
MEMORANDUM TO COUNCIL

To: City Council Members
From: Mayor Frank Kelty
Date: September 24, 2019
Re: Resolution 2019-55, supporting the development of the Bering Sea Aleutian Island Pacific Cod Limited Access Privilege Program (LAPP) for the trawl catcher vessel sector and $\geq 60'$ pot catcher vessels

SUMMARY: The City of Unalaska benefits from the rich fishery resources of the Bering Sea and Aleutian Islands, and for the past 24 years, Unalaska's Port of Dutch Harbor has been the nation's number one commercial fishing port in terms of quantity of the catch, and second during that timeframe in the value of the catch. The commercial fishing in the Bering Sea and Aleutian Islands is Unalaska's only industry, and is the economic engine that drives this area. The commercial fishing industry of Unalaska and the community as a whole have been negatively impacted by a reduction in the total allowable catch of Pacific Cod, which has been reduced 30% over the past three years. At the same time, there are more harvesters participating in this un-rationalized fishery. With the race for fish continuing in the Pacific Cod CV Trawl and $>60'$ Pot Cod sectors we will continue to face declining cod allocations, shorter fishing seasons and economic impacts to harvesters, processors, support sector business and communities. We feel that moving forward with a cod cooperative or rationalization program for these Pacific Cod sectors that are not rationalized would end the race for fish, increase the value, improve product utilization, and would help reduce bycatch.

PREVIOUS COUNCIL ACTION: The Unalaska City Council has previously written many letters and has had Mayors and Council Members testify before the North Pacific Fishery Management Council on Pacific Cod issues numerous times throughout the years. The Unalaska City Council has also supported various rationalization programs for Pollock and Crab.

BACKGROUND: The shore plants in Unalaska have invested millions of dollars in their respective communities through taxes paid, plant upgrades, wages, goods and services purchased from support businesses, scholarships funds and donations to charitable causes. In Unalaska alone, real property taxes paid by the five major shore-based companies for FY18 came in at \$1.1 million dollars and millions more in sales taxes, local and state shared fishery taxes. The development of a cooperative or rationalization program will help preserve the historical catch of Pacific Cod that Unalaska shore plants depend on. The abovementioned fishery sectors are all of major importance to the shore side processing plants, support sector businesses and the City of Unalaska. The Pacific Cod fishery, after the Pollock fishery, is the next most important species processed by the local Unalaska shore plants. Unalaska shore plants are already facing added pressure with shorter seasons and reduced Bering Sea Cod allocations. We have seen a 30% reduction in the past three years. We expect that more vessels will be moving into the Pacific Cod Bering Sea Federal and State water fisheries. This past A season we saw cod catcher vessels, both in the trawl and pot sectors, harvest their allocations in record time, in some cases in just a few weeks. These continued impacts mean shorter Pacific Cod fishing season, less revenue for harvesters, processors and support sector businesses. Unalaska will also have face impacts to employment in all sectors of the

community, especially the processing plants, the support sector businesses and the people that work on the waterfront and transportation sectors.

DISCUSSION: I would hope the Unalaska City Council would support Resolution 2019-55. The Pacific Cod fishery is the second most important and valuable groundfish species processed in Unalaska, after the Bering Sea Pollock fishery. The continued race for fish in these two Pacific Cod sectors results in compressed fishing seasons, negative economic impacts, decreased ability to maximize the value of the fishery and discourages fishing practices that would minimize bycatch. Without the development of a cooperative program for these fishing sectors, we will continue to see negative impacts on harvesters, processors, support sector businesses and the communities of our region.

I also recommend that the Unalaska City Council request that the North Pacific Fishery Management Council consider, during LAPP development, a Unalaska Community Pacific Cod Allocation from the used portion of the Jig allocation, for the Unalaska based $\geq 60'$ fixed gear vessels. I believe that as a community we should support an analysis of a community based Pacific Cod allocation, which would assist in continued participation of the local $\geq 60'$ fleet in the Pacific Cod fishery, on which they depend for their continued economic viability.

ALTERNATIVES: The Council may choose not to get involved with this issue, or it may choose to support or oppose Resolution 2019-55.

MAYOR'S RECOMMENDATION: I recommend adoption of Resolution 2019-55.

PROPOSED MOTION: I move to adopt Resolution 2019-55.

ATTACHMENTS: NPFMC Staff Memo on the Development of the Bering Sea Aleutian Island Pacific Cod Limited Access Privilege Program (LAPP) for the Trawl catcher Vessel Sector and the $\geq 60'$ Pot Cod Vessels