

# Kenai

## People and Place

### Location

Kenai is a Home Rule city of 6,942 residents located in the Kenai Peninsula Borough, about 65 air miles and 155 highway miles southwest of Anchorage. The area encompasses 29.9 square miles of land and 5.6 miles of water. Kenai is the largest community on the Kenai Peninsula and is the hub of the region's oil and gas, commercial and sport fishing, and tourism industries.

### Demographic Profile

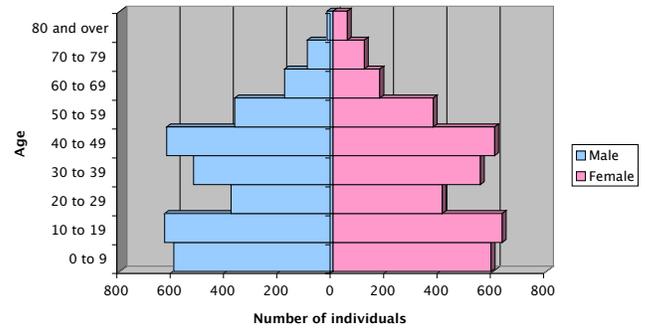
The vast majority of the 6,942 Kenai residents (99.7%) live in households rather than group quarters. The gender composition in the community is relatively equal, at 49.4% male and 50.6% female. The racial makeup is as follows: White (82.8%), Alaska Native or American Indian (8.7%), Black (0.5%), Asian (1.7%), Hawaiian Native (0.2%), other (1.1%), two or more races (5.0%). A total of 12.1% of the population recognized themselves as all or part Alaska Native or American Indian. In addition, 3.8% of residents were of Hispanic ethnicity. The median age of Kenai residents is 32.3 years, slightly younger than the U.S. national median of 35.3 years. Along with the discovery of oil near Kenai and offshore in Cook Inlet in the 1950s and 1960s, the population has boomed in recent decades. There was a four-fold increase in population between 1960 and 1970 alone.

### History

Kenai has been the site of a Dena'ina Athabascan village since prehistory. When Russian fur traders arrived in 1741, there were about 1,000 people living in a settlement near the Kenai River. A permanent Russian settlement was established in the late 1700s to support fur and fish trading. Later, in 1869, Kenai was the site of a short-lived U.S. military post. During the early 20th century, commercial fishing was the primary economic activity. The federal government established at this time an agriculture experimental station in Kenai meant to foster a more permanent land-based settlement (Naske and Slotnick 1987: 88). In 1957, the first major Alaska oil strike was made near Kenai, and in 1965 offshore oil was discovered nearby in Cook Inlet. The growth of the oil industry, along with commercial fishing and recreational activities,

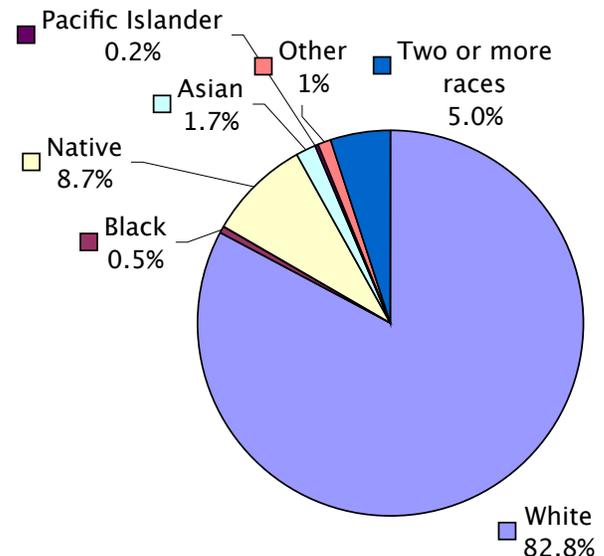
**2000 Population Structure  
Kenai**

Data source: US Census



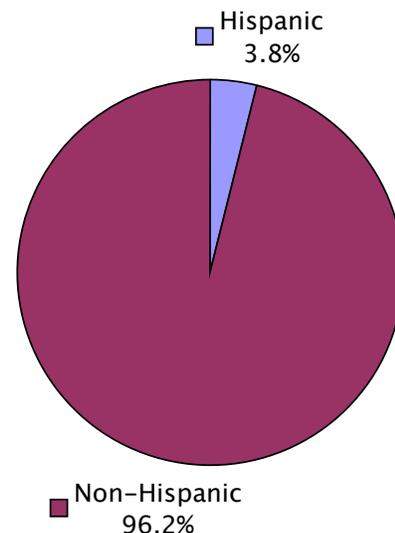
**2000 Racial Structure  
Kenai**

Data source: US Census



**2000 Hispanic Ethnicity  
Kenai**

Data source: US Census



combine to make Kenai one of the fastest growing communities in contemporary Alaska.

## Infrastructure

### Current Economy

The economy of Kenai is relatively diverse. Residents are employed in the oil and gas industry, commercial and sport fishing, fish processing, agriculture, and timber harvesting. Tourism for both in-state and out-of-state visitors is an increasingly important part of Kenai’s economy.

In 2000, the average per capita income was \$20,789, and the average household income was \$45,962. Approximately 8.2% of the total potential labor force was unemployed, and 34% of residents aged 16 years and older were not in the labor force (i.e. not employed and not seeking work). Approximately 9.8% of residents lived below the poverty level.

### Governance

Kenai was incorporated as a first-class city in 1960 and has a city manager form of government. It is in the Kenai Peninsula Borough. In terms of Native governance, there is the village council (the Kenaitze Indian Tribe) and the Kenai Natives Association. Government revenues come from a 3% sales tax administered by the city and a 2% sales tax administered by the borough. There is also a 0.4% (or 4.0 mill) property tax administered by the city and a 0.65% (or 6.5 mill) property tax administered by the borough. There is an office of the Alaska Department of Fish and Game (ADF&G) located directly in Kenai. The nearest National Marine Fisheries Service (NMFS) office and Bureau of Citizenship and Immigration Services (BCIS) office are both located in Anchorage.

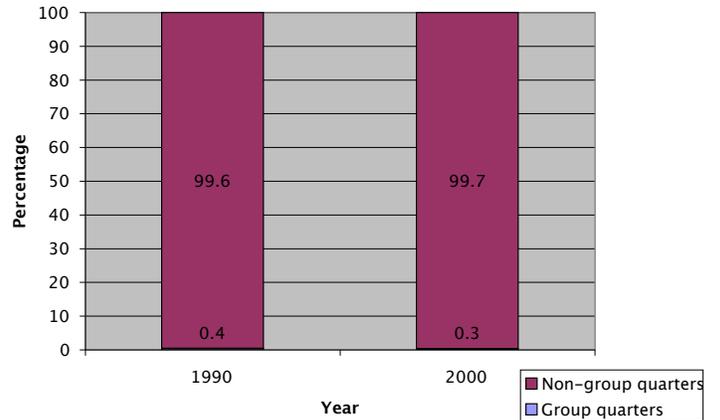
### Facilities

Utilities are provided primarily by the city and include piped water, sewage, and garbage collection. Electricity is provided by the Homer Electric Association, which uses both hydroelectric and gas turbines. The Dena’ina Health Clinic is operated by the village council. Police services are provided by the city, and fire/rescue services are provided by the borough.

Kenai is accessible both by air and by road via the Sterling Highway. Roundtrip airfare from Kenai to

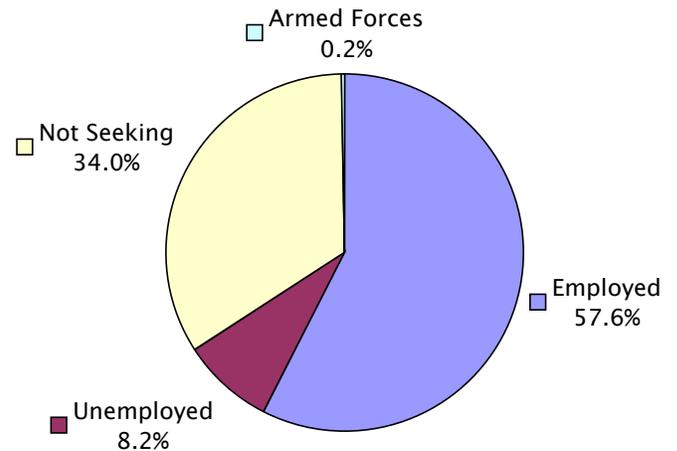
**% Group Quarters Kenai**

Data source: US Census



**2000 Employment Structure Kenai**

Data source: US Census



Anchorage costs approximately \$134.

There are two elementary schools, one middle school, and one high school located in Kenai, all of which are operated by the borough. There are a total of 107 teachers and 1,559 students.

## Involvement in North Pacific Fisheries

### Commercial Fishing\*

Commercial fishing is a major part of the local economy in Kenai. The Cook Inlet salmon fishery accounts for the most significant portion of commercial fishing activities for Kenai residents. In 2000, there were 18 vessel owners with operations in federal fisheries and 75 vessel owners with operations

\* Commercial fishing permit data from the CFEC is given for the communities of Kenai and Nikishka

in state fisheries who resided in Kenai. There were 271 registered crew members. In 2000, there were 235 residents who held a total of 317 commercial fishing permits. The following section contains detailed information about commercial permits issued to Kenai residents in 2000.

*Crab:* Three residents held a total of four permits in the crab fishery, and three of these were fished. A detailed breakdown of these permits was as follows: one Dungeness crab pot gear permit for vessels over 60 feet in Cook Inlet (none fished), one King crab pot gear permit for vessels over 60 feet in Bristol Bay (one fished), and two Tanner crab pot gear permits for vessels over 60 feet in the Bering Sea (two fished).

*Other Shellfish:* Four residents held a total of six permits for other shellfish, and four of these permits were fished. A detailed breakdown of these permits is as follows: one shrimp beam trawl permit for Prince William Sound (one fished), one shrimp beam trawl permit for the Westward region of the Alaska Peninsula (one fished), three clam shovel permits for statewide waters (one fished), and one scallop dredge permit for statewide waters (one fished);

*Halibut:* Forty-nine residents held a total of 52 permits in the halibut fishery, and 33 of these were fished. A detailed breakdown of these permits is as follows: 4 halibut hand troll permits for statewide waters (one fished), 32 halibut longline permits for vessels under 60 feet in statewide waters (20 fished), one halibut mechanical jig permit for vessels in statewide waters (none fished), and 15 halibut longline permits for vessels over 60 feet in statewide waters (12 fished).

*Herring:* Fourteen residents held a total of 20 permits in the herring fishery, but only one permit was fished. A detailed breakdown of these permits is as follows: 2 herring roe purse seine permits for Prince William Sound (none fished), 3 herring roe purse seine permits for Cook Inlet (none fished), 3 herring roe purse seine permits for Bristol Bay (none fished), 2 herring roe gillnet permits for Cook Inlet (none fished), 5 herring roe gillnet permits for the Kodiak fishery (none fished), one herring roe gillnet permit for Security Cove (none fished), one herring roe gillnet permit for Bristol Bay (one fished), 2 herring roe gillnet permits for Norton Sound (none fished), and one herring permit to collect eggs in kelp fields in Prince William Sound (none fished).

*Sablefish:* Three residents held a total of four permits in the sablefish fishery, but only one of these permits was fished. A detailed breakdown of these permits is as follows: one sablefish mechanical jig permit for statewide waters (none fished), one sablefish fixed gear permit for vessels under 50 feet in length in Prince William Sound (one fished), one sablefish longline permit for vessels over 60 feet in the northern southeast region (none fished), and one sablefish longline permit for vessels over 60 feet in the southern southeast region (none fished).

*Other Groundfish:* Seventeen residents held a total of 22 permits for the groundfish fishery, and 11 of these were actually fished. A detailed breakdown of these permits is as follows: one lingcod longline permit for vessels under 60 feet in statewide waters (one fished), one lingcod mechanical jig permit for statewide waters (none fished), five miscellaneous saltwater finfish longline permits for vessels under 60 feet in statewide waters (none fished), 3 miscellaneous salt water finfish pot gear permits for vessels under 60 feet in statewide waters (3 fished), 7 seven miscellaneous salt water finfish mechanical jig permits for statewide waters (4 fished), 3 snail pot gear permits for vessels over 60 feet in statewide waters (3 fished), one miscellaneous saltwater finfish for vessels using other gear in statewide waters (none fished), and one demersal shelf rockfish hand troll permit for the southeast region (none fished).

*Salmon:* Commercial salmon fishing, particularly in the Cook Inlet fishery is very important in Kenai. In 2000, 208 residents held a total of 209 permits, and 156 permits were fished. A detailed breakdown of these permits is as follows: one salmon purse seine permit for the southeast region (one fished), 2 salmon purse seine permits for Prince William Sound (none fished), 2 salmon purse seine permits for the Kodiak fishery (2 fished), one salmon purse seine permits for the Alaska Peninsula and Aleutian Islands (one fished), 2 salmon drift gillnet permits for Prince William Sound (one fished), 66 salmon drift gillnet permits for Cook Inlet (61 fished), one salmon drift gillnet permit for the Alaska Peninsula (one fished), eight salmon drift gillnet permits for Bristol Bay (7 fished), 112 salmon set gillnet permits for Cook Inlet (70 fished), 12 salmon set gillnet permits for Bristol Bay (12 fished), one salmon set gillnet permit for Kuskokwim (none fished), and one salmon hand troll permit for statewide waters (none fished).

Kenai is also an important hub for commercial fish processing. In 2000 there were 6 processing plants with a combined total of 906 tons in landings for federally managed species and 4,269.3 tons in landings for state-managed species. The salmon fishery accounted for the vast majority of landings.

In 2002, the Kenai Peninsula Borough received \$810 in federal funds to compensate for fisheries losses due to Steller sea lion habitat protection under the Endangered Species Act. In 2003, Kenai received \$155,035 in federal salmon disaster funds to compensate the community for falling salmon prices. The Kenai Peninsula Borough as a whole received \$623,295 in salmon disaster funds.

### **Sport Fishing**

The sport fishing industry in Kenai is very large, accounting for a major portion of local economic activity. The area is a major destination for sport fishermen around the world who come to fish in Cook Inlet as well in the Kenai River, the most heavily fished river in Alaska. The major sport fish species include halibut, chinook, silver, pink and sockeye salmon, rainbow trout, steelhead, and Dolly Varden. The largest recorded king salmon taken by rod and reel, weighing 97 pounds 4 ounces, was landed from the Kenai River.

In 2000, a total of 9,350 sport licenses were sold in Kenai—4,263 to Alaska residents and 5,087 to non-

residents. The sport fishing guide industry is very strong in Kenai, with 20 saltwater and 35 freshwater guides registered in 2002.

### **Subsistence Fishing**

The ADF&G's Division of Subsistence reported in 1993 that 98% of Kenai households used at least some subsistence resources. Approximately 95% of households used fish for subsistence, including salmon and non-salmon species. Approximately 54.5% of households used marine invertebrates for subsistence, and a small portion of households (1%) used marine mammals. A total of 107 in Kenai held subsistence salmon harvesting permits in 1999. The members of the Kenaitze Indian Tribe in Kenai who hold a valid Subsistence Halibut Registration Certificate (SHARC) issued by NMFS, are eligible to harvest subsistence halibut. These allocations are based on recognized customary and traditional uses of halibut. Regulations to implement subsistence halibut fishing were published in the Federal Register in April 2003 and became effective May 2003.

The annual per capita harvest of subsistence foods for Kenai in 1993 was 83.8 lbs, and was comprised of the following resources: salmon (46.2%), non-salmon fish (19.5%), land mammals (20.2%), marine mammals (0.7%), birds and bird eggs (1.1%), marine invertebrates (6.1%), and vegetation (6.2%).