

ALASKA

NORTH TO OPPORTUNITY

Economic Development Programs and Projects

DEPARTMENT OF COMMERCE, COMMUNITY, AND ECONOMIC DEVELOPMENT
DIVISION of ECONOMIC DEVELOPMENT

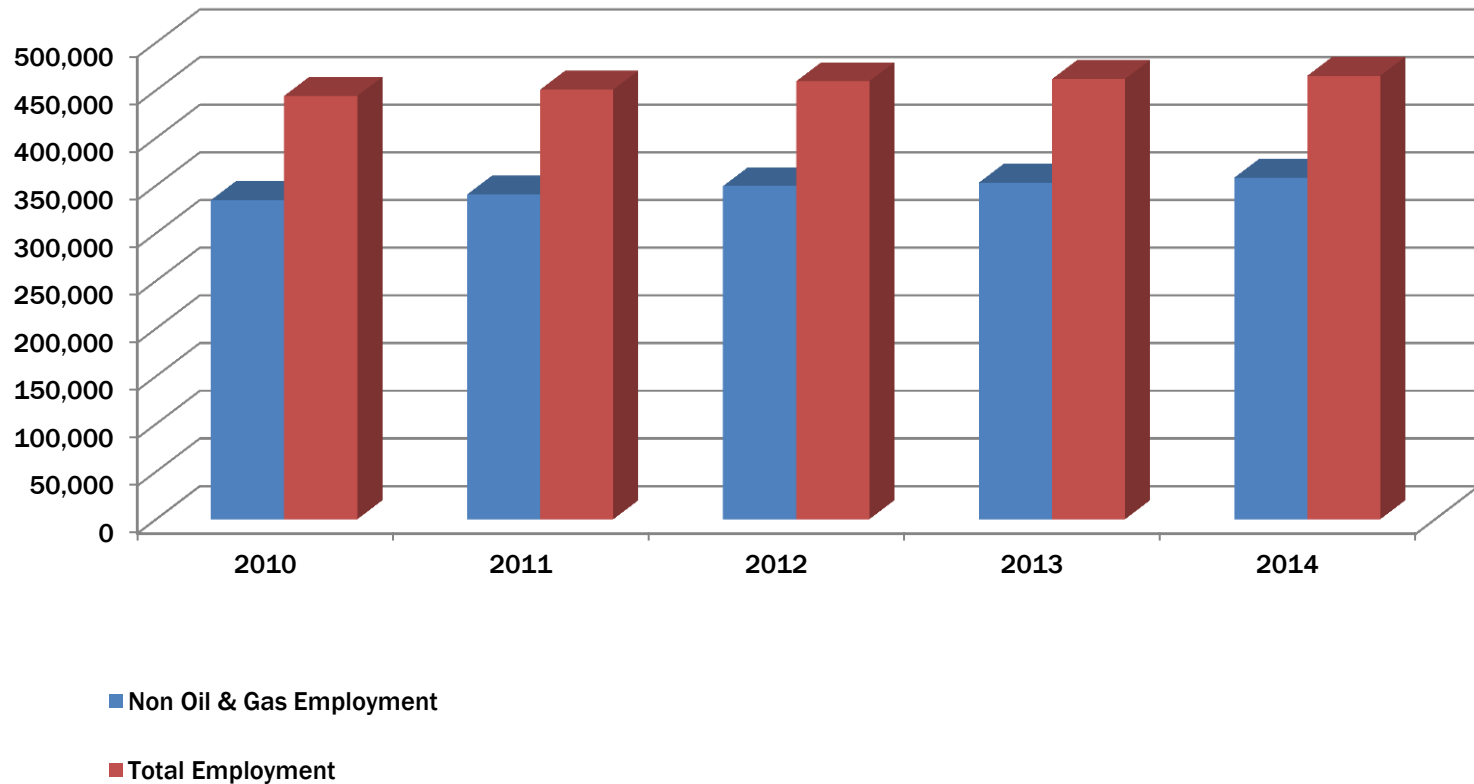
2/15/2016



Economic development is the process of creating wealth through investment and reinvestment in a community, resulting in more jobs, higher incomes, an expanded tax base, a more diversified economy, business improvement, and a better quality of life.

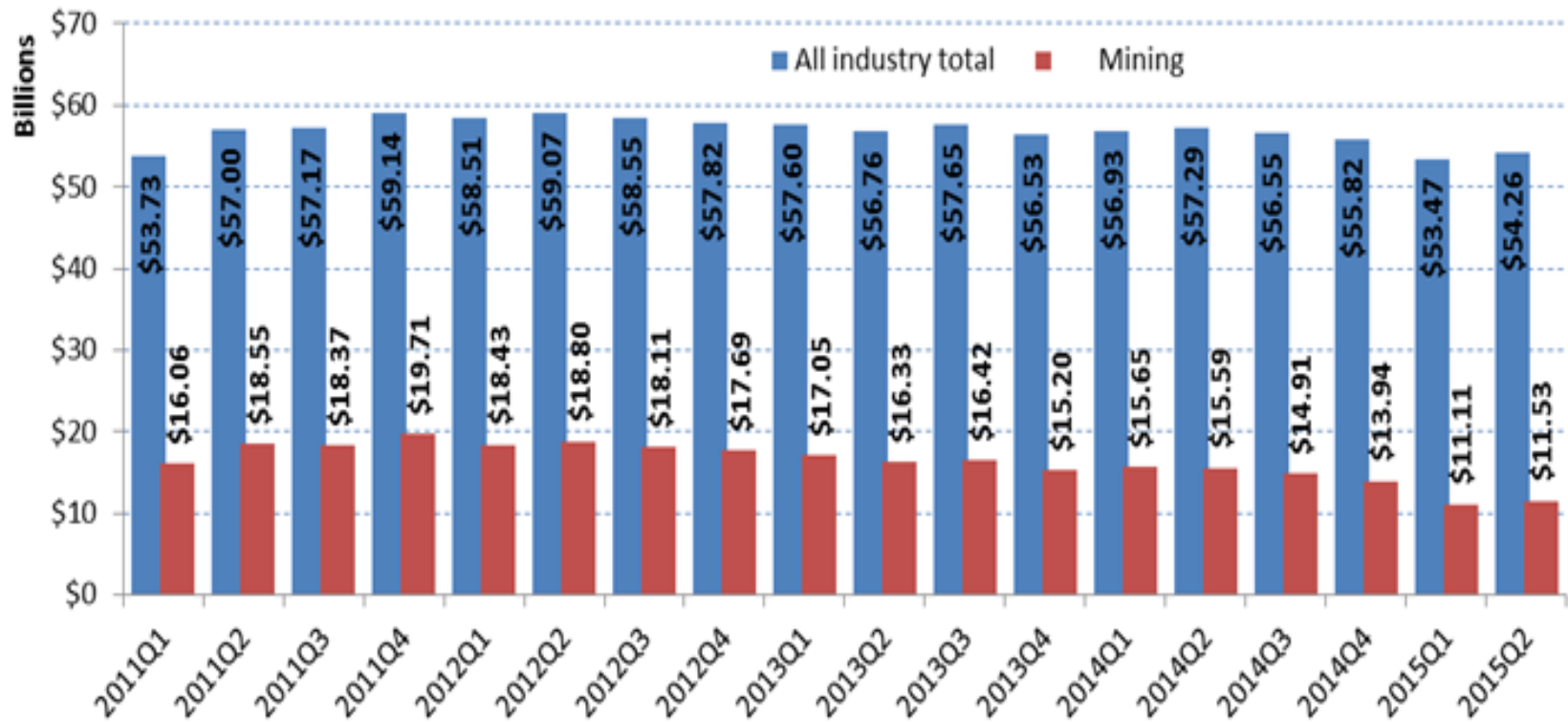
ECONOMIC TRENDS – EMPLOYMENT

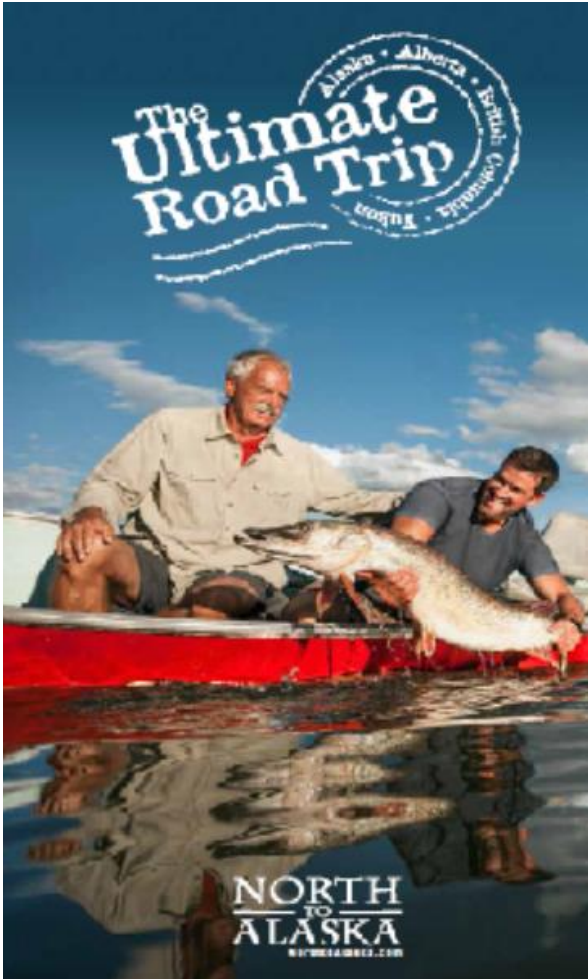
Long-term Employment / Employment without Oil and Gas



ECONOMIC TRENDS – GROSS DOMESTIC PRODUCT

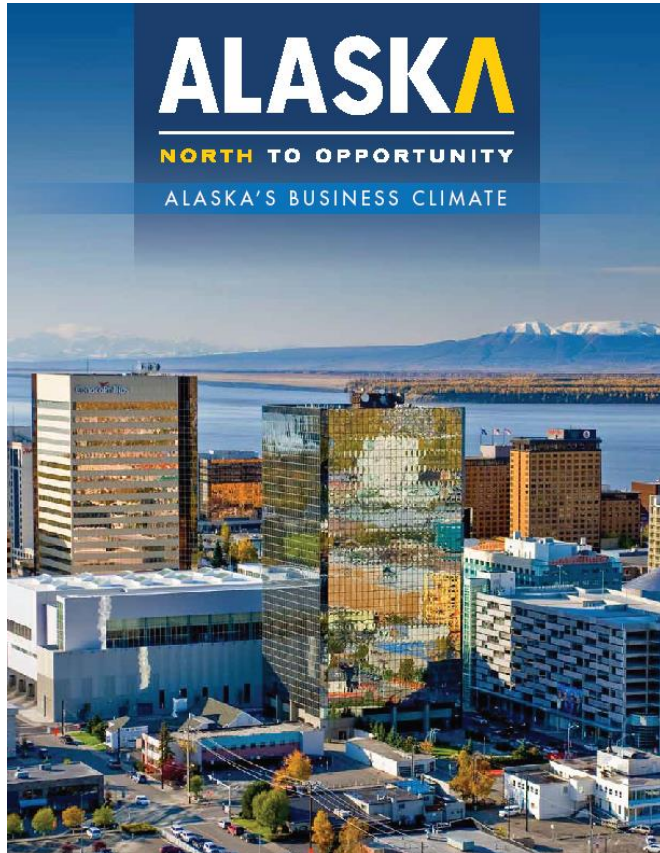
Alaska GDP (current dollars by quarter)





IEDC AWARD WINNING INITIATIVES

- Gold: Unmanned Aircraft systems opportunities tour with UA BEI
- Bronze: North to Alaska visitor marketing campaign with British Columbia and the Yukon
- Bronze: Unmanned aircraft systems brochures with ACUASI and industry



*Statutorily Required Program

ECONOMIC DEVELOPMENT PROGRAMS

- Investments
- Business Retention and Expansion
- Alaska Regional Development Organizations*
- Made in Alaska*
- Alaska Preference Programs*
- Foreign Direct Investment
- Comprehensive Economic Development Strategy
- North to Opportunity
- Tourism Marketing
- Minerals Industry Development*
- Seafood Industry Development
- Tourism Industry Development*
- Timber Industry Development
- UAS Industry Development
- Maritime Industry Development
- Craft Beverage Industry Development

INVESTMENTS

Program Overview:

- 11 loan funds with a total principal outstanding exceeding \$200 million
 - 4 fishing-related loan programs
 - 3 small business loan programs
 - 1 bulk fuel loan program
 - 1 capstone avionics loan program
 - 1 alternative energy loan program
 - 1 mariculture loan program

Program Cost:

- Funding is self-generated via the revolving loan fund revenues

STATE OF ALASKA
DIVISION OF ECONOMIC DEVELOPMENT



**Low Interest Commercial Fishing Loans
for Alaskan Harvesters**

Limited Entry Permits | Engine Fuel Efficiency Upgrade
Vessel or Gear Refinance | Vessel or Gear Upgrade
Product Quality Improvements | Quota Shares
Tender Vessel Product Quality Improvements

(907) 465-2510 | financing@alaska.gov
www.commerce.alaska.gov/web/ded/FIN

INVESTMENTS





BUSINESS RETENTION AND EXPANSION

Program Overview:

- 31 partner organizations
- 70 individuals
- 10 communities
- 475 business contacts in the BRE software system
- 253 business surveys completed

Program Cost:

- Initial startup costs for this program were funded by a federal grant
- Approximately \$6,000 yearly, plus staff time

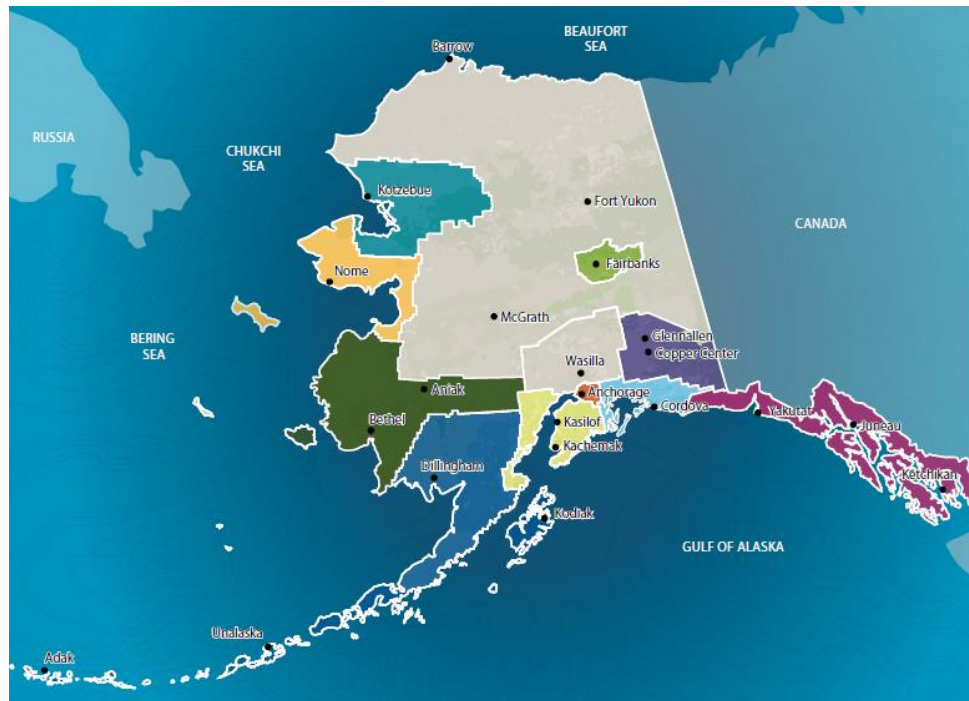
ALASKA REGIONAL DEVELOPMENT ORGANIZATIONS

Program Overview

- 10 ARDORS
- Program reauthorization

Program Cost

- \$774,100
- State investment leverages \$5,157,886 in private sector and federal funds



- Anchorage Economic Development Corporation (AEDC)
- Bering Strait Development Council (BSDC)
- Copper Valley Development Association (CVDA)
- Fairbanks North Star Borough Economic Development Commission (FNSBEDC)
- Kenai Peninsula Economic Development District (KPEDD)
- Northwest Arctic Borough Economic Development Commission (NWABEDC)
- Prince William Sound Economic Development District (PWSEDD)
- Southeast Conference (SEC)
- Southwest Alaska Municipal Conference (SWAMC)
- Yukon-Kuskokwim Economic Development Council (YKEDC)
- Region without designated ARDOR



ARDOR PROJECT EXAMPLES

Yukon Kuskokwim Economic Development Council

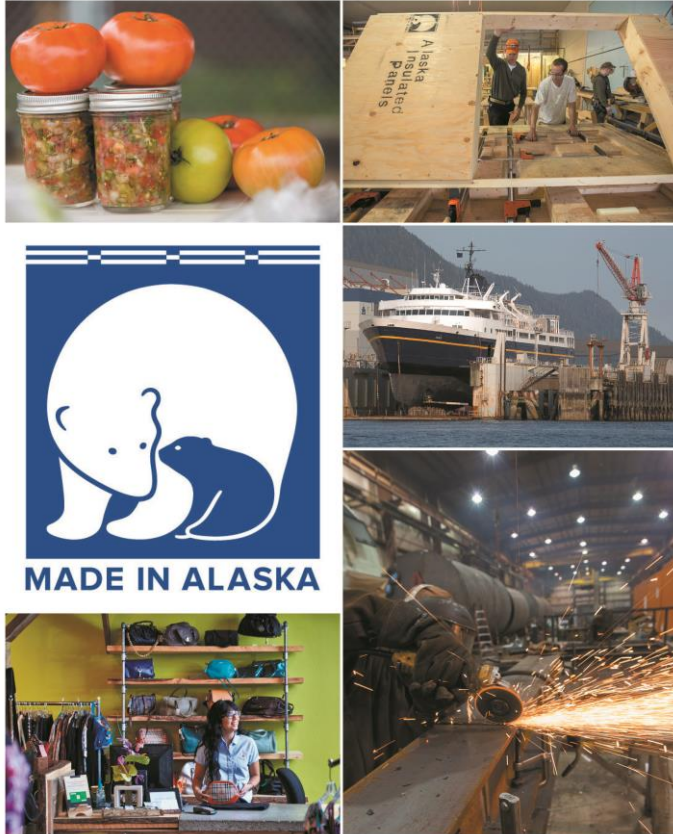
- Truss plant project

Northwest Arctic Borough Economic Development Commission

- Cultural Tourism initiative

Multiple ARDORs

- Business Retention and Expansion



MADE IN ALASKA

Program Overview:

- 1,007 participating businesses with 1,173 products permitted in 80 communities throughout the state
- 45% of permit holder product sales is attributed to the program
- For every \$1 spent by the State, \$68 was earned by permit holders

Program Cost:

- \$125,000 yearly includes staff costs and promotional materials.
- \$40,036 generated during FY15

ALASKA PREFERENCE PROGRAMS

Program Overview:

- 95 businesses registered in Alaska Product Preference program
 - 390 Certified products in program
- 27 businesses registered in the Alaska Forest Product Preference program

Program Cost:

- Staff time



FOREIGN DIRECT INVESTMENT

Program Overview:

- Foreign Direct Investment Summit
- EB-5 regional center
- Federal grant opportunities

Program Cost:

- Staff time
- \$1,200 Foreign Direct Investment sponsorship



COMPREHENSIVE ECONOMIC DEVELOPMENT STRATEGY

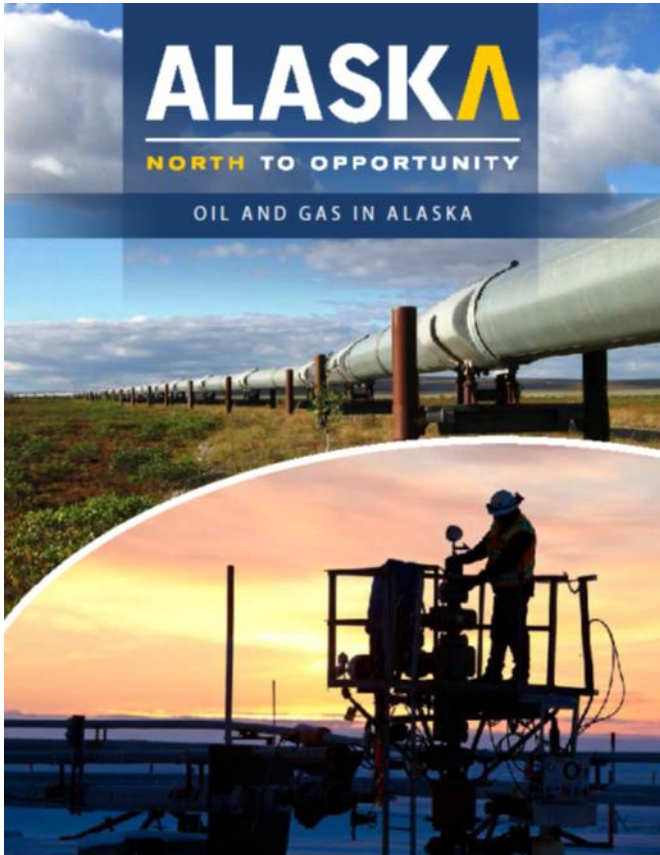
Program Overview:

- A CEDS brings together public and private sectors in the creation of an economic roadmap to diversify and strengthen economies.

Program Cost:

- Staff time
- In-state travel





NORTH TO OPPORTUNITY

Program Overview:

- Promotional theme used to encourage investment in Alaska
- Collaboration with industry and partner agencies

Program Cost:

- Staff time

MINERALS INDUSTRY DEVELOPMENT

Program Overview:

- Alaska Minerals Commission
- *Annual Alaska Minerals Industry Report*
- *Nome Suction Dredge Study*
- *Nome Dredgers Resource Guide*
- Strategic Minerals Marketing Initiative

Program Cost:

- Staff time and travel
- FY13 Strategic Minerals Marketing Initiative capital funding appropriation of \$450,000
 - Recycled booth from previous year's show to save on costs
 - Utilized industry and agency partnerships for shared costs.



SEAFOOD INDUSTRY DEVELOPMENT



Alaska Shellfish Farm Size Feasibility Study



Program Overview:

- *Alaska Shellfish Farm Size Feasibility Study*
- Mariculture Loan Fund
- Emerging opportunities in maritime aquaculture

Program Costs:

- Staff time and travel

VISITOR INDUSTRY DEVELOPMENT



Program Overview:

- *Alaska Visitor Statistics Program (AVSP) VI Interim Visitor Volume Report (Summer 2015)*
- *Economic Impact of the Alaska Visitor Industry*
- Alaska Host and Alaska Cultural Host
- Northwest Arctic Borough cultural tourism

Program Costs:

- AVSP - \$8,000
- Economic Impact study - \$9,200
- Staff time and travel
- ARDOR funding



TIMBER INDUSTRY DEVELOPMENT

Program Overview:

- Workforce development
- Alaska Coastal Rainforest Center, “A market characterization of salvaged yellow-cedar wood products in Southeast Alaska: opportunities for innovation, expansion, and community economic development”

Program Costs:

- Staff time
- Yellow Cedar market characterization - \$50,000

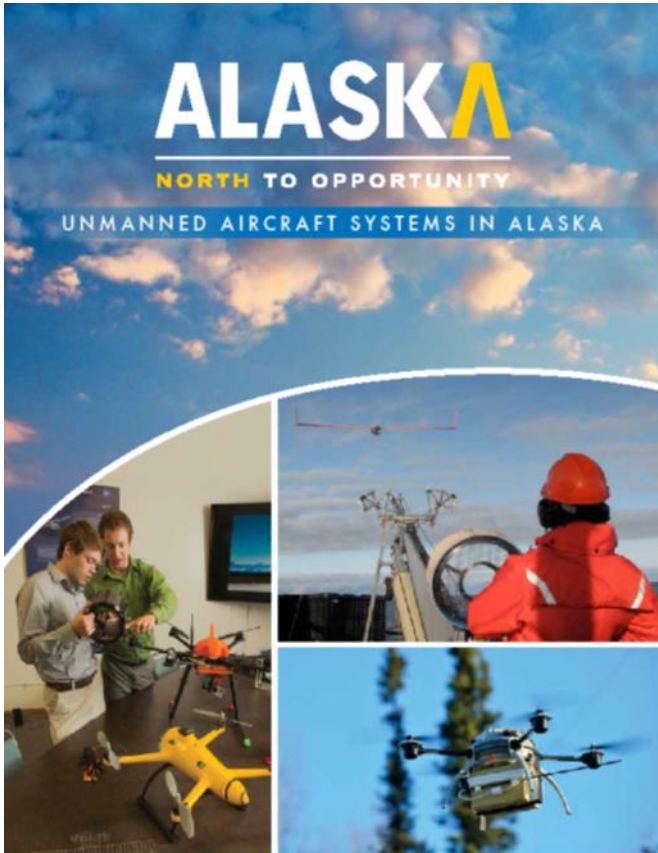
UAS INDUSTRY DEVELOPMENT

Program Overview:

- AUVSI conference to promote Alaska's test site
- *Unmanned Aircraft Systems: An Economic Development Strategy for Alaska*
- UAS Legislative Task Force to create *Alaska's Drone Operator Safety and Privacy Guidelines*
- Early stages attraction and expansion work targeting national and international companies with the University's Business Enterprise Institute and the Alaska Center for Unmanned Aircraft Systems Integration (ACUASI)

Program Costs:

- Staff time and travel
- AUVSI - \$20,000



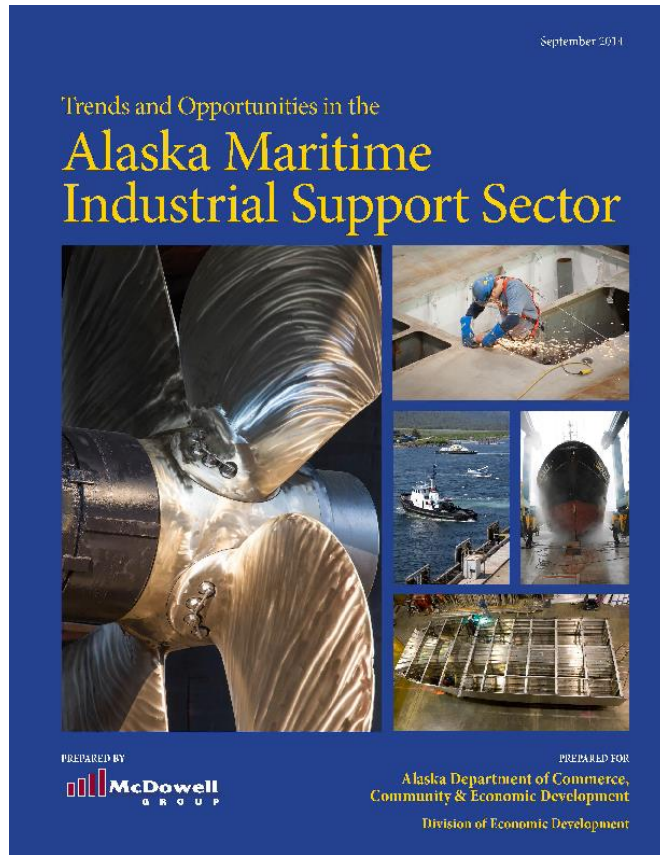
MARITIME INDUSTRY DEVELOPMENT

Program Overview:

- *Trends and Opportunities in the Alaska Maritime Industrial Support Sector* report recommendations
- Puget Sound partnership

Program Costs:

- Staff time





CRAFT BEVERAGE INDUSTRY DEVELOPMENT

Program Overview:

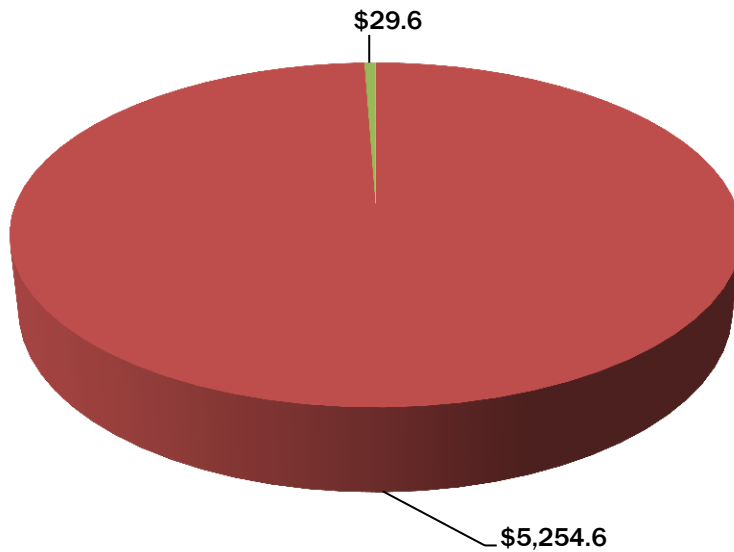
- Enter national and international markets
 - *Export Opportunities for Alaska Distilleries and Breweries, UA CED*
- Increase visitor spending at breweries and distilleries and draw national attention to craft beverage industry
 - Alaska Crafted Festival

Program Costs:

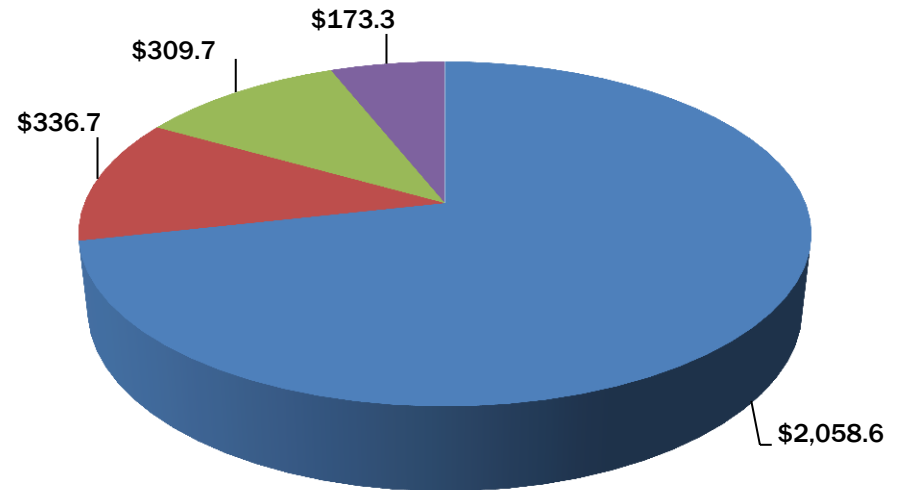
- Staff time
- Alaska Crafted Festival - \$40,000

FY17 BUDGET

FY17 Investments Funding Totals



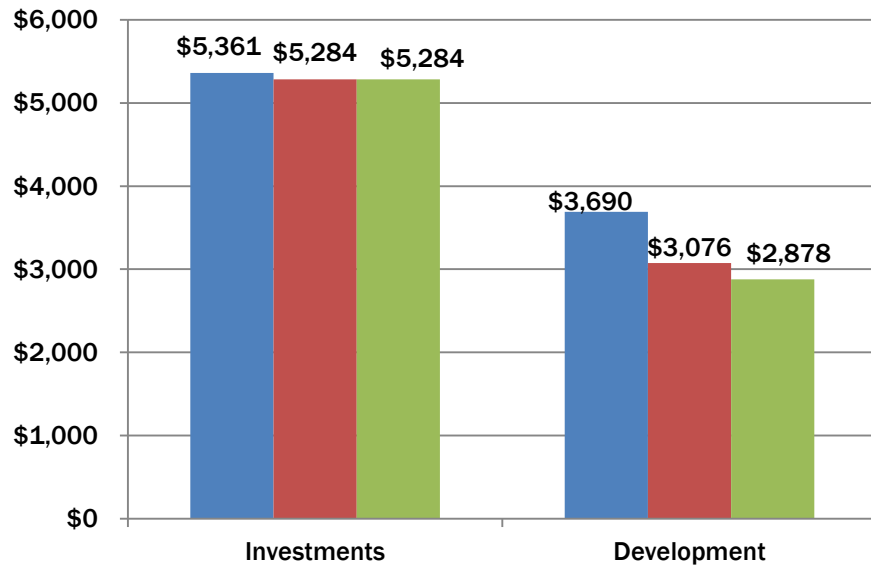
FY17 Development Funding Totals



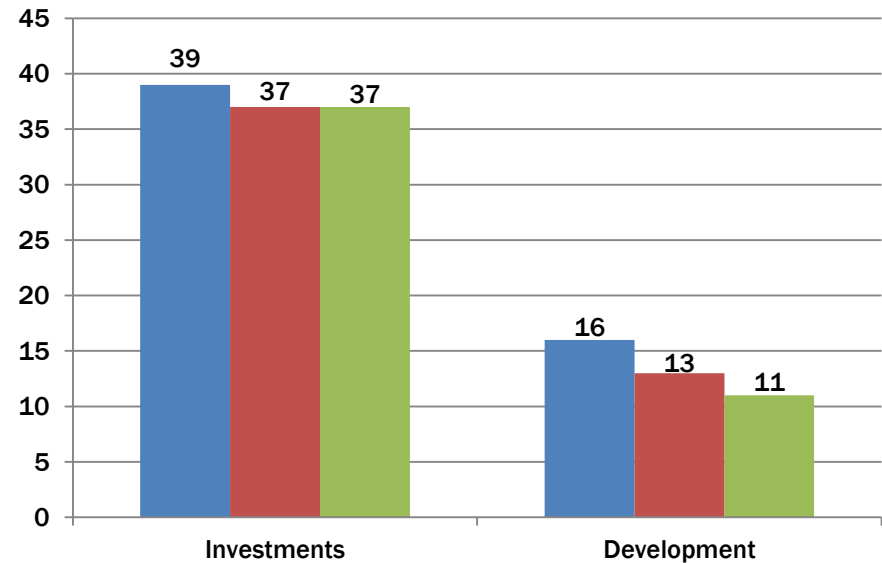
■ Unrestricted General Fund
 ■ Designated General Fund
 ■ Federal
 ■ Other

FY17 BUDGET

Funding (millions)



Positions



■ FY15
 ■ FY16
 ■ FY17

FY17 BUDGET

Investments

Expenditures: 5,284.2

Funding Totals:

Unrestricted General (UGF) – 0.0

Designated General (DGF) – 5,254.6

Other – 29.6

Federal – 0.0

Positions:

Permanent Full Time – 37

Permanent Part Time – 0

Non Permanent – 0

Development

Expenditures: 2,878.3

Funding Totals:

Unrestricted General (UGF) – 2,058.6

Designated General (DGF) – 336.7

Other – 309.7

Federal – 173.3

Positions:

Permanent Full Time – 11

Permanent Part Time – 0

Non Permanent – 0

Thank You

Questions?