



CITY OF SAINT PAUL

ALASKA

RESOLUTION 22-19

A RESOLUTION DECLARING A CULTURAL, ECONOMIC, AND SOCIAL EMERGENCY FOR SAINT PAUL ISLAND, ALASKA DUE TO THE CLOSURE OF THE BERING SEA SNOW CRAB AND BRISTOL BAY RED KING CRAB FISHERIES FOR THE 2022/23 SEASON

WHEREAS, on October 10, 2022, the Alaska Department of Fish and Game (ADF&G) and National Marine Fisheries Service (NMFS) announced they had completed analysis of 2022 NMFS trawl survey results for Bering Sea snow crab (BSS), reported that the stock was estimated to be below the ADF&G regulatory threshold for opening a fishery, and that therefore it would be closed for the 2022/23 season for the first time in this fishery's history, and;

WHEREAS, on October 10, 2022, ADF&G and NMFS announced they had completed analysis of 2022 NMFS trawl survey results for Bristol Bay red king crab (BBRKC), reported that the stock was estimated to be below the ADF&G regulatory threshold for opening a fishery, and that therefore, the BBRKC fishery will remain closed for the 2022/23 season as it was in the 2021/22 season, and;

WHEREAS, on October 10, 2022, the ADF&G and NMFS announced the continued closure of the Saint Matthew Island Section blue king crab, and Pribilof District red and blue king crab fisheries based on the completed analysis of the 2022 NMFS trawl survey results, and;

WHEREAS, since 1995, Saint Paul Island has been one of the primary crab processing locations in the Bering Sea helping to generate on an annual basis hundreds of millions of dollars' worth of profits for the crab fishing industry, and corresponding sales and fish tax revenues for the State of Alaska and the Nation. This success was the result of a concerted, decades-long, effort by the community, the State, the U.S. Congress, and the federal government to build the necessary harbor and fisheries-related infrastructure on Saint Paul Island, after Congress mandated the phase-out of the commercial fur seal harvest in 1983 with the passage of the Fur Seal Act Amendments, and;

WHEREAS, pursuant to congressional directives in the Fur Seal Act Amendments of 1983 to "promote the development of a stable, self-sufficient enduring and diversified economy not dependent on sealing" over \$150 million in federal, state, local, CDQ, and private investments were made on Saint Paul Island over the course of four decades to construct harbors and other fisheries-related infrastructure to make Saint Paul a viable service support, harvesting, and processing center for the Bering Sea commercial fisheries, and;

WHEREAS, Saint Paul Island, a community of 344 mostly Unangan (Aleut) residents, is still paying considerable debts resulting from its contributions and local matches for the development of this infrastructure that has benefited the crab industry, the State, and the Nation. The economic viability of our unique community is now in imminent jeopardy due to the collapse of the crab stocks, and;

WHEREAS, the Saint Paul Harbor was opened in 1990 in connection with the transition of the Pribilof Islands from federal control to economic independence and self-sufficiency. The initial assumption in the development of the Saint Paul Harbor was that its proximity to the Bering Sea fishing grounds would lead

to industry development of a diverse multi-species fisheries-based economy on Saint Paul Island. By the time the harbor was completed, however, important groundfish fisheries such as cod and pollock were fully developed, with industry having already invested in inshore processing plants with landing ports in the Aleutian Chain, [note: stay away from naming other communities in a potentially competitive way?];and;

WHEREAS, what the Saint Paul Harbor did attract was the crab industry. Saint Paul Island is a minimum of 180 nautical miles closer to the crab fishing grounds than other processing locations and provided shorter running time and off-load time. Its proximity to the grounds, therefore, reduced operating and fuel costs and lowered crab deadloss, increasing the value of the Bering Sea crab resources to the U.S. fishing fleet and improving U.S. participation in world markets through growing exports. Regulatory restrictions regarding emissions and seafood waste effluents have continued to prevent Saint Paul Island from processing other species, with the result that Saint Paul Island's economy is almost entirely dependent on the activities and revenues generated by the crab fisheries, and to a lesser extent the local summer halibut fishery, which is however critical to local fishermen and their households, and for essential subsistence purposes, and;

WHEREAS, until the early 2000's the Saint Paul Harbor contained three shore-based processors, two floating and one shore-based. In the 1998 season, for example, more than 230 crab vessels and freighters of up to 310 feet in length, operated in the harbor. For about a decade, Saint Paul Island was a thriving port and second only to Unalaska in generating sales and fish tax revenues for the State of Alaska. In 1998 and 1999 crab deliveries to Saint Paul Island exceeded 40% of the total harvest confirming its integral role in the crab fishery, and;

WHEREAS, this boom phase came to an abrupt end in 1999 when NMFS trawl surveys revealed a massive decline in the snow crab biomass, which resulted in an 86% reduction in the snow crab TAC from approximately 192 million pounds in 1999 to 28.5 million pounds in the year 2000. This reduction in the TAC resulted in a corresponding 86% drop of the revenues entering the community and prompted the City to file a Section 312 request on January 31, 2000. This request was responded with an affirmative determination by the Secretary of Commerce on May 11, 2000, and resulted in the appropriation of funds and other measures responsive to the commercial fishery failure including the Crab Rationalization Program and a Crab Vessel Capacity Reduction Program which stabilized the Bering Sea crab fisheries, and;

WHEREAS, on November 10, 2021, the City submitted a fishery disaster request under Section 312 of the Magnuson-Stevens Act (MSA) to the Secretary of Commerce for the dramatic reduction of the BSS fishery and the closure of the BBRKC fishery in the 2021-22 season, a determination on which by the Secretary of Commerce is still pending (see attached letter), and;

WHEREAS, the exact causes of the collapse of the Bering Sea crab fisheries in the 2021-22 and 2022-23 season have not yet been determined, scientific evidence points to increased stresses on the stocks related to climate change. Dramatic declines in the Bering Sea's winter ice cover in recent years, resulted in a reduced size of the cold pool on the ocean floor that crab tend to favor as habitat at certain stages of their life cycle. In addition, the Bering Sea's higher temperatures appear to have led to increased instances of a disease (known as Bitter Crab Syndrome) on crab populations, increased predation of younger snow crab by cod fish, which generally avoid the cold pool, and increased difficulty for crab populations in finding sufficient sources of food, and;

WHEREAS, the Stafford Act states:

Title I – Findings, Declarations and Definitions

Sec. 101. Congressional Findings and Declarations (42 U.S.C. 5121)

(a) The Congress hereby finds and declares that -

(1) because disasters often cause loss of life, human suffering, loss of income, and property loss and damage; and

(2) because disasters often disrupt the normal functioning of governments and communities, and adversely affect individuals and families with great severity;

special measures, designed to assist the efforts of the affected States in expediting the rendering of aid, assistance, and emergency services, and the reconstruction and rehabilitation of devastated areas, are necessary.

WHEREAS, the Federal Emergency Management Agency (FEMA) approved, and the City Council adopted a City of Saint Paul 2022 Local Hazard Mitigation Plan (Plan) which identifies climate change as a hazard that will have an impact on the community of Saint Paul Island, and;

WHEREAS, the Plan identifies that Saint Paul Island is vulnerable to climate change related to changes in temperature and precipitation and associated climate change impacts. All of Saint Paul Island is impacted by climate change. In low-lying coastal areas, facilities and other structures are vulnerable to inundation and storm surge associated with sea level rise. Elevated water levels and warmer ground temperatures will also exacerbate erosion problems. Climate change will impact the Saint Paul Island in many ways, including changes to distribution of species in the Bering Sea and associated impacts to subsistence food gathering and tourism; increases in the hazardous conditions for hunting and fishing; impacts to the fishing industry; and more frequent and destructive storm surges threatening harbor infrastructure and potentially more flooding and/or erosion farther inland, and;

WHEREAS, revenue streams flowing into Saint Paul Island will be severely impacted by the closure of the above fisheries. Based on current projections, the City is expected to experience a 100% drop in direct city tax revenues, from \$503,856 in 2022 to \$0 in 2023, resulting from the loss of crab not being delivered to Saint Paul Island for processing and the associated taxes. The State of Alaska will be sharing with the communities their share of fishery taxes (3% is assessed by the State of which half is shared with the City), which will attenuate the impacts. The City is expected to experience a 90% drop in state shared tax revenue, from \$1,545,892 in 2022 to \$200,000 in 2023, and;

WHEREAS, additionally, as a result of the closure of the above fisheries the City expects a loss of approximately \$233,393 in revenue from support services (electric, refuse, fuel, gasoline, water, dockage, wharfage) and sales tax on those services provided to the fishing industry in support of execution of the crab fisheries. Although these figures may appear minimal, they are important to the overall revenues of a small community such as Saint Paul Island, and;

WHEREAS, additionally, other Saint Paul Island entities, the Aleut Community of Saint Paul Island, Central Bering Sea Fishermen's Association, and TDX corporation will be severely impacted by the closure of these fisheries resulting in loss of revenue, and;

WHEREAS, over the mid to long term, should the loss in revenue streams to the City and community persist, it will severely impact municipal services, the City's ability to pay debts and obligations, and its ability to finance or provide local matches to future harbor and other infrastructure projects, necessary to maintain Saint Paul Island's participation in the Bering Sea fisheries, and;

WHEREAS, while the City's goal in the coming cultural, economic, and social disaster is to maintain essential and critical municipal services (public safety, electricity, water, sewer, refuse, roads, heating fuel) for its residents and businesses, this will be extremely difficult to the complete loss of tax revenues from the sale of crab on Saint Paul Island along with increasing costs of living, and;

WHEREAS, there is an imminent cultural, economic, and social threat from the Bering Sea snow crab and Bristol Bay red king crab fishery closures for the 2022/23 season that will severely impact the City and community of Saint Paul Island, and;

WHEREAS, the loss in revenue from tax dollars from the sale of crab on Saint Paul Island will make it nearly impossible for the City to properly maintain and care for public infrastructure on Saint Paul Island, thereby intensifying the risks and vulnerabilities our community has to climate change, and;

WHEREAS, it is in the best interest and welfare of the City and community to take all reasonable actions and precautionary measures to safeguard itself from the cultural, economic, and social impacts from these fishery closures for the 2022/23 season, and;

WHEREAS, the City declaring a state of emergency due to the loss of a significant source of revenue resulting from these fishery closures for the 2022/23 season provides the City with the powers necessary to coordinate and implement plans aimed at protecting the community from the cultural, economic, and social impacts of this fisheries disaster thereby allowing for the City to secure disaster aid from state and federal agencies, and;

NOW THEREFORE, BE IT RESOLVED, that the Council of the City of Saint Paul hereby declares the closure of the Bering Sea snow crab and Bristol Bay red king crab fisheries for the 2022/23 season a social, cultural and economic disaster and emergency subject to the provisions of the Chapter 8.10 of the City of Saint Paul Code of Ordinances, and;


BE IT FURTHER RESOLVED, that the Council of the City of Saint Paul authorizes the City Manager as Incident Commander for this emergency to take all necessary steps to coordinate with the Federal and State governments, congressional offices, Saint Paul Island entities, fishing industry partners and stakeholders, and others to respond to this emergency, and;

BE IT FURTHER RESOLVED, this resolution shall remain in effect until by which time the City Council by a vote of the City Council rescinds this resolution.

PASSED AND ADOPTED BY APPROVAL OF THE COUNCIL OF THE CITY OF SAINT PAUL THIS 26th DAY OF OCTOBER, 2022 BY 7 IN FAVOR 0 OPPOSED AND 0 ABSTAIN.

ATTEST:


Aubrey Wegebelen, City Clerk


Jacob N. Mercurief, Mayor