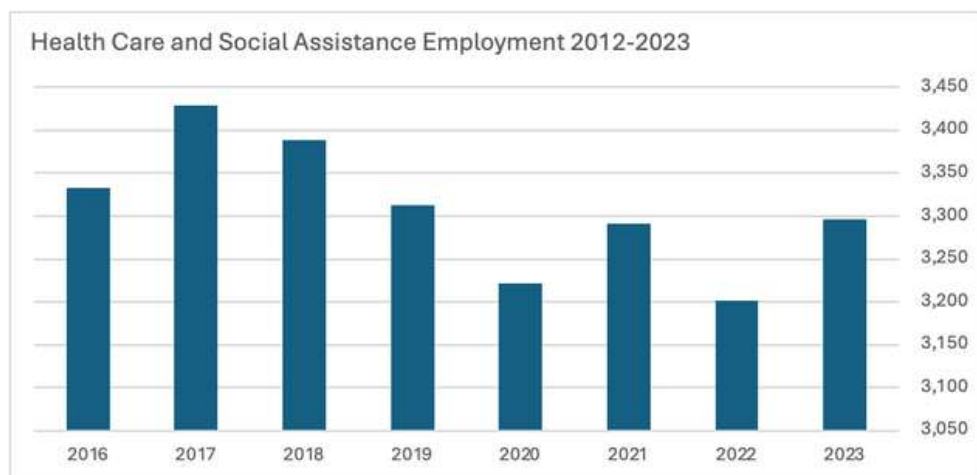


Figure 29: Average annual employment in the health care and social assistance industry. Source: QCEW, 2016-2023.

Appendix H

Key Industry Profiles

Oil and Gas

DID YOU KNOW?

- The Cook Inlet produced **6,027 barrels/day of oil and 215,000 MCF of gas** in 2024.
- 1,441 direct jobs and **2,362 total jobs** in 2023.
- Total payroll (with indirect/induced jobs) of **\$405M**.
- Roughly **11 percent of all jobs** in the borough are tied to the industry.

Oil and gas production in Cook Inlet began in 1958, a year prior to Alaska statehood and a full decade before the discovery of oil at Prudhoe Bay. Most of the basin's units fall within the boundaries of KPB. Cook Inlet operators produced about 12,000 barrels of per day in 2020, along with 215,000 MCF of natural gas, similar output volumes to 2019. Despite dropping to just over 6,000 BPD and 215,000 MCF in 2024, the oil and gas industry still plays a pivotal role in the borough's economy, contributing significantly to employment, wages, government revenues, and the region's economic resilience.

According to a 2024 study by the McKinley Research Group, commissioned by the Alaska Oil and Gas Association (AOGA), the industry's impact is substantial and affects the economy through several channels.

The importance of the Kenai Peninsula's oil and gas industry is threefold. First, the industry is a major source of employment within the Borough. According to the McKinley Research Group report, the industry supported a total of 885 direct jobs in production and support services, and nearly 1,477 indirect and induced jobs in the borough. Resulting in a total of 2362 jobs in the peninsula, about seven percent of all employment on the Peninsula, and 11 percent (\$227 million) of total payroll. Second, the industry contributes to local government revenues. In 2023, oil and gas companies paid \$15 million in Borough, which accounted for 13 percent of all local tax revenue and 20 percent of all property taxes.

Another impact of the oil and gas industry is the local use of natural gas as an energy source. Cook Inlet natural gas is a vitally important energy source for Southcentral and Interior Alaska.



Appendix H

Key Industry Profiles

In 2015, utilities serving the Kenai Peninsula, Anchorage, and Mat-Su Borough generated 83 percent of their electricity using natural gas from the basin. Natural gas is also a primary heat source for commercial and residential customers in Southcentral Alaska and for a small number in the Fairbanks area.

In 1969, a liquefied natural gas (LNG) plant in Kenai began exporting gas to East Asia. Although the plant remains operational, it has not exported any shipments since 2015. It is now owned by Marathon Petroleum, which received regulatory approval in 2020 to convert the facility into an LNG import terminal.

A urea plant, owned by Agrium, operated until 2007, processing natural gas into fertilizer for export. Reopening the plant, which employed 400 people, remains a possibility, depending on gas supply and price. A refinery in Kenai, also owned by Marathon, processes Cook Inlet crude oil into gasoline, asphalt, and other products for in-state use. In 2025, it employed 250 full-time employees.

As an aging basin, Cook Inlet's future oil and gas supply will depend on continued exploration and market dynamics. A 2023 report by the Alaska Division of Oil and Gas concluded that Cook Inlet gas, with an estimated 820 billion cubic feet in reserves, may be depleted at current demand levels by 2027 or sooner. Absent further discoveries, production will continue but could require imported (or North Slope) LNG to make up the shortfall. This would most likely mean higher energy prices for thousands of Alaskan households.

Despite declining production, operators continue to invest in Cook Inlet oil and gas, suggesting that production will continue well into the future. Houston-based Hilcorp, now the basin's largest operator, continues to purchase leases as they become available, most recently in 2023.⁵⁸ In 2024, Hilcorp produced 92 percent of the natural gas and 75 percent of the oil to come from the Cook Inlet basin during the year.

Oil and Gas

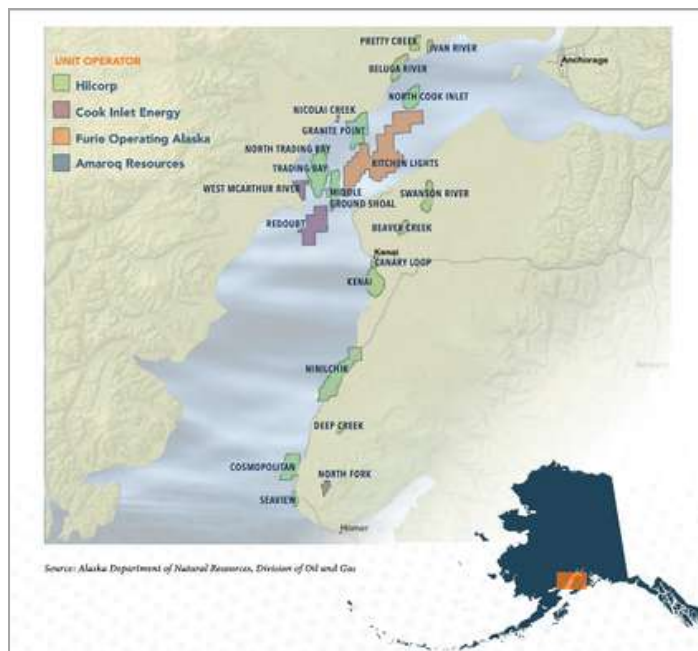


Figure 30: Cook Inlet oil and gas fields by owner. Source: AK Division of Oil and Gas

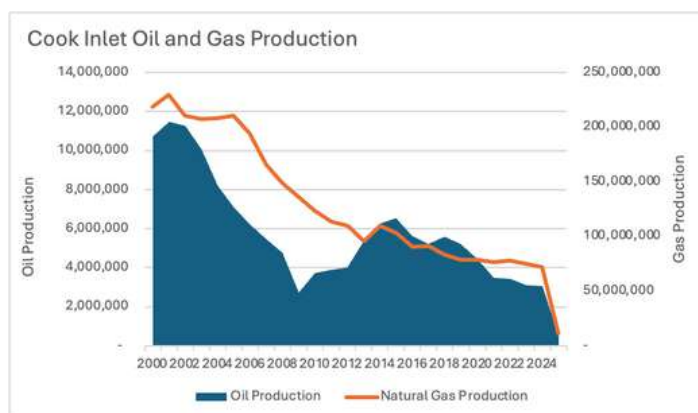


Figure 31: Cook Inlet Oil and Natural Gas Production. Source: AOGCC, 1958-2020.

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Key Industry Profiles

Oil and Gas

Recent developments in Cook Inlet natural gas infrastructure further underscore the continued role of the oil and gas sector in the Kenai Peninsula Borough's economy. Marathon Petroleum and Harvest Alaska have reached an agreement related to the use of the Kenai LNG export facility, signaling ongoing interest in maintaining and repurposing existing energy infrastructure to support regional and statewide energy needs. The agreement reflects broader efforts to preserve critical assets that support natural gas storage, distribution, and export capacity in Southcentral Alaska.

Marathon Petroleum remains a significant employer and economic contributor in the borough, with operations that include natural gas production, processing, and supporting infrastructure. Marathon's facilities and workforce play an important role in sustaining local employment, generating tax revenues, and supporting energy reliability for the region. In addition to gas production activities, Marathon operates infrastructure that contributes to Alaska's broader energy system, including an aviation fuel supply line linking the Kenai Peninsula to Anchorage, which supports aviation operations and fuel distribution across Southcentral Alaska.

Together, these assets highlight the strategic importance of the Kenai Peninsula's legacy energy infrastructure and workforce. While the oil and gas sector continues to evolve in response to market conditions and resource availability, existing facilities, agreements, and skilled labor remain foundational components of the borough's industrial base and energy resilience.



Appendix H

Key Industry Profiles

Tourism and Recreation

DID YOU KNOW?

- An estimated **344,500 out-of-state visitors** traveled to the Kenai Peninsula in 2023.
- 13 percent of all visitors and **11 percent of all cruise visitors** to Alaska visit the Kenai Peninsula.
- **Sport fishing** represents a major draw both for visitors from in-state and out-of-state.

Visitors and locals alike refer to the Kenai Peninsula as “Alaska’s playground.” The borough offers a wide range of attractions and activities Alaska is known for, including hiking, camping, wildlife and scenery viewing, and world-class sportfishing. Out-of-state visitors arrive mostly by cruise ship or air (via Anchorage). In 2023 (the last year with complete estimates), about 344,500 out-of-state visitors traveled to various locations on the Kenai Peninsula.

The Kenai Peninsula’s busy summer season typically sees over 800,000 in-state and out-of-state visitors combined. In 2023, four percent of out-of-state visitors arrived by cruise ship. Another 27 percent came via a guided group. Of the out-of-state visitors, 11 percent came from the Western US, 15 percent from the Eastern US, and a full 16 percent from international. The Kenai Peninsula truly is a world-class destination.

Seward welcomed 191,500 cruise visitors in 2023, still well below its pre-pandemic visitor levels of 237,900 in 2019.

Seward is the most-visited community on the Peninsula, with over 440,000 visitors in 2016. It was followed by Homer with 166,000 and Kenai/Soldotna with 127,000.

Of all the major industries on the Kenai Peninsula, tourism lost the most jobs, losing nearly 700, during the COVID-19 pandemic. No major cruise ships visited the state in 2020. However, the industry has recovered in terms of jobs since then, adding just shy of 900 jobs and reaching all-time highs in 2023.



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Key Industry Profiles

Employment in leisure and hospitality, which includes lodging, restaurants, and bars makes up 13.5 percent of jobs on the Kenai Peninsula, and has grown by 43 percent since 2019 reflecting increases in both in-state and out-of-state visitors and in spending by locals.

One major driver of visitation to the Kenai Peninsula, both among non-Alaskan visitors and state residents, is sportfishing. The Kenai and Kasilof Rivers, as well as the saltwater environments of Cook Inlet and Resurrection Bay, offer anglers unparalleled access to salmon, rainbow trout, lingcod, rockfish, and halibut. Anglers spend money on food, fuel, lodging, guides, licenses, and other items, creating significant economic impacts as expenditures circulate. The exact number of jobs tied to sportfishing on the Kenai Peninsula is not known, but likely to number several thousand.



Figure 32: A cruise ship docked in Seward. Source: Wikimedia Commons

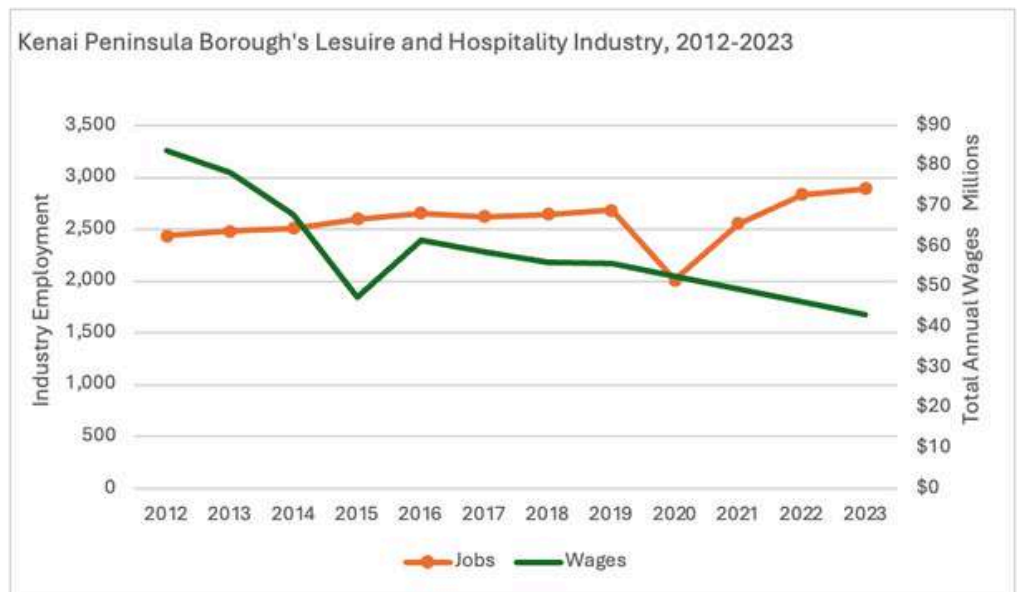


Figure 33: Leisure and Hospitality employment and wages. Source: AKDOLWD.

A 2019 report by UA CED estimated conservatively that sportfishing creates nearly 7,000 jobs statewide, though a 2007 report using a different methodology estimated almost 16,000 jobs.⁶⁸

Appendix H

Key Industry Profiles

Emerging Industry: Agriculture

DID YOU KNOW?

- **20,953 acres** in farm production.
- Average farm size was **66 acres** in 2023.
- Farm revenues totaled over **\$8M** in 2023.
- **Produce, syrup, honey, animal products, hay, peonies**, and more are all produced in the region.

The Kenai Peninsula has a history of farming and ranching that, while short compared to many areas of the U.S., played an important role in the region's development. Settlers and homesteaders began settling in the area in the early 1900s. As the military built infrastructure in the 1940s and 50s, the region's population began to grow, and agriculture expanded to accommodate the growing population. Crop production continued at a larger scale until the 1990s when the first large-scale grocery stores moved into the region.⁶⁹

In more recent years, agriculture has grown on the Kenai Peninsula. The 317 producing farms, up from 260 in 2017, and other agricultural operations on the peninsula, average 66 acres per farm. A total of 20,953 acres were farmed on the peninsula in 2023. Of the total acreage, 16,801 acres were worked by 272 female producers and 19,118 acres were worked by 289 male producers. ⁷⁰ The vast majority of agricultural acreage is owned by white producers, 20,682 acres. Veterans owned 6,344 acres, young producers owned 1,510 acres, and Alaska Natives owned 259 acres.

Revenues from agricultural production on the peninsula have grown. In 2017, crop production on the Kenai Peninsula resulted in \$2,711,000 in revenues, and by 2023, revenue had grown to \$8,111,000.



Appendix H

Key Industry Profiles

Emerging Industry: Agriculture

In terms of national agriculture production, agriculture on the Kenai Peninsula is extremely small-scale, with the majority of farms smaller than 50 acres. The regions agriculture market produces produce, syrup, honey, animal products, hay, and peonies.⁷¹ Most of the agricultural production is consumed locally or in Alaska; however, peony production in the region serves a worldwide market.

The agriculture industry on the Kenai Peninsula is expected to continue growing. However, future growth in the industry is expected to be limited by land availability. In spring 2019, KPB Land Management began exploring the management of designated borough agricultural land for long-term production.

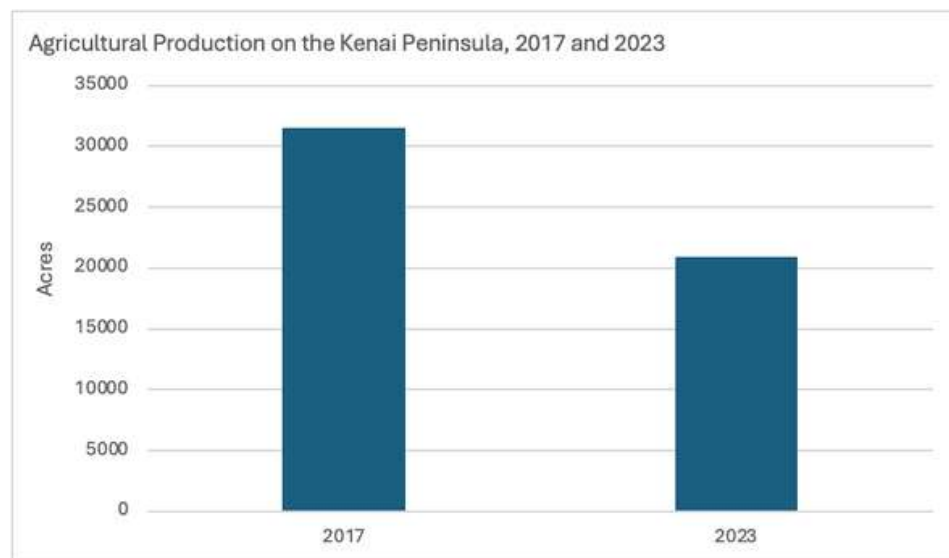


Figure 34: Borough-wide agriculture production acreage. Source: USDA, 2017 and 2023.

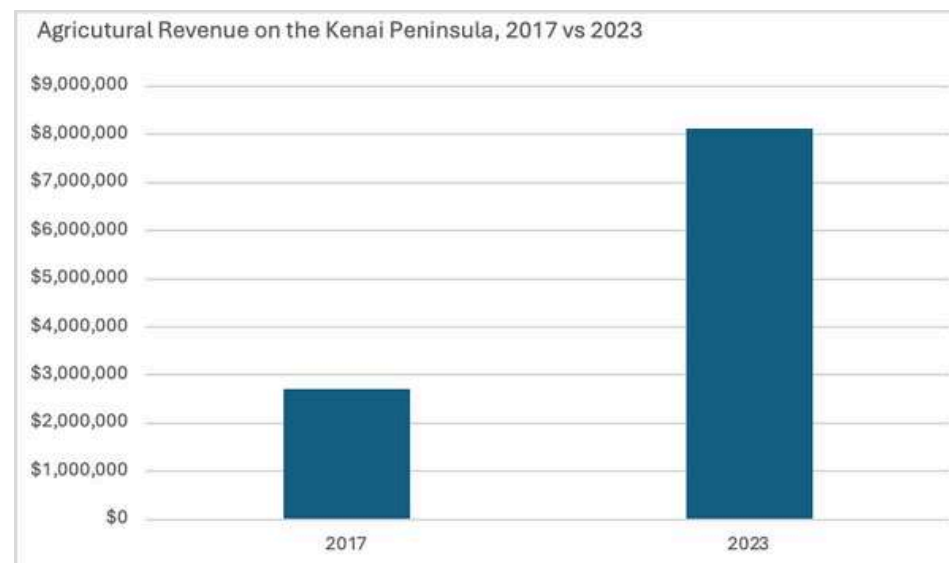


Figure 35: Borough-wide crop production revenues. Source: USDA, 2017 and 2023.

Appendix H

Key Industry Profiles

Emerging Sector: Ocean Economy



DID YOU KNOW?

- **112,000 pounds of kelp** were sold in 2019, and **2.1M oysters** were sold in 2020 in AK
- **16 active operating aquatic farming permits** on the Kenai Peninsula
- **Expansion of the Seward Marine Industrial Center** captures and retains economic value

With two of Alaska's major ports, Seward and Homer, located in the borough, economic activities tied to the ocean play an important role in the region's economy. Many traditional sectors of the Kenai Peninsula economy are tied to the ocean, including oil and gas extraction, fisheries, and tourism. However, a handful of sectors tied to marine activities are attracting growing interest, including marine services, mariculture, and marine technology.

Boat and ship building and repair are not new industries in Alaska. The state has a rich history of boat-building, but over time, Alaska has lost economic activity to Seattle, which has a large marine services sector. However, expansion of the Seward Marine Industrial Center and the JAG Alaska Seward Shipyard has enabled the borough to retain more of that economic activity. JAG Alaska provides dry docking, boat and ship building and repair, and lift services.

Mariculture, another sector of the ocean economy that is establishing itself on the Kenai Peninsula, is receiving increasing attention at the state and local levels. Mariculture, or aquatic farming, focuses on the cultivation of shellfish and kelp.



Figure 36: Glacier Point Oysters. Source: Alaska Shellfish Farms

Appendix H

Key Industry Profiles

Emerging Sector: Ocean Economy

While kelp production in Alaska has expanded over the past decade, statewide seaweed harvest volumes have fluctuated in recent years, with total harvest falling to less than 150,000 pounds in 2024, reflecting variable market demand and production conditions. On the Kenai Peninsula, mariculture activity has remained relatively stable, supported by a small number of permitted farms and associated hatchery and nursery operations.

Statewide, Alaska oyster farms harvested approximately 1.2 million oysters in 2024, underscoring the continued importance of shellfish aquaculture as the dominant mariculture product in the state.

Mariculture operations often receive federal payments, such as grants or loans. The value of payments made to mariculture operators on the peninsula has decreased by nearly 50 percent between 2017 and 2023, potentially indicating that the industry is increasingly capable of supporting itself.

Mariculture on the Kenai Peninsula is closely tied to the availability of suitable marine sites, specialized infrastructure, and a skilled local workforce with experience in marine operations. The sector supports a range of direct and indirect economic activity, including hatchery and nursery operations, vessel services, equipment suppliers, processing, and logistics. While production levels vary year to year, the presence of established operations and supporting infrastructure positions mariculture as a complementary component of the borough's working waterfront economy and a contributor to long-term economic diversification.



Figure 37: Active aquatic farming operations on the Kenai Peninsula. Source: Hatch Blue Consulting, 2025.

Recent regional investments have also supported mariculture-related planning, research, and coordination. The KPEDD is a partner in the Southeast Conference-led Build Back Better Regional Challenge award, which is supporting mariculture and broader maritime economic development efforts across Alaska through industry coordination, workforce development, and value-chain analysis.

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Key Industry Profiles

Emerging Sector: Ocean Economy

Seward, Alaska, is home to several prominent marine research facilities that collectively contribute to advancements in fisheries, oceanography, and marine biology.

Seward Marine Center (SMC): Established in 1970, the SMC is operated by the University of Alaska Fairbanks (UAF) College of Fisheries and Ocean Sciences. It serves as a vital coastal facility supporting research vessel operations and shore-based marine science research. The center provides access to saltwater laboratories, mooring facilities, and office support for scientists and students.

Alaska SeaLife Center (ASLC): Located on the shores of Resurrection Bay, the ASLC is Alaska's premier public aquarium and the state's only permanent marine mammal rehabilitation facility. Beyond its public exhibits, the center conducts significant marine research on the health and rehabilitation of marine species and offers educational programs that promote marine conservation.

Alutiiq Pride Marine Institute (APMI): Formerly known as the Alutiiq Pride Shellfish Hatchery, APMI is a tribally managed marine research facility operated by the Chugach Regional Resources Commission. The institute specializes in shellfish hatchery operations and mariculture development and conducts research on various marine species, including kelp and shellfish. APMI also monitors ocean conditions, including ocean acidification and harmful algal blooms, providing critical data for the region. APMI has 10 full-time employees.

Seward also serves as the homeport for notable research vessels that facilitate extensive marine studies.

R/V Sikuliaq: Operated by UAF's College of Fisheries and Ocean Sciences, the R/V Sikuliaq is a 261-foot, global-class, ice-capable research vessel. Since beginning science operations in 2014, it has supported global oceanographic research, offering advanced capabilities for polar and subpolar studies.

R/V Nanuq: Also operated by the Seward Marine Center, the R/V Nanuq is a state-of-the-art, 40-foot near-coastal research vessel commissioned in 2019. Designed to deploy a wide variety of equipment, it supports oceanographic and marine biology research in nearshore environments.

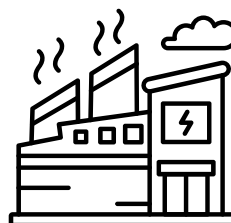
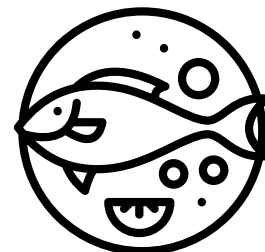
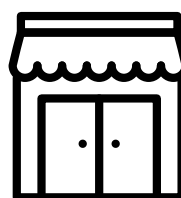
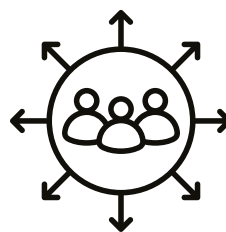
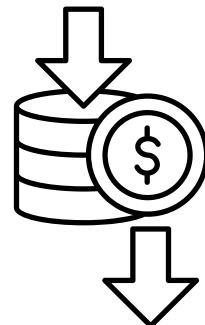
The concentration of marine research institutions and activities in Seward attracts researchers and funding from around the world, adding economic diversity, increasing the region's economic resilience, and generating local economic activity.

Appendix I

Alignment with State and Regional Plans

This CEDS is explicitly aligned with the 2022–2027 Alaska Statewide CEDS. The table below summarizes the strongest policy linkages:

- **Energy security & affordability:** Aligns with Statewide CEDS Goal 4 “Build and Update Economic Foundations” (energy, infrastructure, housing, cost of living) and Goal 1 actions on North Slope gas development for in-state use/export and energy cost reduction, including hydrogen/CCS pathways.
- **Workforce, childcare, and talent attraction:** Aligns with Goal 5 “Develop Alaska’s Workforce and Human Capital,” which highlights aging/out-migration and limited childcare capacity as constraints; calls for aligned training and credentialing.
- **Broadband and digital inclusion:** Aligns with Goal 4 broadband objectives (BEAD, DEA, Tribal Connectivity; redundancy for resilience).
- **Entrepreneurship, small business, and sector diversification:** Aligns with Goal 2 “Cultivate and Grow Emerging Sectors” and Goal 3 “Business Climate & Entrepreneurial Ecosystem” (startup visibility, commercialization, Made in Alaska).
- **Blue economy, seafood/mariculture, and tourism:** Consistent with Goal 1 “Strengthen Economic Engines” and Goal 2 actions to expand value-added, logistics, and market access. Regionally, Southeast Alaska’s CEDS underscores housing, childcare, mariculture, renewable energy, ports, and ferry connectivity, mirroring KPEDD priorities.
- **Responsible resource development & LNG readiness:** Aligns with Goal 1 actions to advance a gasoline/LNG and enable community gas access (cost and emissions benefits).



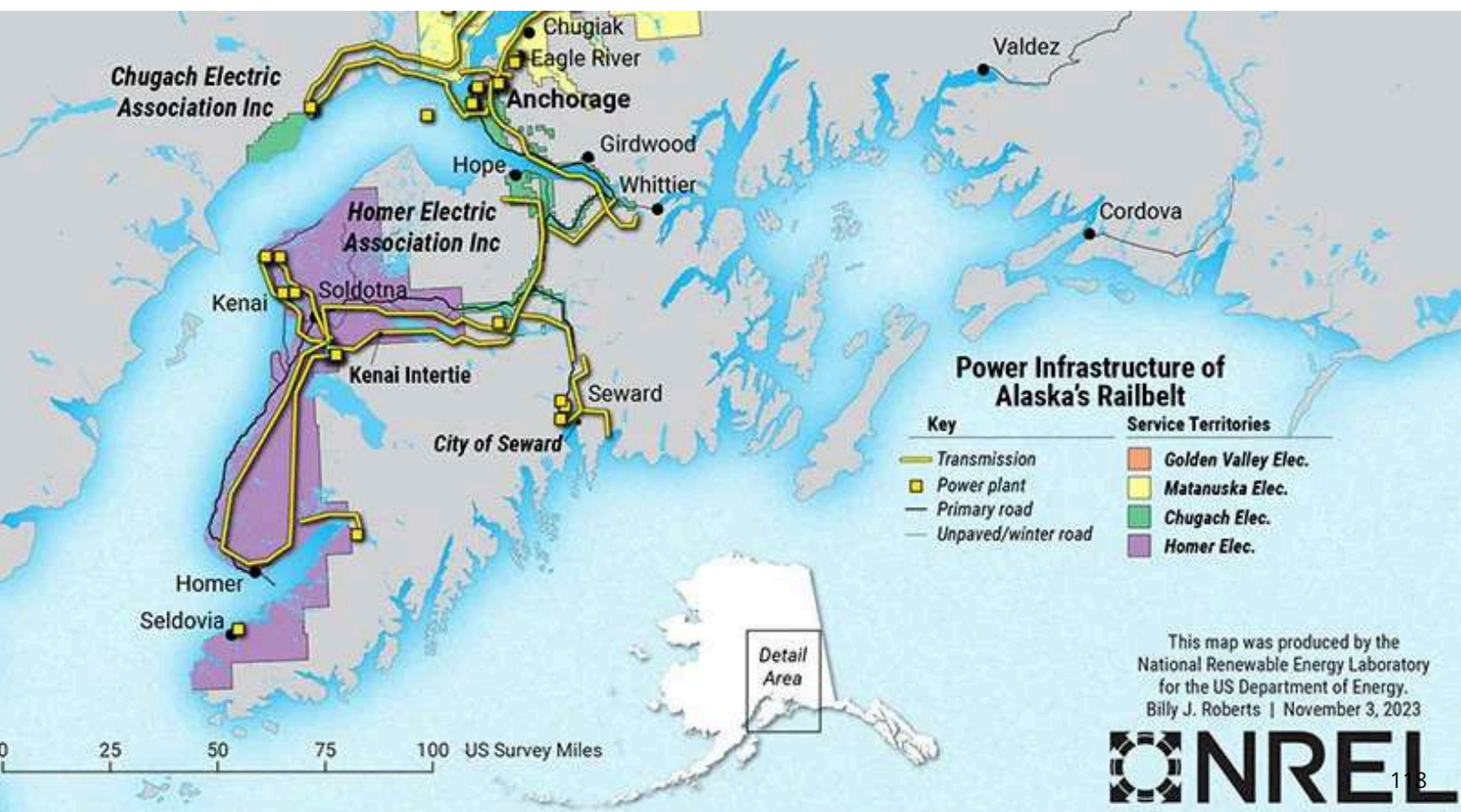
Appendix I

Alignment with State and Regional Plans

Alignment with Alaska Energy Security Framework

KPEDD's energy actions are consistent with the Alaska Energy Security Task Force (AESTF) recommendations emphasizing affordability, reliability, and resilience, organized by Railbelt, rural and coastal systems, and statutory and market reforms. Convened by the Alaska Energy Authority, the AESTF produced a comprehensive statewide energy plan with more than 60 recommendations following extensive public engagement, with 2025 briefings outlining short-, mid-, and long-term priorities. KPEDD's focus on Railbelt reliability, Cook Inlet gas transition planning, distributed energy resources, energy efficiency and heat pump deployment, microgrids, storage, and critical-load resilience aligns directly with the AESTF's core pillars and implementation timelines.

In addition, KPEDD serves as an Arctic Energy Ambassador and works directly with the U.S. Department of Energy (DOE) and the DOE Arctic Energy Office, supporting regional energy leadership, project development, and technical assistance across Alaska. Through this role, KPEDD helps connect communities and stakeholders to federal energy programs, advance energy project readiness, and support coordination across agencies and regions. These activities complement the Statewide CEDS emphasis on energy as part of the state's "Economic Foundations," including system redundancy, rural power generation and bulk fuel infrastructure, and communications resilience, all of which are reflected in KPEDD's implementation matrix.

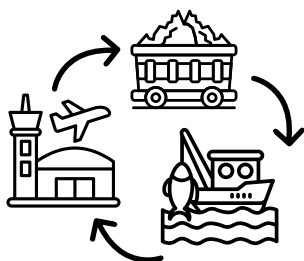
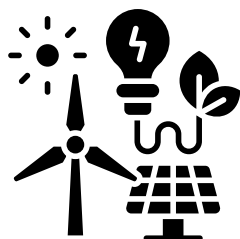
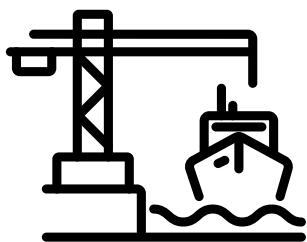
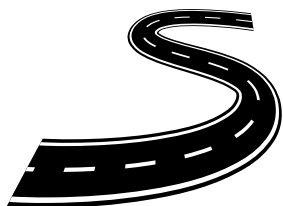
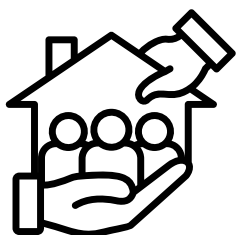


Appendix I

Alignment with State and Regional Plans

Regional Collaboration Opportunities

Regional evidence points to shared priorities where KPEDD can lead or co-lead multi-jurisdiction projects:



- **Housing & childcare as workforce enablers:** Peer organizations, including the Southeast Conference, identify housing and childcare as foundational workforce priorities. In KPB, Homer's Quality of Life work highlights similar gaps. KPEDD will support comparable collaborative models locally by convening partners to advance employer-assisted housing, adaptive reuse, modular housing, and childcare workforce support.
- **Cost of living, roads, and amenities:** The Kenai Peninsula Smart Growth survey shows residents rate cost of living and housing affordability as "just fair/poor," and identify needs around transportation and recreation access, opportunities for KPB-wide cost-reduction initiatives (energy efficiency, broadband adoption), multimodal trails, and seasonal congestion management.
- **Ports, marine industrial capacity, and ferry connectivity:** Southeast's plan emphasizes ports/harbors, freight, and AMHS reliability, relevant to KPB's blue-economy strategies (shipyard services, cold storage, cruise logistics) and Seward's role as an all-weather port. Seward's comp plan engagement offers a platform for shared freight corridors, cruise scheduling, and working-waterfront improvements.
- **Energy transition & resilience:** Collaboration with AEA, Railbelt utilities, and coastal communities on microgrids, storage, and resilience hubs can reduce exposure to Cook Inlet supply risks while improving affordability, fully consistent with AESTF guidance and Statewide CEDS Goal 4.
- **Oil & gas fiscal stability and community benefits:** Oil & gas remains a critical fiscal pillar; local property taxes from oil & gas assets (including on the Kenai Peninsula) materially support local services. Regional coordination on permitting, workforce pathways, and supply-chain development can sustain revenues during transition.
- **Sector diversification (seafood/mariculture, visitor economy, critical minerals):** Joint market development, workforce housing for seasonal labor, and access-to-capital programs align with both Southeast's sector actions and the Statewide CEDS goals on emerging sectors and economic engines.



Acronyms and Technical Definitions

List of Acronyms

Regional evidence points to shared priorities where KPEDD can lead or co-lead multi-jurisdiction projects:

Acronym	Definition
AEA	Alaska Energy Authority
AHFC	Alaska Housing Finance Corporation
AIDEA	Alaska Industrial Development and Export Authority
AMHS	Alaska Marine Highway System
ARPA	American Rescue Plan Act
BEAD	Broadband Equity, Access, and Deployment Program
BIL	Bipartisan Infrastructure Law
BRIC	Building Resilient Infrastructure and Communities (FEMA program)
CEDS	Comprehensive Economic Development Strategy
COOP	Continuity of Operations Plan
CTE	Career and Technical Education
DBFOM	Design–Build–Finance–Operate–Maintain (Public–Private Partnership model)
DOE	U.S. Department of Energy
DOLWD	Alaska Department of Labor and Workforce Development
EDA	U.S. Economic Development Administration
EERE	Office of Energy Efficiency and Renewable Energy (DOE)
EOC	Emergency Operations Center
FEMA	Federal Emergency Management Agency
FIQ	Future Industrial Questionnaire (Kenai Peninsula data survey)
KPB	Kenai Peninsula Borough
KPEDD	Kenai Peninsula Economic Development District
LIHTC	Low-Income Housing Tax Credit
MARAD	U.S. Maritime Administration
MEA	Matanuska Electric Association
MOA / MOU	Memorandum of Agreement / Memorandum of Understanding
OEM	Office of Emergency Management
P3	Public–Private Partnership
PIDP	Port Infrastructure Development Program
PWEAA	Public Works and Economic Adjustment Assistance (EDA grant)
RAISE	Rebuilding American Infrastructure with Sustainability and Equity (USDOT grant)
REF	Renewable Energy Fund (AEA program)
RFP	Request for Proposals

Acronyms and Technical Definitions

List of Acronyms

Regional evidence points to shared priorities where KPEDD can lead or co-lead multi-jurisdiction projects:

Acronym	Definition
AM.gov	System for Award Management (federal registration system)
SBDC	Small Business Development Center
SCEP	State and Community Energy Programs (DOE)
USDA RD	U.S. Department of Agriculture – Rural Development
USCG	United States Coast Guard
USDOT	U.S. Department of Transportation
UAA KPC	University of Alaska Anchorage – Kenai Peninsula College
WIOA	Workforce Innovation and Opportunity Act

Technical Terms and Definitions

Term	Definition
Affordable Housing	Housing that costs no more than 30 percent of household income, inclusive of utilities, as defined by HUD and AHFC.
Anchor Project	A major public or private investment that is expected to catalyze additional economic activity in surrounding areas.
Broadband Resilience	The capacity of digital networks to maintain service continuity during power outages or natural hazards.
Build Back Stronger	Post-disaster recovery principle emphasizing reconstruction that improves resilience beyond pre-disaster conditions.
Career Pathways	Structured sequences of education and training aligned with industry demand, enabling progressive skill advancement.
Cluster Development	The concentration of interconnected businesses and institutions in a particular field enhances regional competitiveness.
Economic Diversification	Expansion of a region's economic base by developing new industries or products to reduce dependency on a single sector.



Acronyms and Technical Definitions

Technical Terms and Definitions

Term	Definition
Energy Transition	The shift from fossil fuels to low-carbon and renewable energy sources while maintaining reliability and affordability.
Green Infrastructure	Environmentally sustainable infrastructure that manages stormwater, reduces emissions, or integrates natural systems.
Hazard Mitigation	Long-term strategies to reduce loss of life and property from natural disasters, as outlined in FEMA's mitigation framework.
Livability	The sum of factors that contribute to a community's quality of life, including affordability, safety, amenities, and civic engagement.
Microgrid	A localized electrical network capable of operating independently from the main power grid during outages or emergencies.
Public-Private Partnership (P3)	A contractual agreement between a public agency and private entity to finance, build, and operate a project.
Regional Resilience	The ability of an economy to anticipate, absorb, and recover from disruptions while maintaining essential functions.
Renewable Energy Demonstration Project	A pilot-scale deployment that tests the technical and economic viability of clean energy technologies.
Short-Term Rental (STR)	A dwelling unit rented for fewer than 30 consecutive days; relevant to housing policy and visitor economy balance.
Smart Growth	A planning approach emphasizing efficient land use, compact development, and protection of natural resources.
Social Infrastructure	Facilities and services such as childcare, healthcare, and education that support workforce participation and wellbeing.
Stakeholder Engagement	The process of involving community members, industry, and government in decision-making and plan development.

Appendix J

Acronyms and Technical Definitions

Technical Terms and Definitions

Term	Definition
Sustainability	Meeting present needs without compromising the ability of future generations to meet theirs, encompassing economic, environmental, and social dimensions.
Workforce Housing	Affordable, proximate housing designed for local employees, typically priced for households earning 60–120% of area median income.



Get Involved! Reach out to us below!



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