

02/25/14

Presentation:

Matanuska-
Susitna
Borough

<TARGET><BILL></BILL><SUBJECT>02-25-14 Presentation
Matanuska-Susitna
Borough</SUBJECT><COMM>HEDT28</COMM></TARGET>

Ginger Blaisdell

From: Apache <apache@wwwjnu04.akleg.gov>
Sent: Monday, February 24, 2014 1:20 PM
To: LIO Juneau; Ginger Blaisdell
Subject: Teleconference Order Form

Meeting: new

Sponsor and/or Committee Name: Economic Development Trade and Tourism

Date of Teleconference: February 25, 2014

Start Time: 11:15am

End Time: 12:45pm

Chairing Site: capitol

Juneau Room: 124

Bill Information:

Streamed to akl.tv: yes

Executive Session: no

Contact Person: Ginger Blaisdell

Telephone Number: 465-5265

Email Address: ginger.blaisdell@akleg.gov

LIO Sites:

May other LIO's add: yes

Offnet Name(s):

none expected

Other Information:

Alaska State Legislature

Representative Shelley Hughes, Chair

Session Address:

Alaska State Capitol, Room 409

Juneau, Alaska 99801-1182

Phone: (907) 465-3743

Fax: (907) 465-2381

House District 8



Representative Lynn Gattis

Representative Bob Herron

Representative Pete Higgins

Representative Craig Johnson

Representative Kurt Olson

Representative Lance Pruitt

Representative Harriet Drummond

Representative Geran Tarr

House Special Committee on Economic Development, Trade and Tourism

AGENDA

February 25 , 2014

1. Call to Order

~Gavel~ Welcome members of the Economic Development, Trade and Tourism Committee.

2. Roll Call

- For the record, in attendance are: (representative xx, ... and representative xx)
- I would like to introduce Debbie Tillinghast, the committee recording secretary
- Info services person
- Ginger Blaisdell, committee aide for EDT

3. AGENDA

Don Dyer, Economic Development Director, MSB

Larry DeVilbiss, Mayor Mat-Su Borough

4. Before we ADJOURN:

- No meeting Thursday
- Next week March 3 and 4, EDTT will be joining Energy and Transportation committees for presentations on biofuel energy plants and airships and the possibilities for Alaska ~ more info will follow via email on these meetings
- We are also working on the final details for a lunch time event on Earthquake preparedness on Wednesday March 5. Watch for elevator posters and I will send an email with more details on this event.

Thank you for wanting to be part of making Alaska one of the best economic environments in the nation. We are ADJOURNED." ~gavel~



2014

Mat-Su Borough

Point MacKenzie Enterprise Zone

Alaska's Link To Economic Certainty



Economic Development

“The Mat-Su Borough is today what Orange County California was in the 1950’s”

John Schuetz - Principal, RSH Group

MSBA Lunch October 2012

Where is the Mat-Su?



2013 Alaska Revenue Sources

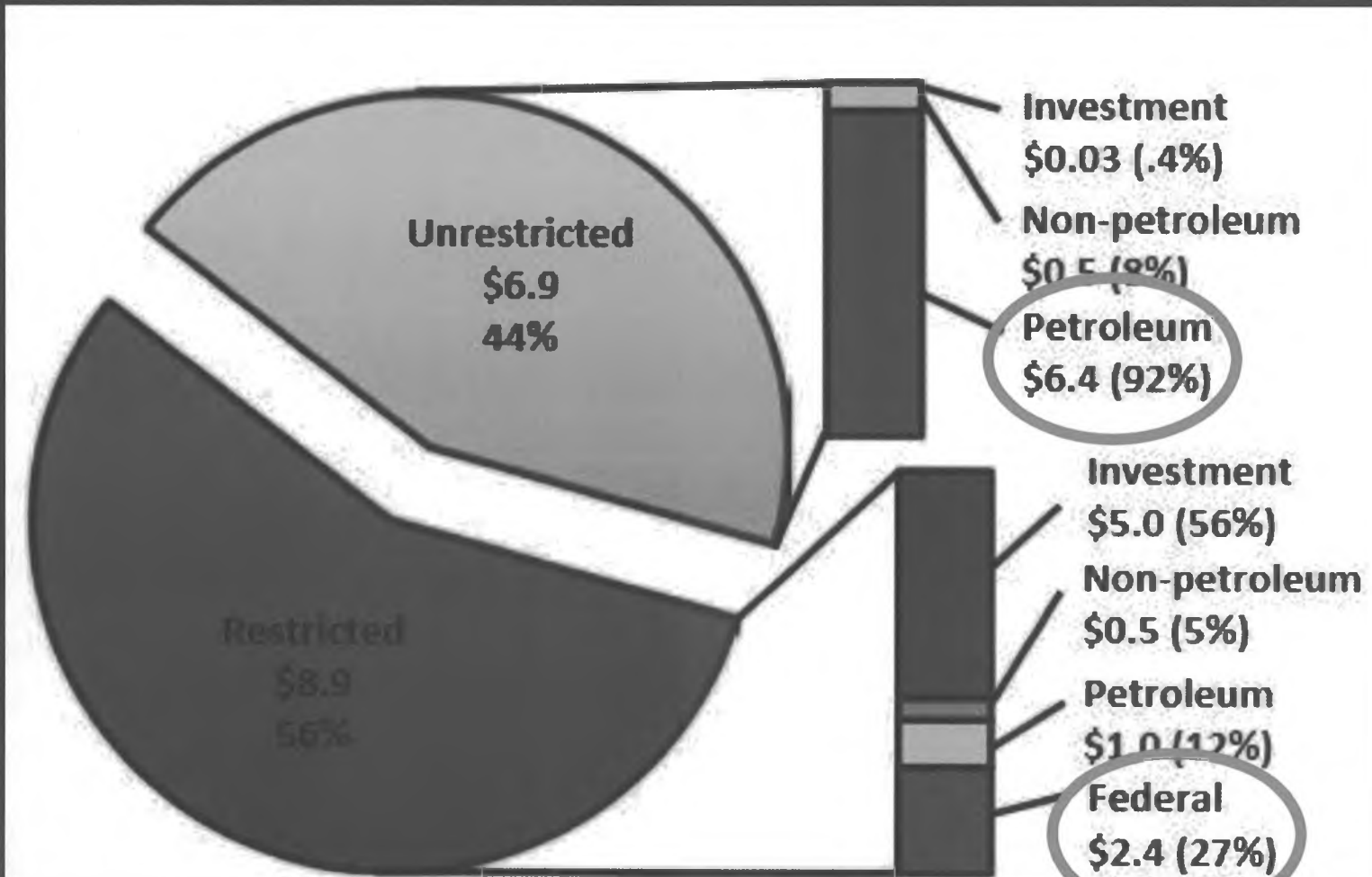
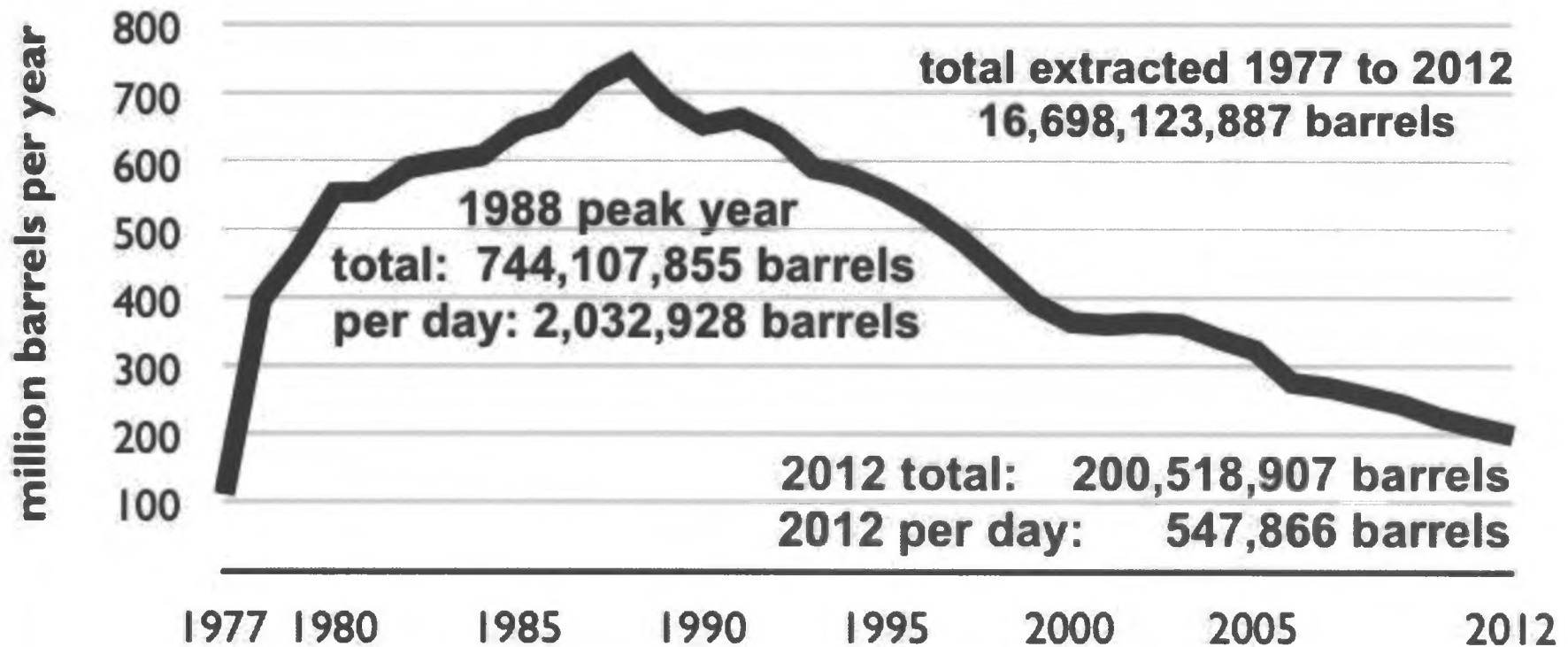


Figure 2-A: FY 2013 Total State Revenue, by restriction and type
(\$ billions)

ALASKA PIPELINE PEAK & DECLINE

low flow threshold for Arctic winter estimated to be between 300 and 500 thousand barrels / day (109 million to 182 million / year)



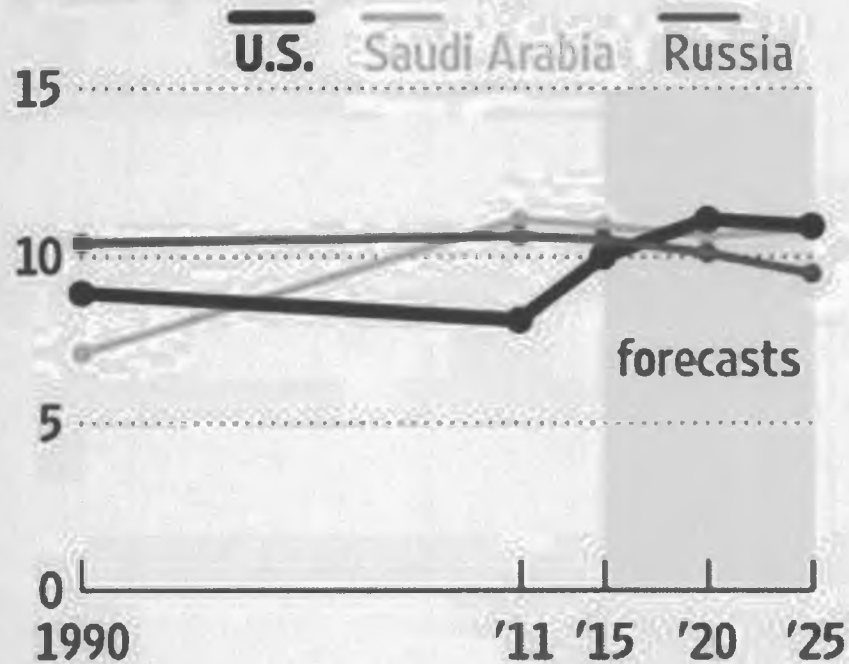
posted at www.oilempire.us/alaska.html

data source: www.alyeska-pipe.com/TAPS/PipelineOperations/Throughput

U.S. to Leapfrog Saudis

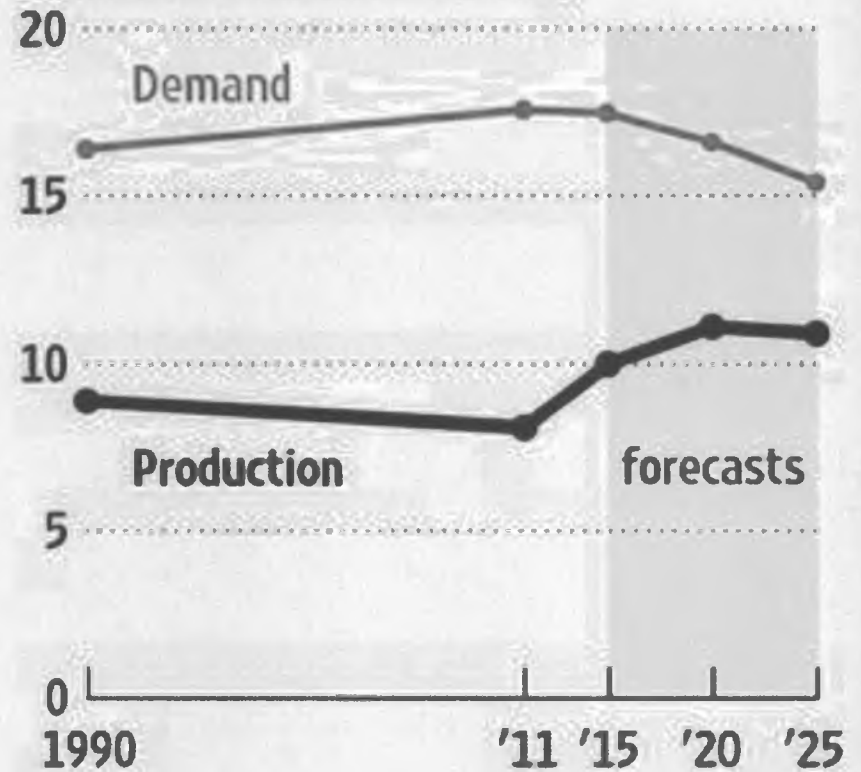
The U.S. is set to overtake Saudi oil output thanks to unconventional reservoirs...

Oil production, in millions barrels a day



...while its oil demand is expected to fall

U.S. oil demand vs. production, in millions of barrels a day

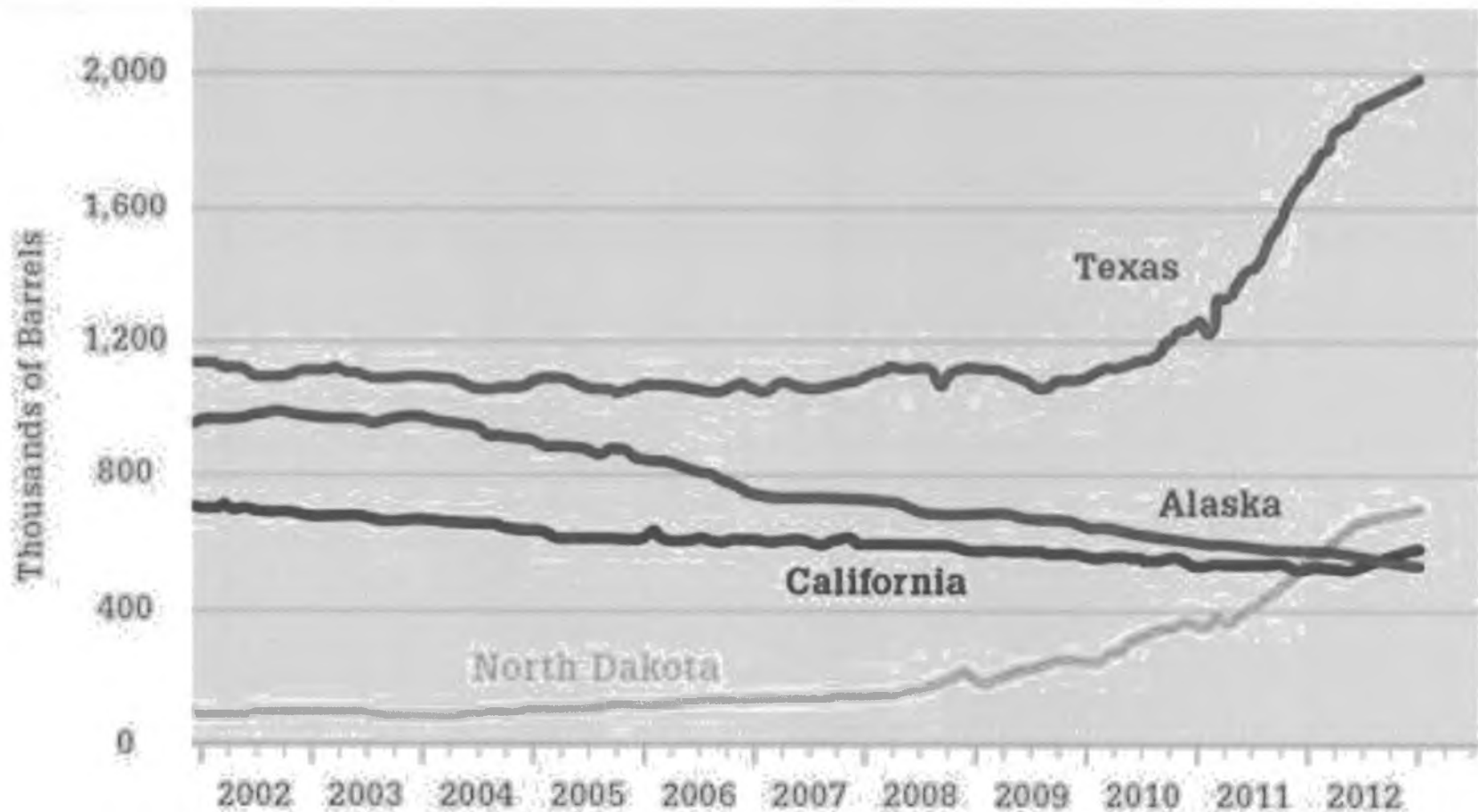


Note: Figures include crude and liquids

Source: International Energy Agency

The Wall Street Journal

The Oil Production Rank



Source: American Enterprise Institute

Non Oil Threats to Alaskan Prosperity

- Federal Spending Cuts
- Downward Pressure on the Value of the Dollar
- Rising Interest Rates
- Geo Political Issues
- Glacial Pace Permitting
- Silo Politics
- Environmentalist Legal Actions
- Entry Level Workforce Retention

**Unite &
Diversify
NOW!**

Opportunity #1

Customers

That Love Us



WORLD TRADE CENTER ALASKA



Greg Galik - Summer 2013

Invert the Alaska Economic Model

“Economies of Scale”

- ***Let go of the “Alaska as the consumer” model***
- ***Alaska’s 726,000 consumer base is too small for many industries***
- ***Think Like a Country!***
- ***Focus on Asia as the consumer***
- ***4.2 billion – 350 million more born by 2018!***
- ***Focus on making 50 million Asian customers!***
- ***Allocate 2% for Alaskans***
- ***Security for 1 million Alaskans!***

The logo for Aberdeen, featuring a stylized wave icon to the left of the word "Aberdeen" in a bold, sans-serif font.

**ASIA BY THE
NUMBERS**

The Economic Growth and Diversity of Established and Emerging Economies

Population Estimates

Continent with highest population density: 86.7 inhabitants/km²

#2: Europe: 70 inhabitants/km²

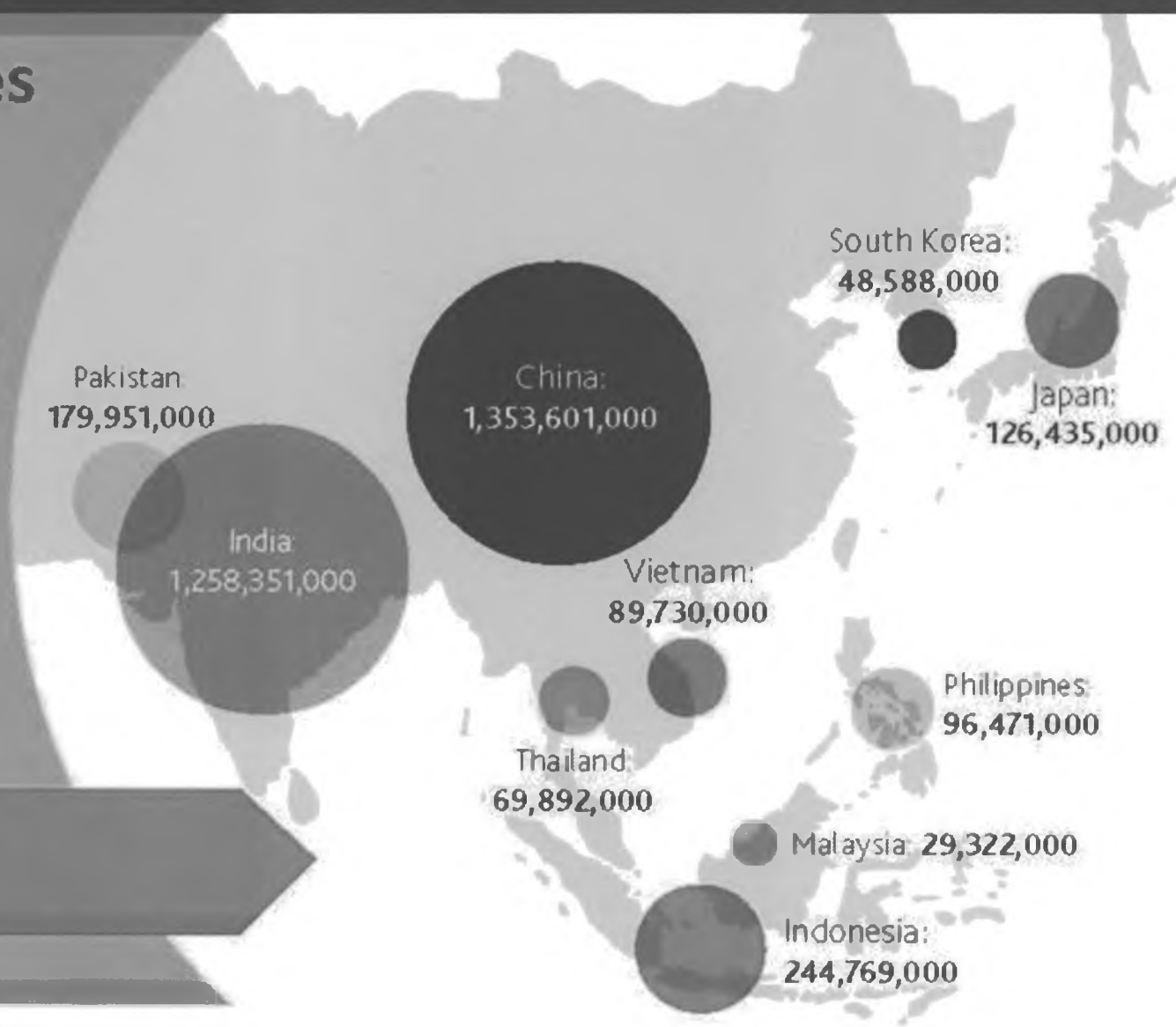
Asia: 86.7

Europe: 70

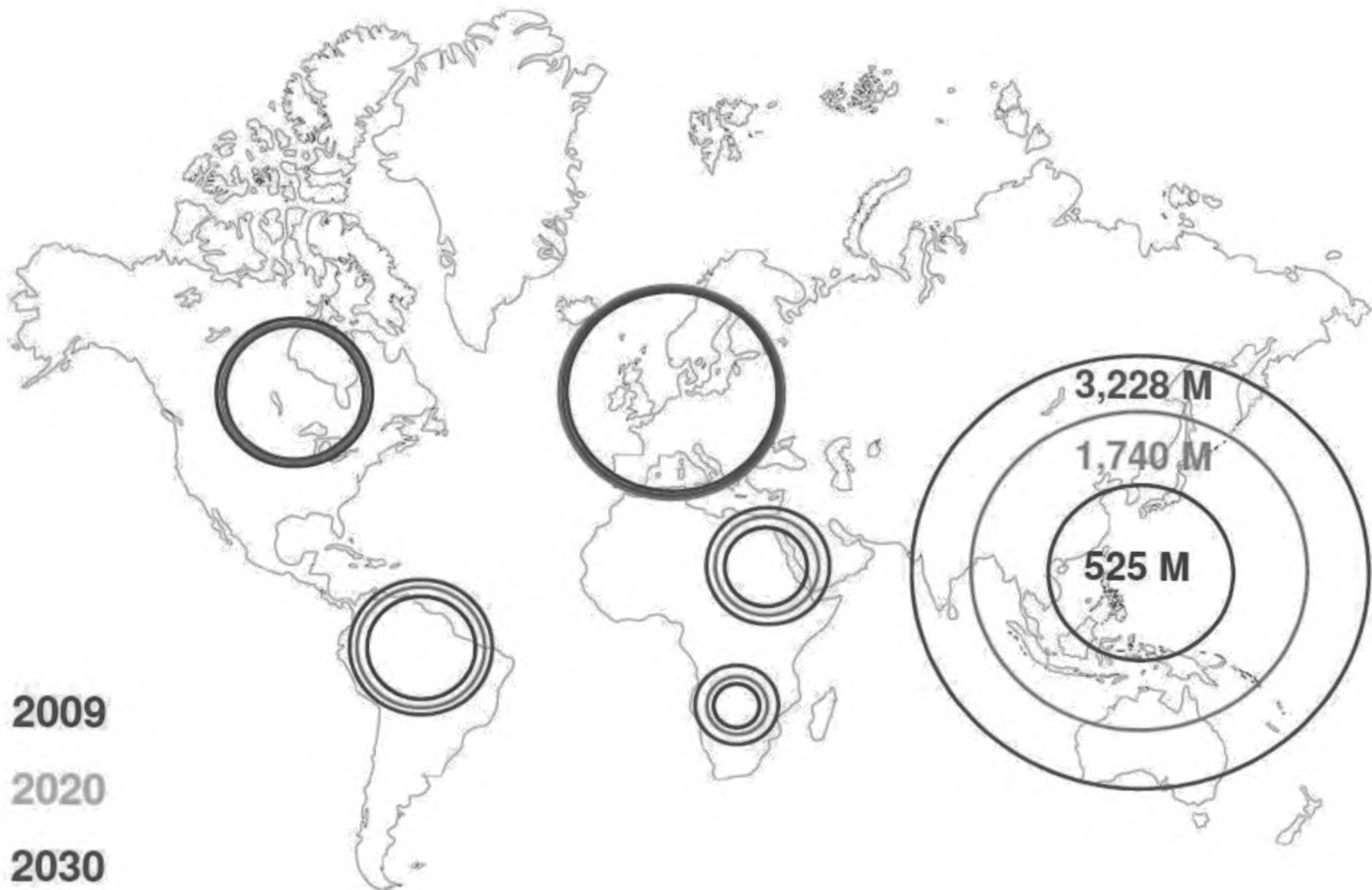
4,250,361,000

people in Eastern, South-Central, Central, Southern, South-Eastern, and Western Asia

2012 Projected Populations of Major Economies



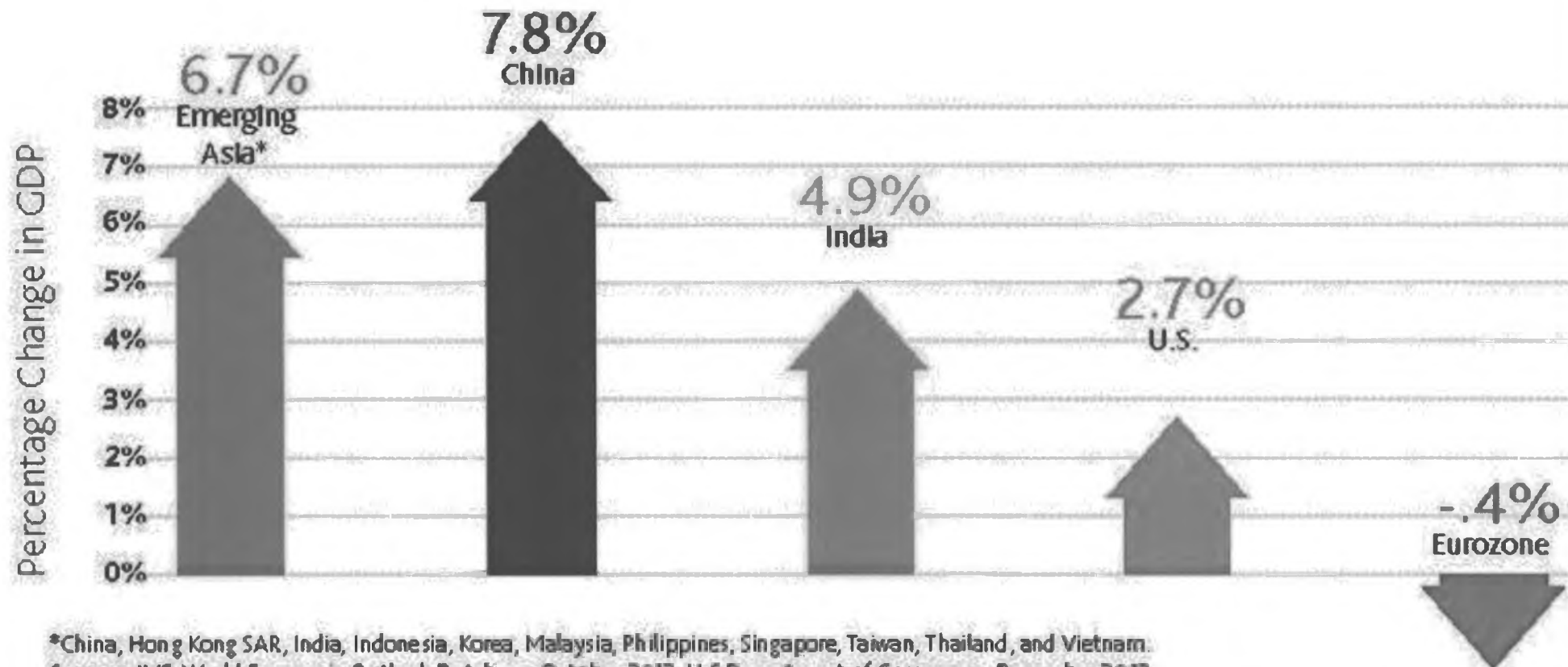
Source: United Nations, Department of Economic and Social Affairs, Population Division (2011). World Population Prospects, 2010 Revision.



2009
2020
2030

Source: The Emerging Middle Class in Developing Countries, Homi Kharas, Jan 10

Economic Growth Compared to The West



*China, Hong Kong SAR, India, Indonesia, Korea, Malaysia, Philippines, Singapore, Taiwan, Thailand, and Vietnam.
Sources: IMF, World Economic Outlook Database, October 2012; U.S. Department of Commerce, December 2012

Go to the Presentation



- Google: “The Merits of Investing in Asia”

Alaska's Total Overseas Exports 2012 (\$4.6 Billion)

| Ranking | Country | Amount (USD Millions) |
|---------|-------------|-----------------------|
| 1. | China | \$1,337 |
| 2. | Japan | \$790 |
| 3. | South Korea | \$691 |
| 4. | Canada | \$462 |
| 5. | Germany | \$274 |
| 6. | Spain | \$151 |
| 7. | Singapore | \$139 |
| 8. | Netherlands | \$121 |
| 9. | Australia | \$108 |
| 10. | Belgium | \$59 |
| 11. | Others | \$464 |
| | Total: | \$4,596 |

Source: U.S. Census Bureau

Alaska's China Era Continues

(2000 - 12 Full Year Comparison, USD Million)



Source: U.S. Census Bureau

Invest in Abundance

- Asian consumers will drive the future World Economy
- Asia wants what we have
- Alaska has *MASSIVE* capacity to produce for Asian markets
- They have the money to buy it

October 2015:

**The On-Ramp to the
Asian Marketplace**



INTERNATIONAL
ECONOMIC DEVELOPMENT
COUNCIL

The Power of Knowledge and Leadership



October 2014
Fort Worth, Texas

October 2015 – Anchorage Alaska



**1,300+ IEDC
Member
Attendees**

**300+ Site
Selectors**



This Is Our Window To Prepare

| Calendar | J | F | M | A | M | J | J | A | S | O | N | D |
|----------|---|---|---|---|---|---|----------------------|---|---|------|---|---|
| 2014 | | | | | | | (MSB 2015 Budget) | | | | | |
| 2015 | | | | | | | (MSB 2016 Budget) | | | IEDC | | |

20 Months

International Trade Education

WORLD TRADE CENTER ALASKA PRESENTS:

INTERNATIONAL TRADE

BOOTCAMP

A group of silhouettes of business professionals in various poses, some holding briefcases, positioned behind the text. A large, 3D, metallic-looking graphic of the word 'SUCCESS' is tilted and placed over the 'BOOTCAMP' text.

a series of focused training sessions vital to your international business success

click on the banner to register

Point MacKenzie Enterprise Zone

Where Four Critical Economic
Engines Converge

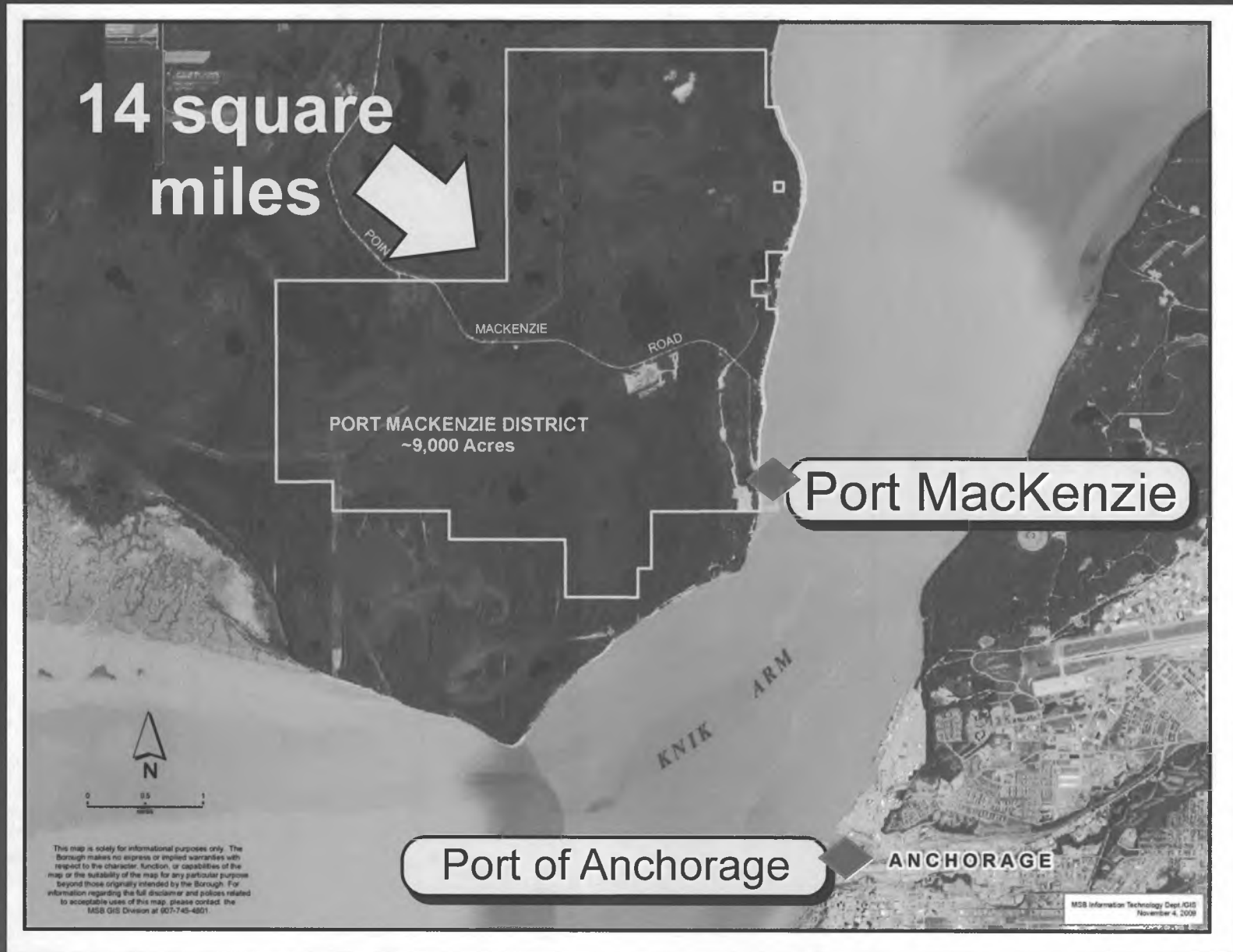
1. Port MacKenzie
2. Port MacKenzie Rail Extension
3. Knik Arm Bridge
4. ASAP Pipeline



Port
MacKenzie



The Only Port in Alaska With Large Staging, Storage, and Industrial Areas





copyright 2010 Alaska Aerial Technologies

Largest Ship Ever Docked in Upper Cook Inlet



Self Scouring 😊
No Dredging \$\$



Video: A Working Port



Barge dock staging area



Project Cargo

- Girders for bridges
- Pipe for gas lines and oil fields
- Fracking sand for oil shale development
- Heavy equipment
- Camp housing



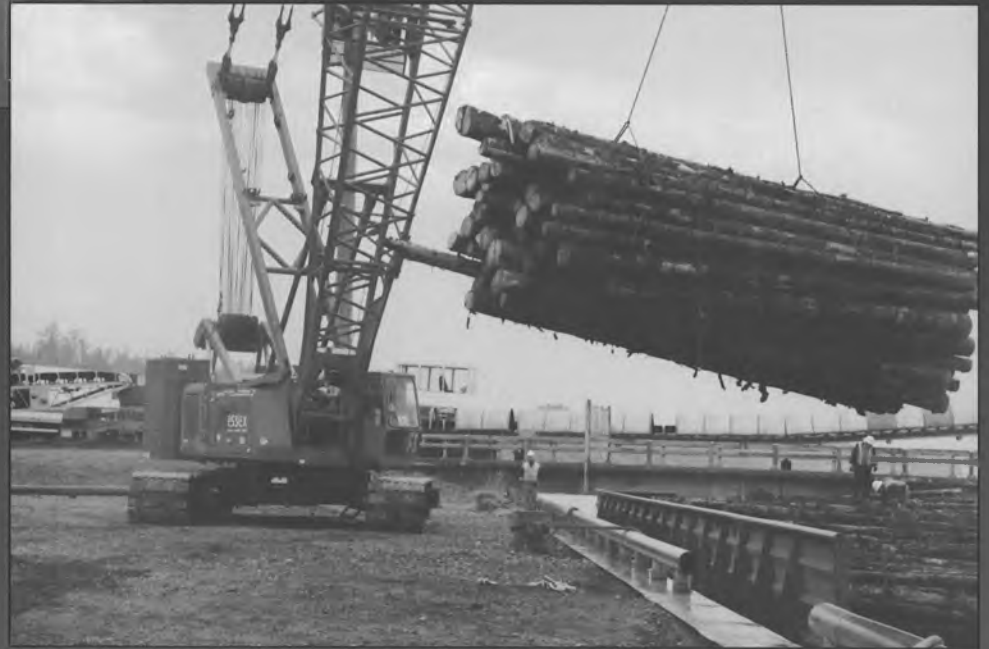
Project Cargo

Lower transportation costs for PROJECT CARGO on Alaska's biggest projects:

- Natural gas pipeline(s)
- Susitna Dam
- Bridges
- Mines
- Industry



Bulk Imports



BIG Lease Lots



**For BIG
Projects**



Port
MacKenzie



The Critical Link: Port MacKenzie Rail Extension

32 Miles (51.5 km)

100 Rail Car Loop at Port

PERMITTING

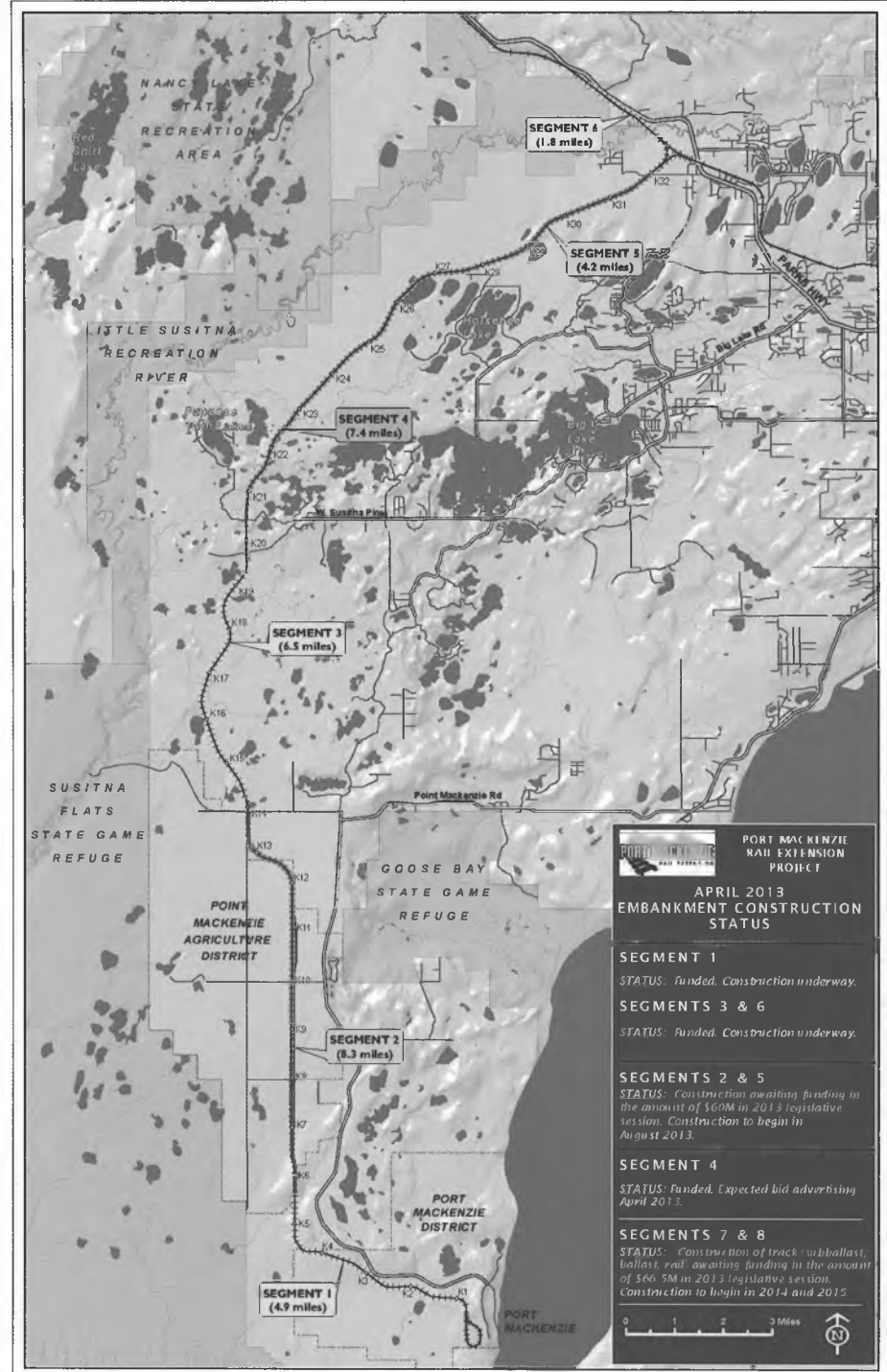
- ✓ STB Record of Decision (Nov 2011)
 - ✓ Corps Of Engineers Permit Approved (Aug 2012)
 - ✓ Environmental Lawsuit –Prevailed (Nov 2012)
 - ✓ Corp Permit Lawsuit (Pending),
- Two Stop- Work Injunctions Defeated

CURRENT STATUS

Under Construction

GOAL

Finish Fall 2016, dependent on funding

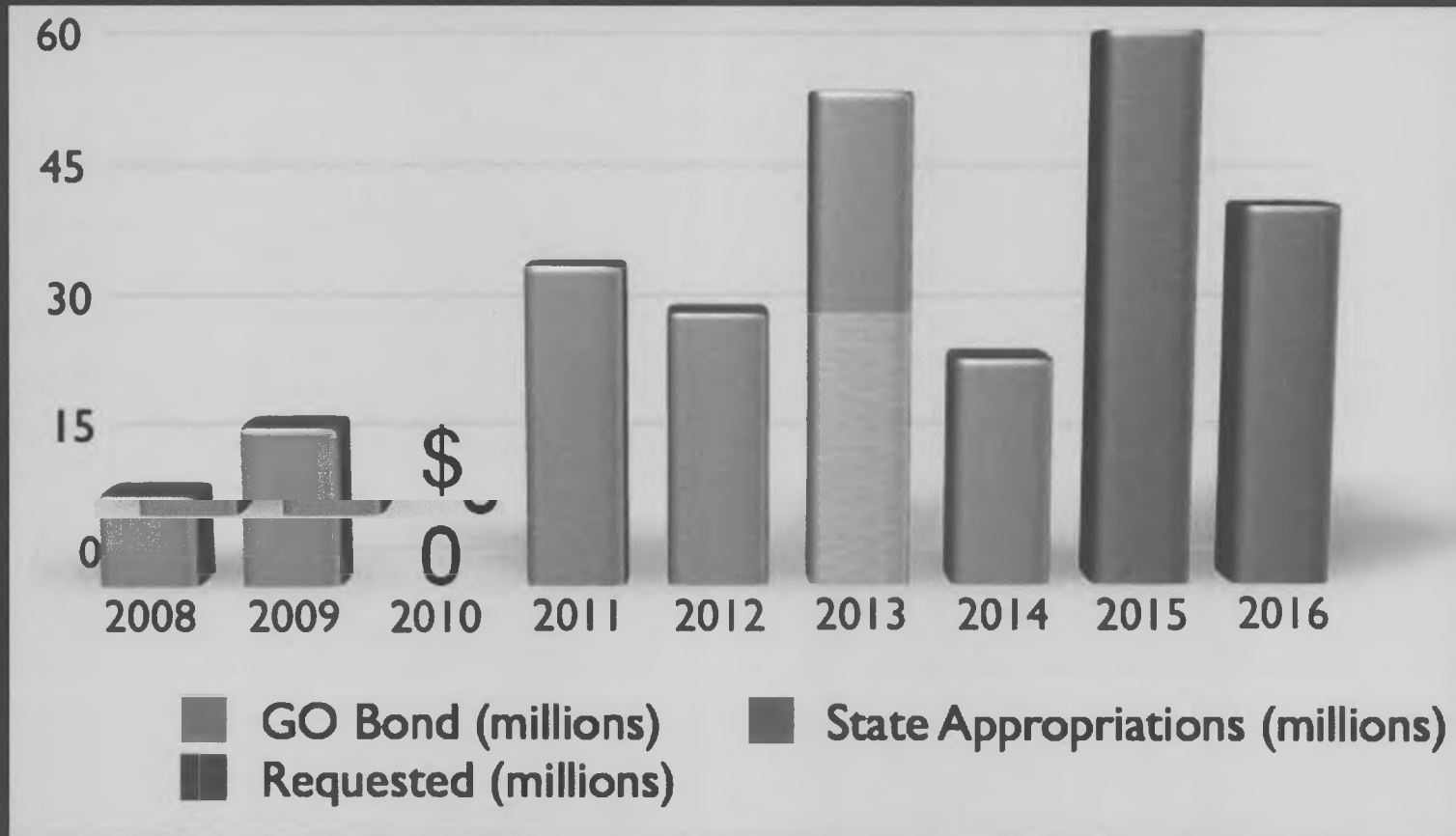


2013 PRME Progress

Rail At Houston NOW



Project Funding Over Time



Total funding to date: \$171 million
Funding to go: \$101.5 Million

Greater Wasilla Chamber of Commerce

Raven Gold Alaska

Pogo Mine

Central Alaska Energy

JDM Consultants

West Pac

Klondike Concrete Co.

Houston Chamber of Commerce

Acclergy

Greater Fairbanks Chamber of Commerce

Alaska Gasoline Development Corp.

Alutiiq

Greater Palmer Chamber of Commerce

Alaska State Chamber of Commerce

Houston City

Kinross-Fort Knox

Alaska Railroad

Fairbanks North Star Borough

Resource Development Council

International Union of Operating Engineers

AEDC

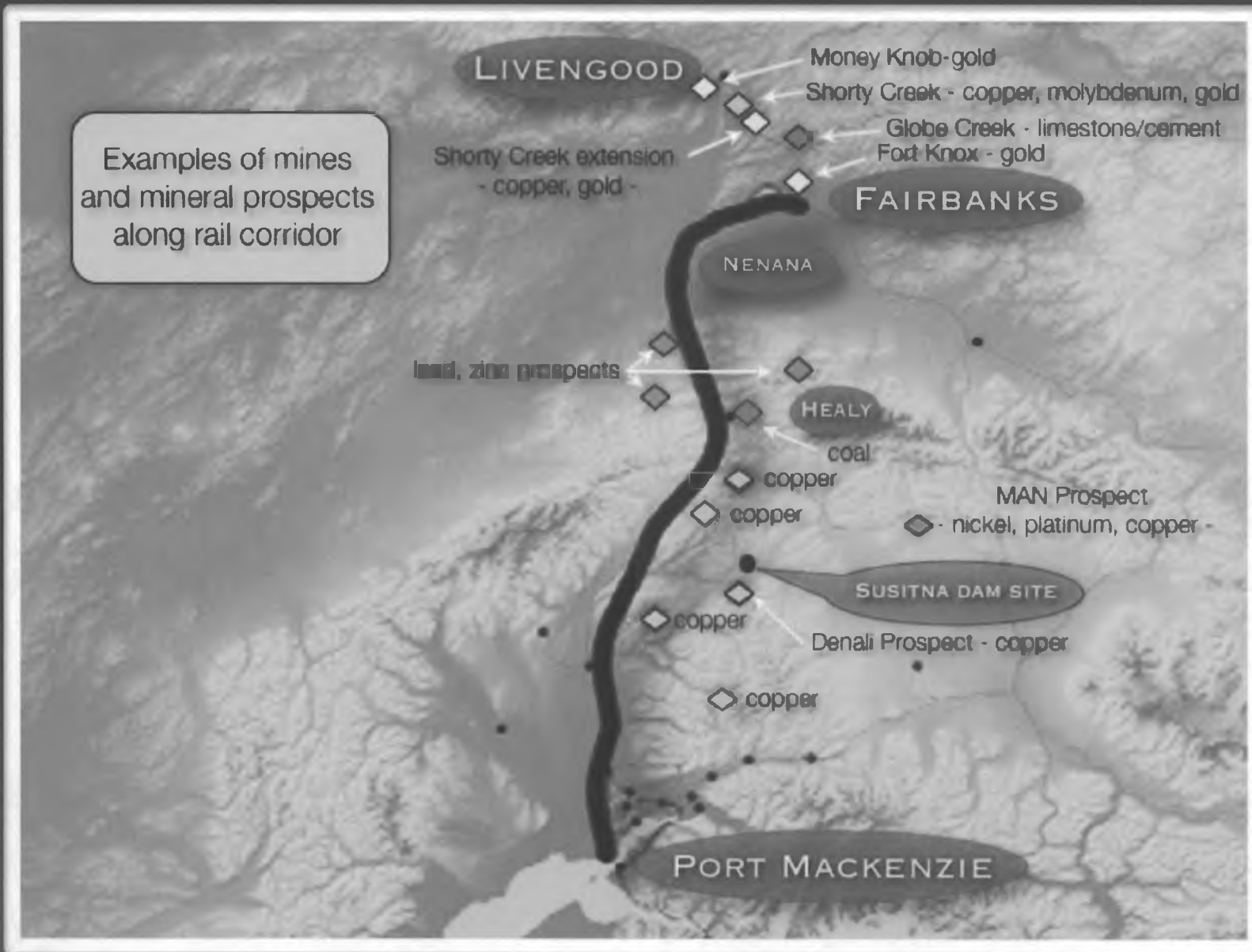
The Alaska Miners Association

WORLD TRADE CENTER ALASKA



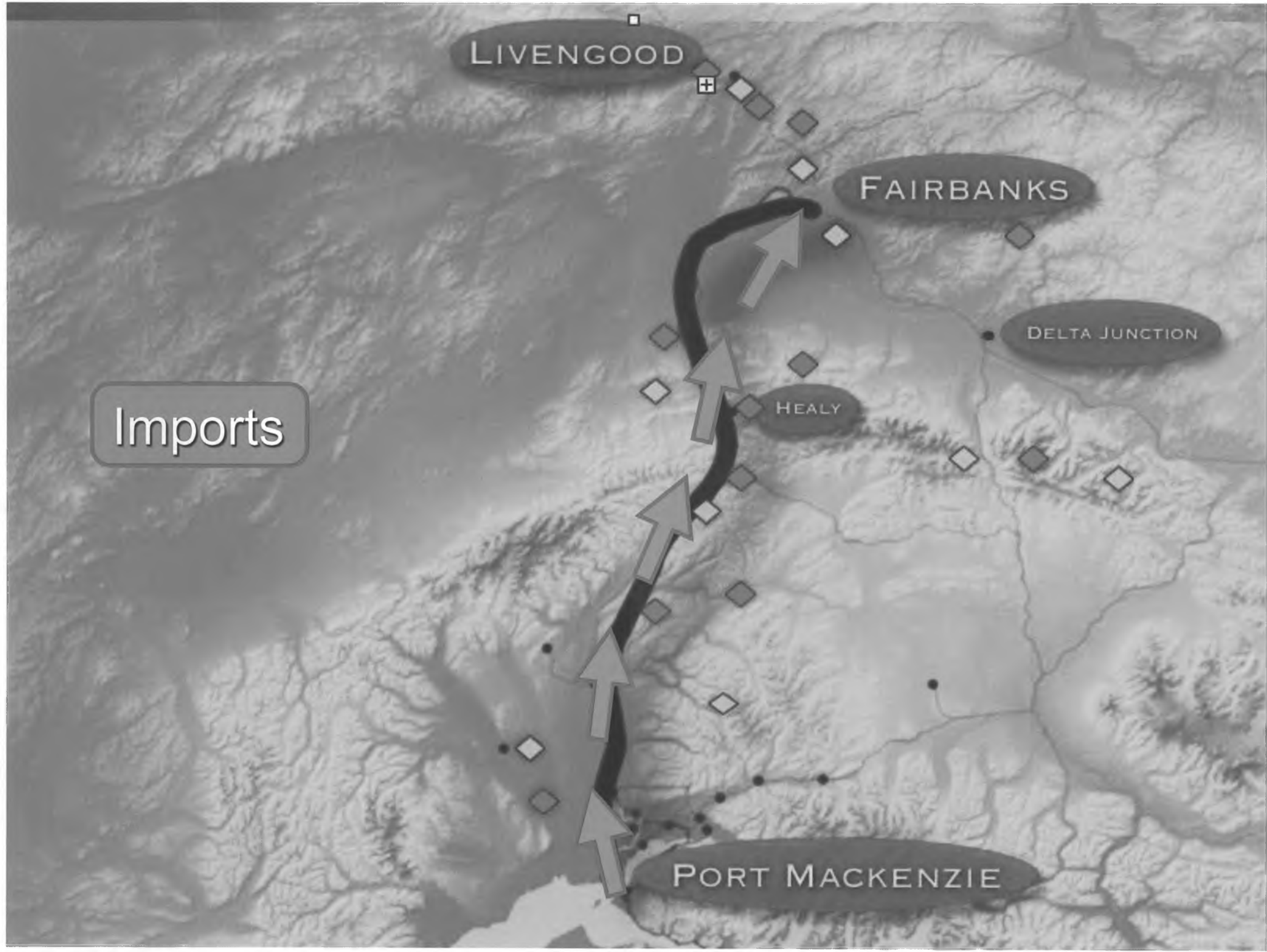
Greg Wolf - Summer 2013

Interior Natural Resource Opportunities



Imports





LIVENGOOD

FAIRBANKS

DELTA JUNCTION

HEALY

PORT MACKENZIE

Imports

Projects to Support



Pipeline Construction Support

Cost Savings Related to Use of the Port MacKenzie Rail Extension to Support Alaska Gas Pipeline Construction



Prepared for the

Matanuska-Susitna Borough

March 2008

**Avoided Costs
\$122 million - \$176 million**



LIVENGOOD

FAIRBANKS

DELTA JUNCTION

HEALY

PORT MACKENZIE

Exports

An aerial photograph of a coastal area. In the foreground, a large ship is docked at a pier. The water extends to the horizon. On the right side, there is a forested area with some buildings and a road. Several white arrows are overlaid on the image, pointing in various directions: one points up and to the right, another points right, a third points right and slightly up, a fourth points right and slightly down, a fifth points down and to the left, a sixth points left, a seventh points left and slightly down, and an eighth points left and slightly up. A white rounded rectangle with the word 'Exports' is positioned in the lower-left quadrant of the image.

Exports

Alaska's *Only* 100 Railcar Loop

High Efficiency Loading & Unloading





Companies & Freight on Port MacKenzie Rail

**WestPac Logistics
Central Alaska Energy
Sumitomo Metal Mining
Alutiiq
QAP
Usibelli
More under NDA**

MSB - WTC - AKRR Partnership



**Export & Rail Belt Market Development
Building the market to ride the rail!**



Port
MacKenzie



Knik Arm
Bridge



Mat-Su / Anchorage Workforce

- The Mat-Su provides 20,870 workers to the Anchorage workforce daily.
- This data comes by comparing Workmans comp insurance data to PFD data to determine employment vs. residence addresses.
- W2 type workers only. This does not include contractors, business owners, and other non W2 personnel.

Anchorage / Mat-Su Jobs

- Goose Creek Correctional Facility

371 Jobs, 72 miles

- The Port MacKenzie area

5,000 Jobs and up as industry builds

Knik Arm Bridge



Knik Arm Bridge

Sends Mat-Su Consumers to Anchorage

- 16,300+ consumers and workforce of Knik-Fairview will be 30 miles CLOSER to Anchorage
- In 2012, Knik-Fairview was the #1 fastest growing community in Alaska and #7 in nation
- Residents of the of the new Point MacKenzie Town Site will have better access to Anchorage than Wasilla



Knik Arm Bridge



Port
MacKenzie

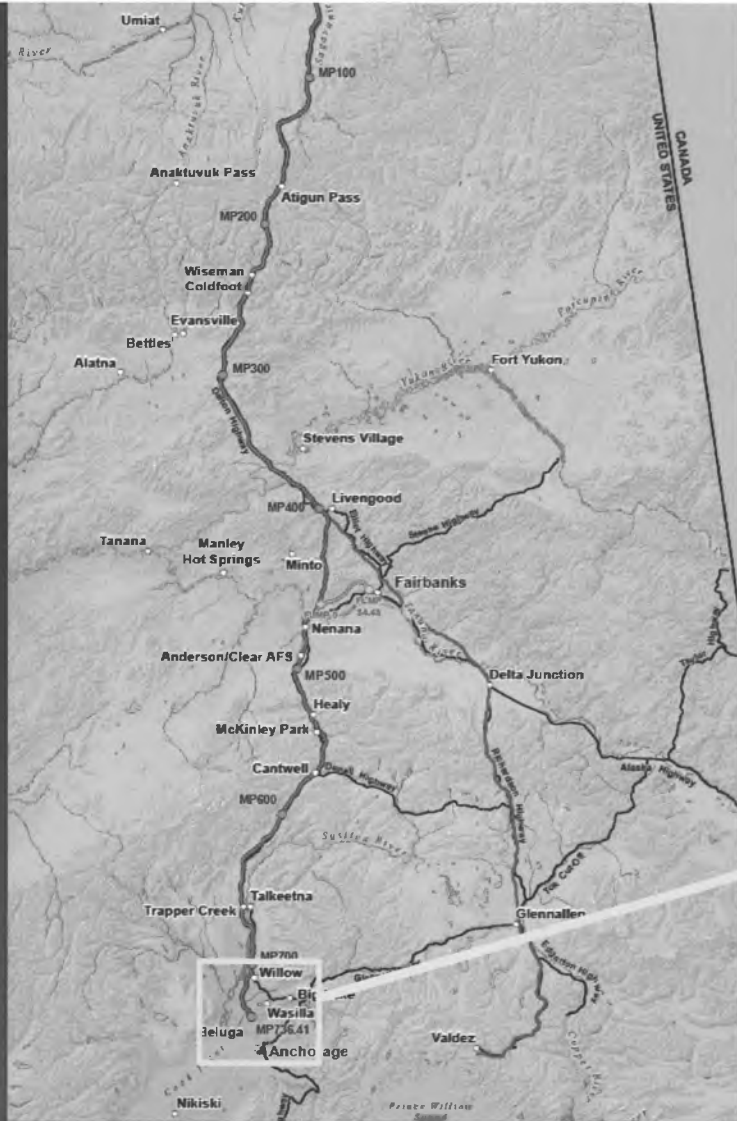


Knik Arm
Bridge

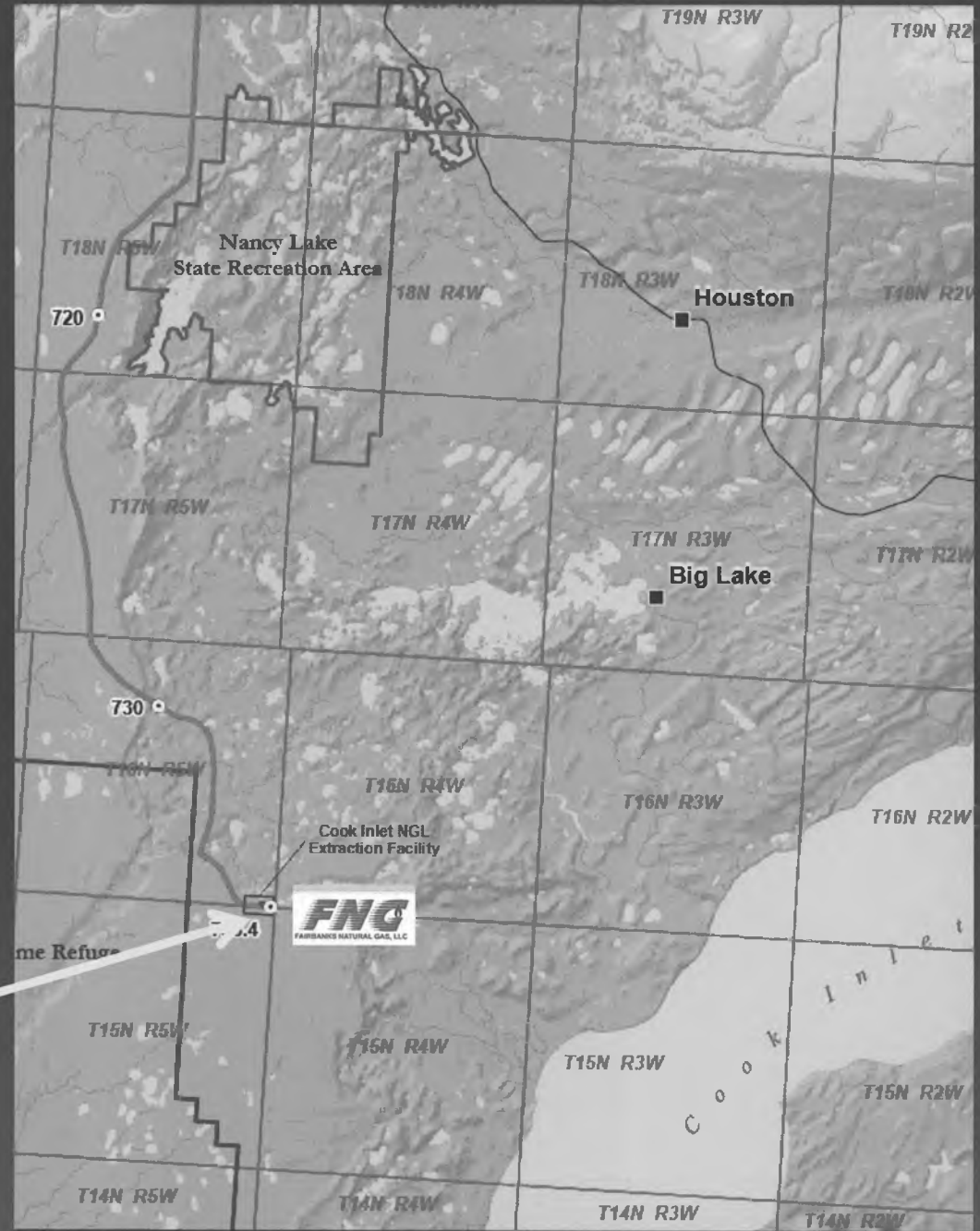


ASAP

Alaska's In-State Gas Pipeline



Pipeline Route



AGDC & REI

News

FOR IMMEDIATE RELEASE
February 12, 2014



AGDC Encouraged by Export Interest in ASAP Project Natural Gas

Japanese LNG Developer Presents Multiple Investment Options to AGDC Board

Anchorage, AK – The Alaska Gasline Development Corporation (AGDC) Board of Directors welcomed Resources Energy Inc. (REI) President and CEO Shun-ichi Shimizu to their regularly scheduled board meeting held in Anchorage on Monday. Mr. Shimizu, accompanied by REI Vice President and Alaska Manager Mary Ann Pease, presented an update on REI’s plans for developing LNG facilities on the Kenai Peninsula and *at Point MacKenzie in Alaska...*

Following the presentation, AGDC President Dan Fauske commented “REI would be an excellent anchor tenant for the ASAP project and the alignment of our project timelines is an encouraging sign as we prepare to hold our 2015 open session. Today’s presentation reaffirms our belief that we have a commercially viable project capable of delivering gas to Alaskans by 2020”.

Port MacKenzie: Imports

Port MacKenzie Rail: Transportation

Knik Arm Bridge: Workforce



Point MacKenzie Enterprise Zone

Where Four Critical Economic
Engines Converge

1. Port MacKenzie
2. Port MacKenzie Rail Extension
3. Knik Arm Bridge – *To nowhere?*
4. ASAP Pipeline

And More...



Port
MacKenzie



Knik Arm
Bridge



Goose Creek
Correctional
Facility



Goose Creek Correctional Facility

- 1,500 Inmates
- 371 Jobs





Port
MacKenzie



Knik Arm
Bridge



Goose Creek
Correctional
Facility



Alsop Town
Site





Port
MacKenzie



Knik Arm
Bridge



Goose Creek
Correctional
Facility



Alsop Town
Site



Fairbanks Natural Gas





Port
MacKenzie



Knik Arm
Bridge



Goose Creek
Correctional
Facility



Alsop Town
Site



MOA
Natural
Gas
Supply

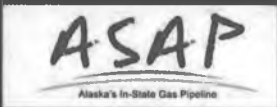




Port
MacKenzie



Knik Arm
Bridge



Goose Creek
Correctional
Facility



Alsop Town
Site

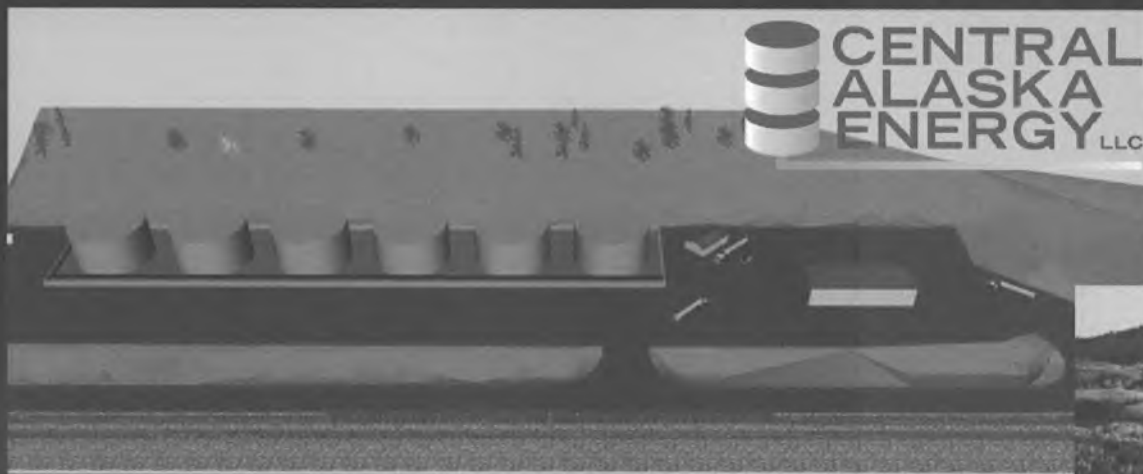


MOA
Natural
Gas
Supply



Fuel Imports

- **Lower Cost Fuel For the Interior**
- 6.9 M gallon fuel tank farm
- Low sulfur diesel fuel
- Unleaded gasoline
- \$15 million construction project, start May 2014
- Funded by AIDEA- **LOAN**

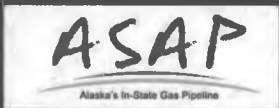




Port
MacKenzie



Knik Arm
Bridge



Goose Creek
Correctional
Facility



Alsop Town
Site



MOA
Natural
Gas
Supply



CHUGACH
POWERING ALASKA'S FUTURE



Power to South Central & Interior





Port
MacKenzie



Knik Arm
Bridge



Goose Creek
Correctional
Facility



Alsop Town
Site



MOA
Natural
Gas
Supply



CHUGACH
POWERING ALASKA'S FUTURE

Q QUINTILLION
NETWORKS

futaris

Arctic Fiber Project



What Arctic Fiber Delivers

- The key tool for attracting tech sector businesses
- Family Wage jobs
- Entrepreneurial / e-commerce businesses
- Competitive on a GLOBAL scale
- Medical sector growth – e-medicine – distance medicine
- Lower cost public sector health, safety, and security services
- Opportunities for data centers and big data industries
- Improved educational opportunities
- Increased quality of life
- Better tools for marketing Alaska to the world



Port
MacKenzie



Knik Arm
Bridge



Goose Creek
Correctional
Facility



Alsop Town
Site



MOA
Natural
Gas
Supply



Project Forwarding Lessee





Port
MacKenzie



Knik Arm
Bridge



Goose Creek
Correctional
Facility



Alsop Town
Site



MOA
Natural
Gas
Supply



Alutiig



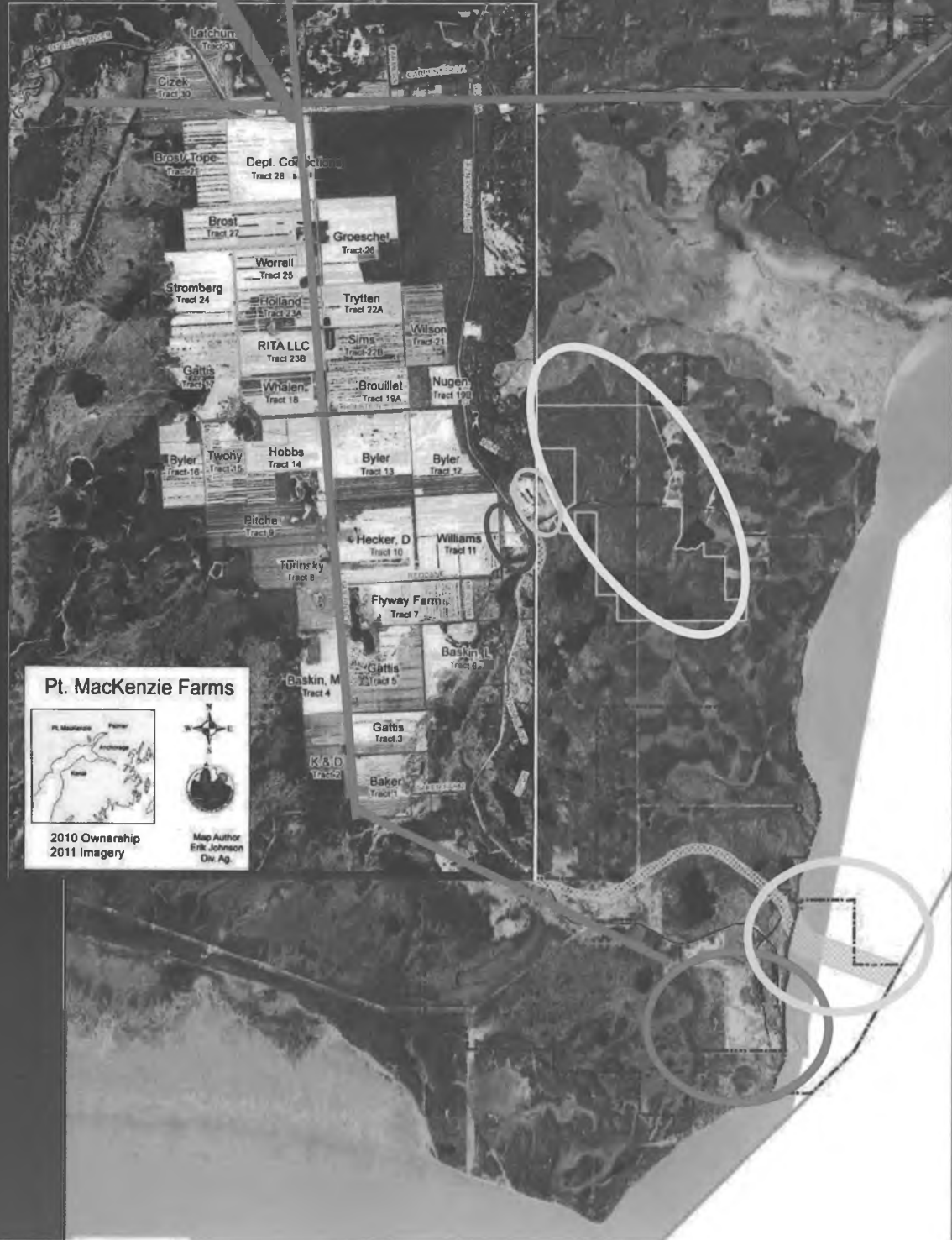
*A Wholly Owned Subsidiary of
Afognak Native Corporation*

- Port Tennant since 2003
- Manufactured Housing & Camp Facilities



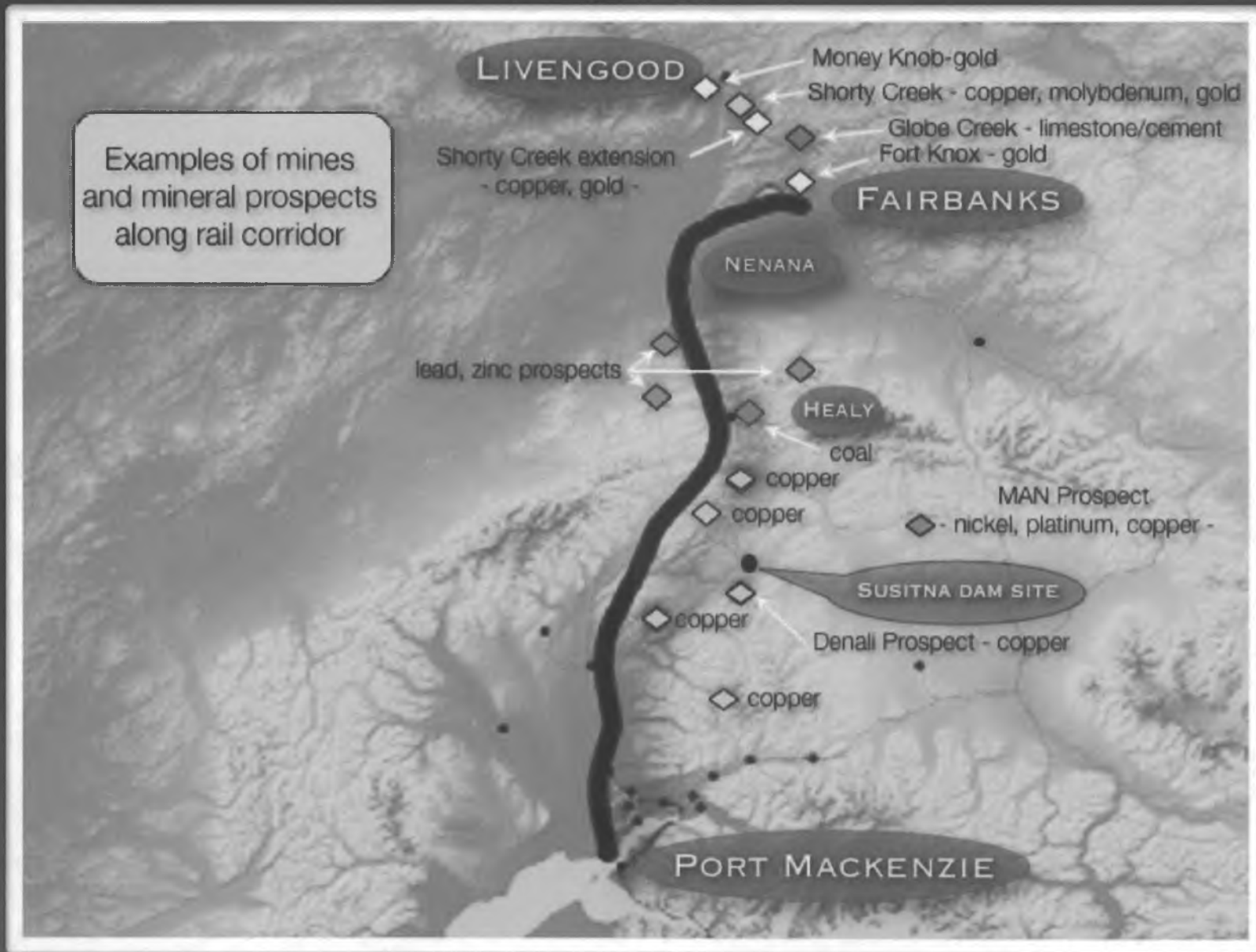
Pt. MacKenzie Agriculture

15,000 Acres

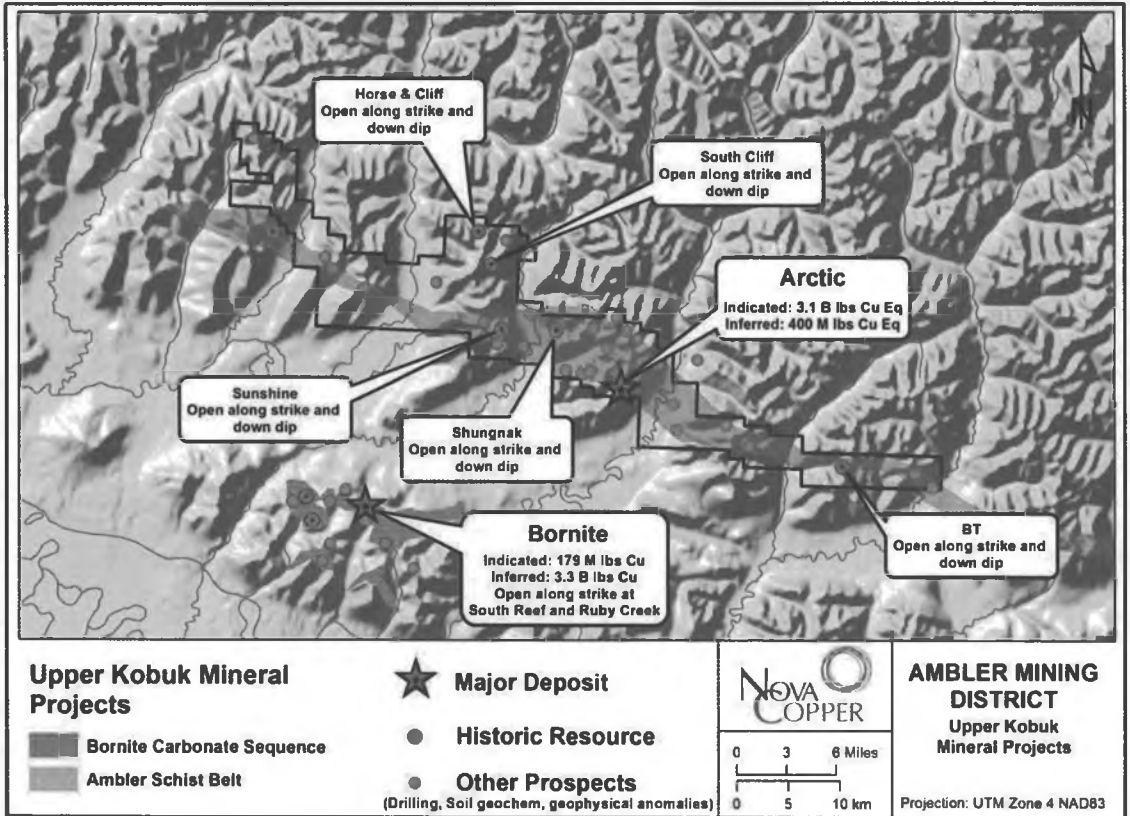


Value Added Industries

Interior Natural Resource Opportunities



Copper

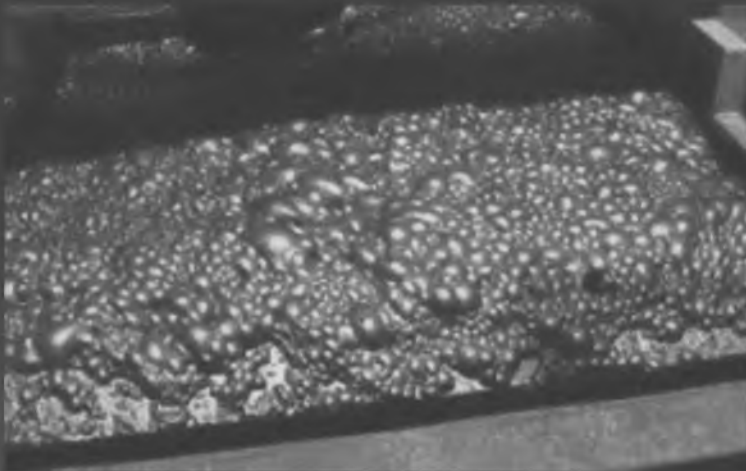


Copper Ore: .05% - 1.0%



Value: Mining Payroll and Extraction Tax

Concentration 15 – 35%



Value: Mining & Transportation Payroll – \$950/MT

Transport Concentrates To Port



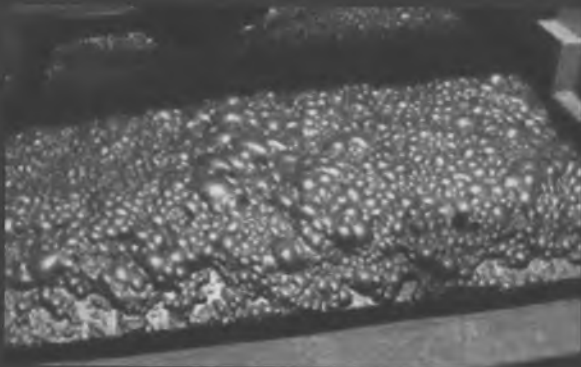
Value: Transportation Tariffs

Export Concentrates to Smelter



- Cargo Value: average \$950 / Metric Ton
- Most of the value leaves Alaska to drive another economy.

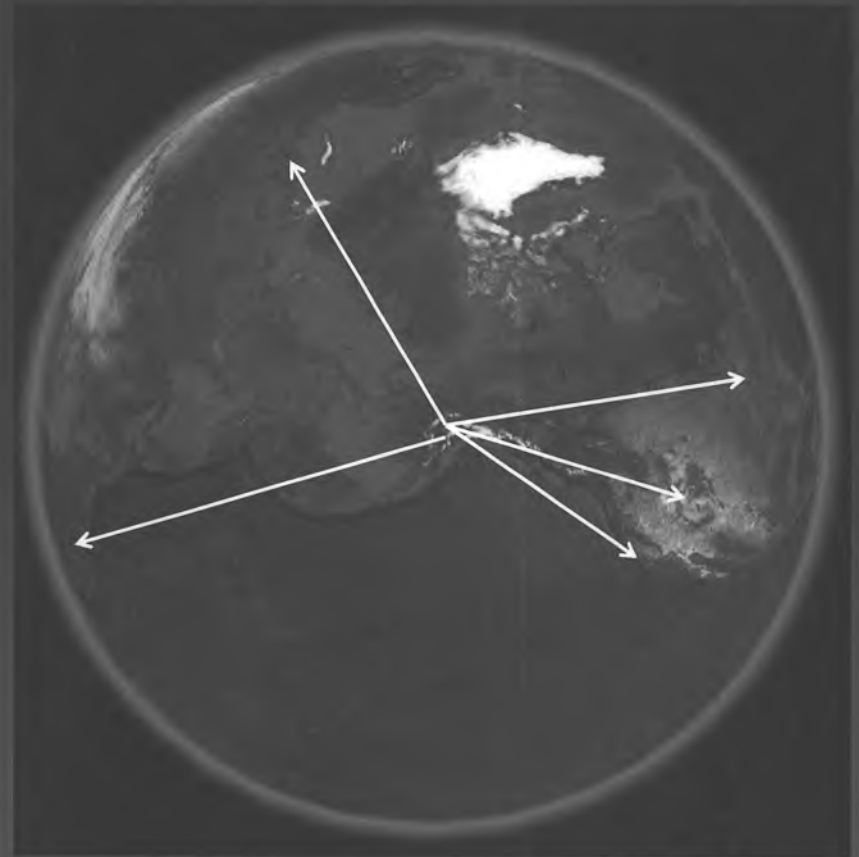
Capture The Rest of the Value With Value-Added Industries



800,000%+ Value Increase

Alaska's Manufacturing Industry Deal Breakers

- Distance from Materials
- Distance from Market
- High Energy Costs
- Weak Workforce



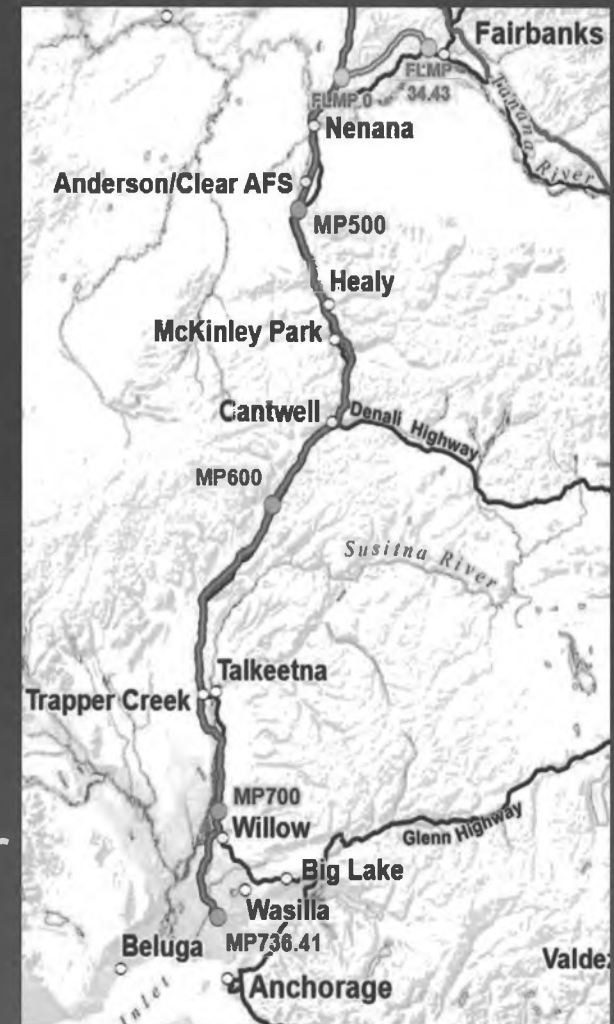
Natural Gas, Rail, and Roads Will Collapse Alaska's Energy Costs and Supply Chains



Alaska Manufacturing Industry

Deal ~~Breakers~~ Makers

- Short - Distance from Materials to Manufacturing
 - Truck / rail- all within 400 miles
- Low Energy Costs
 - Less or equal to other markets
- Jobs & Transportation for Workforce
 - Retain our youth & quick access for Anchorage
- Short distance to Asian markets
 - 30% Closer than US West Coast + Air Backhaul



***Anchorage International -
2,400 Cargo Aircraft Per Month,
Many Bound for Asia Empty!***



4,000+ Ships Per Year!

An aerial photograph of a port area, likely in Los Angeles, showing several large ships docked at piers. The water is dark, and the land is light-colored. The ships are of various sizes and are positioned along a long pier that runs diagonally across the frame. The text is overlaid on the top left and bottom center of the image.

30% Closer Than LA!

Transport Concentrates To ~~Port~~ *Alaska Smelter*



Value: Transportation Tariffs

Smelt Copper In Alaska

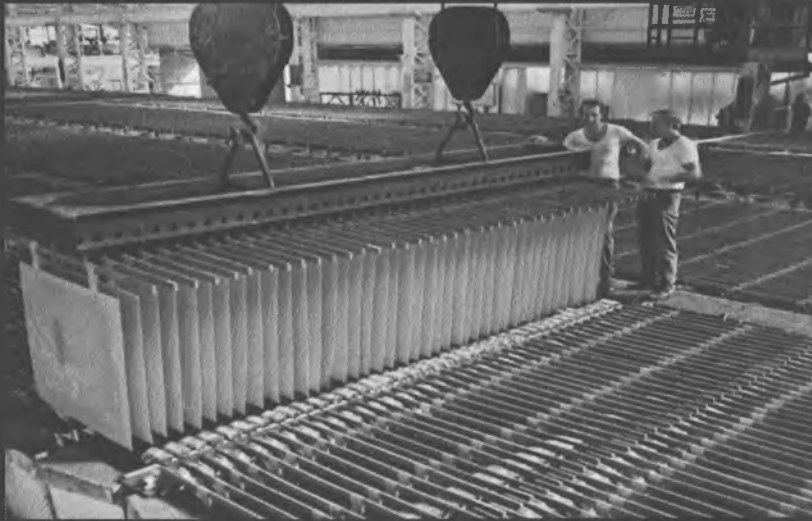


99.0%
Pure



Value Increases To: \$3,500 / MT

Refine Copper In Alaska

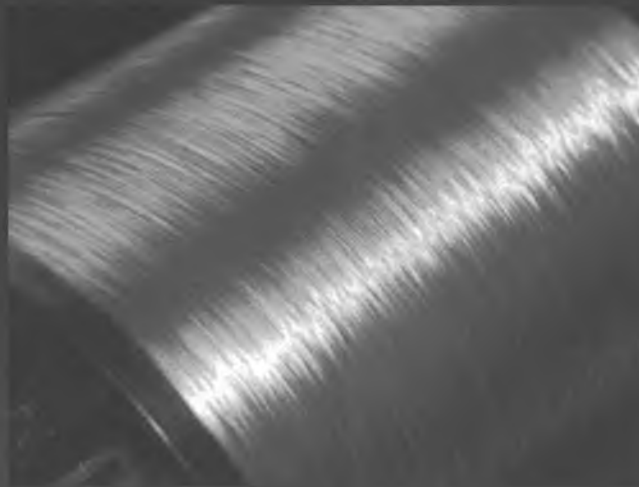


**99.999%
Pure**



Value Increases To: \$6,520 / MT

Make Copper Wire In Alaska



Value Increases To: *\$40,093 / MT

* 0.008" Diameter, 39,300' @ \$90.93 / 5 pound roll

Make Semiconductors In Alaska



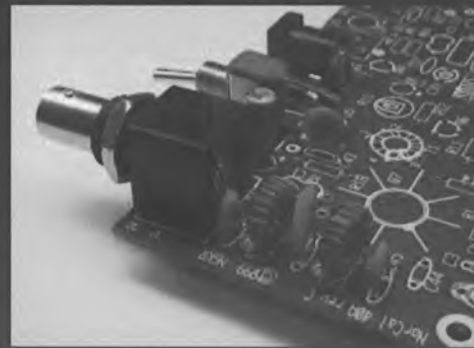
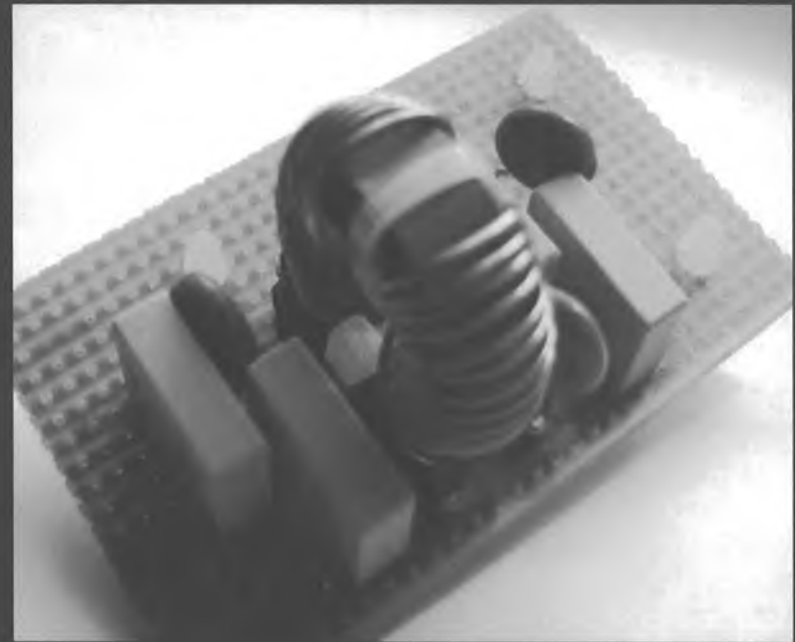
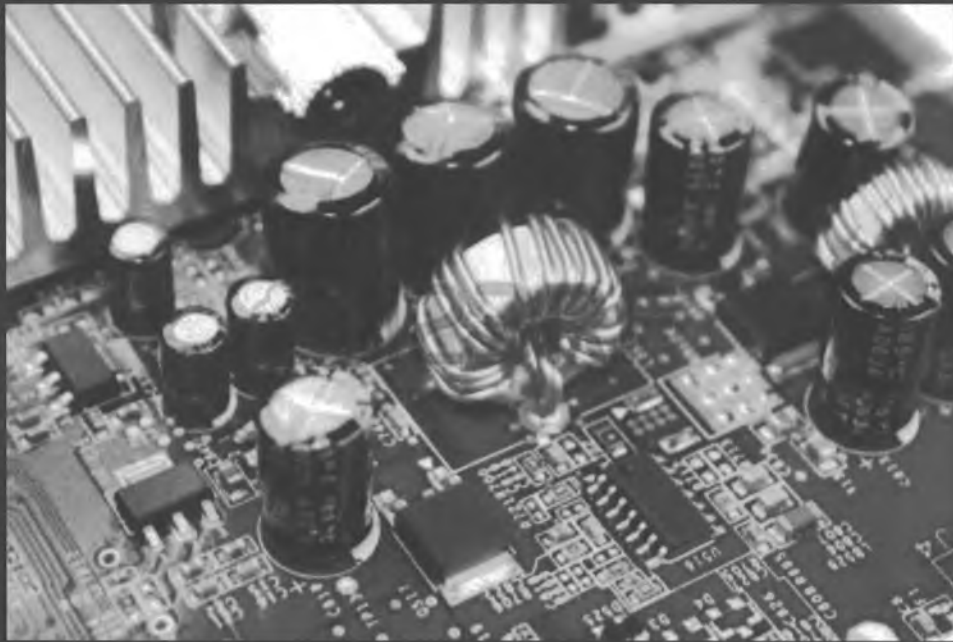
+



Value: Product Worth *\$8,401,606

*Ferrite Toroid Choke @ \$0.16 each using – 1 MT of .008" / 4 inches of wire

Electronic Sub-Assemblies: In Alaska

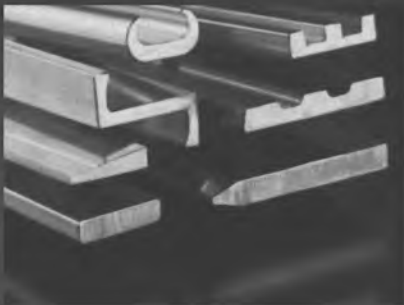


Value: A Component Industry Worth Billions

What's the Value of Value-Added?

| Stage | Value/MT | Step Increase | Industries | Jobs | Tax Revenue |
|--|--------------|---------------|--|---------|-------------|
| Ore | Dirt + | - | Mining | 100's | 1x |
| Concentrate | \$ 950 | - | Mining, Transportation, AKRR, Ports | 100's | 1x |
| Smelting | \$ 3,500 | 368% | Smelting, Transportation, AKRR, Ports | 100's | 2x |
| Refining | \$ 6,520 | 186% | Refining, Transportation, AKRR, Ports | 100's | 3x + |
| Wire | \$ 40,093 | 615% | Manufacturing, Transportation, AKRR, Ports | 100's | 10x + |
| Semi-conductors <small>(sales)</small> | \$ 8,401,606 | 20,955% | Manufacturing, Transportation, AKRR, Ports, Airports | 1,000's | 100x + |
| Sub-Assemblies | ? | ? | Manufacturing, Transportation, AKRR, Ports, Airports | 1,000's | 100x + |

Thousands of Other Copper Based Products



How Many Future Projects Will Use Alaska Copper?



Agriculture

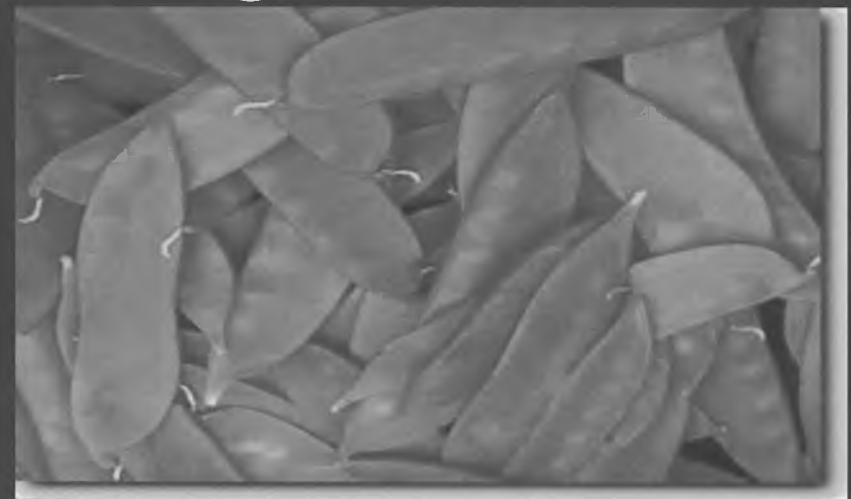


Pork / Poultry



- ✓ Ractopamine Free
- ✓ No Swine Diseases
- ✓ \$Billion Market

Vegetables



- ✓ We easily grow what Asia likes best!

Ebola stops Singapore-bound pork shipment

 HOME PIG PORK FEED SAFETY SINGAPORE

1072 x

0

The Philippines has stopped a shipment of 50,000 tonnes of pork to Singapore after traces of low pathogenic Ebola-Reston virus were found on some hog farms in the country, officials said on Monday.



The shipment was supposed to be the country's first-ever pork export. The pork products were set to be sent to Singapore on Dec. 10 when the government voluntarily stopped the shipment due to food safety concerns, said Davinio Catbagan, director of the government's animal industry bureau.

The Ebola Reston virus scare broke out

Eastern Europe unites to fight ASF

 HEALTH / DISEASES

127 x 0

Belarus has held a meeting to discuss with Russia and Ukraine the issue of prevention of the further spread of African Swine Fever (ASF) in Eastern Europe.



According to the Belarus government, the "round table" in Minsk gathered heads of veterinary services of Belarus, Russia and Ukraine, as well as the head of the International Epizootic Bureau for Eastern Europe Kazimiras Lukauskas and vice president of the OIE Regional Commission for Europe Ivan Bisyuk.

It has been stated that the struggle with African Swine Fever has become a universal problem, because the spread of the virus is possible both in the food chain and

The Korea Herald

ENGLISH EDITION

National Business Life & Style Entertainment Sports World Opinion

Economy Finance Industry Technology Automode Management Doing Business in Korea

Latest News Families of two Koreas hold 2nd day of reunions

The Korea Herald > Business > Economy

Font size and navigation icons

Korea bans pork imports from Poland over swine virus

Social sharing buttons: Like (0), Tweet (0), Email, Print, and other icons.

Published : 2014-02-20 19:43
Updated : 2014-02-20 19:43

Alert box: 헤럴드 굿뉴스, '마이뉴스' 설정으로

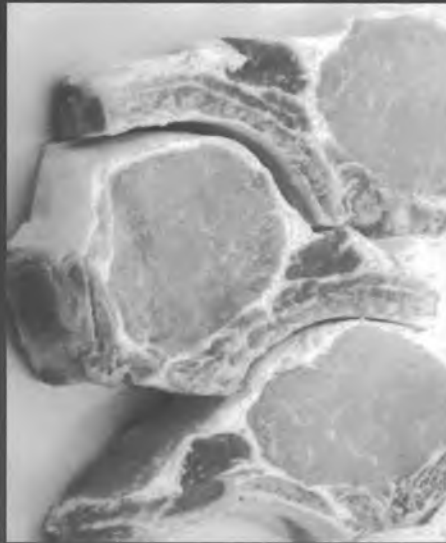
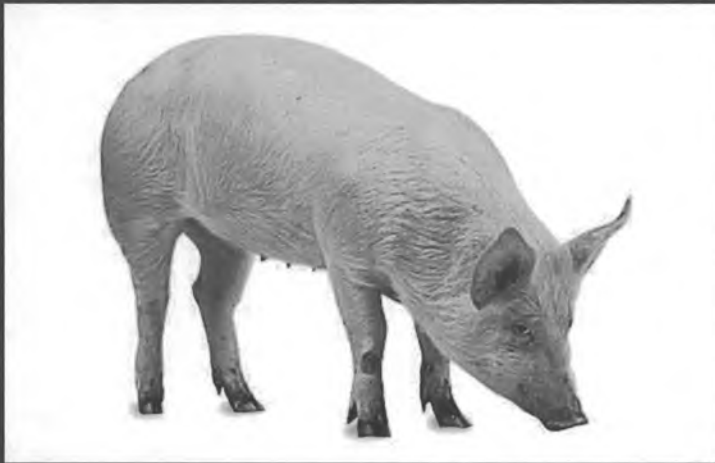
South Korea placed an import ban Thursday on pork from Poland after the Eastern European country reported discovery of African swine virus.

The ban, effective immediately, affects all pork products, including processed ham, from Poland, according to the Ministry of Agriculture, Food and Rural Affairs.


Vegetables



Pork, Poultry, & Vegetable Exports To Hungry & Wealthy Asia



Mat-Su - The Eye Of Alaska's Economic Storm

- **Logistical advantage – On/Off ramp to the interior**
 - **Largest port area in the state**
 - **Only rail loop -100 cars**
 - **Buildable Commercial land aplenty**
 - **Supplier of 20,000 Anchorage personnel daily**
 - **Best schools in state**
 - **Cohesive political environment**
 - **Gateway to interior AK tourism**
 - **#1 business friendly tax model**
 - **Best place for value added Ag production**
 - **We have an ED Plan- The SOA and others DO NOT**
 - **We have an organization to execute our plan**
- 

MATANUSKA-SUSITNA BOROUGH, ALASKA

Economic Development Strategic Plan

Prepared for:

The Mat-Su Borough



Prepared by:





T-I-P STRATEGIES, INC

APRIL 22, 2010

MSB Economic Development Plan Workgroups

Goal #1 Position Mat-Su for sustainable economic growth and vitality

Strategy 1A:  Develop professional & technical services sector

Strategy 1B:  Support the local expansion of the healthcare and education sectors

Strategy 1C: Support the retention and expansion of existing businesses in the Borough

Strategy 1D: Pursue developing opportunity sectors


Strategy 1E: Promote entrepreneurship and small business development

Strategy 1F: Support the preservation and expansion of the agricultural sector in the Borough

Strategy 1G: Promote the sustainable development of Mat-Su's natural resources

Goal #2 Build capacity to conduct economic development within the Borough

Strategy 2A: Expand internal resources for economic development


Strategy 2B:  Establish a Borough-wide business partnership to support economic development

Strategy 2C: Expand regional economic development cooperation


Strategy 2D: Link sub-regional economic plans to the MSB Economic Development Plan

Strategy 2E: Develop the sport fishing & hunting business sectors for sustainable growth and stability.

Goal #3: Expand Mat-Su's economic development infrastructure

Strategy 3A:  Continue developing multimodal transportation and industrial infrastructure at Port MacKenzie

Strategy 3B: Increase the availability of commercial and industrial land


Strategy 3C:  Continue expanding basic tourism infrastructure

Strategy 3D: Continue improving and expanding Mat-Su's transportation system

Strategy 3E: Support the expansion and enhancement of technology infrastructure and services in the Borough

Strategy 3F: Support the expansion and enhancement of the aviation infrastructure and industry in the Borough?

Goal #4 Attract, retain, and engage talent

Strategy 4A:  Expand business and education partnerships

Strategy 4B: Retain and engage military veterans and retirees.

Strategy 4C: Leverage post-secondary instruction and research activities


Goal #5 Raise awareness of economic development opportunities

Strategy 5A: Initiate a local campaign to promote a more positive image of Mat-Su

Strategy 5B: Enhance the image of Mat-Su throughout Southcentral Alaska

Strategy 5C: Increase tourism marketing efforts

Strategy 5D: Leverage tourism marketing for talent attraction, entrepreneurship, and economic development

Strategy 5E:  Focus on quality development to improve the appearance of the Borough's built environment

ACTIVE WORKGROUPS

2012 ALASKA TAX MODEL COMPARISON

| Property*** | MSB | Wasilla | Palmer* | Houston* | FNSB | Fairbanks* | Kenai | Anchorage |
|--|-------------|-------------|-------------|-------------|-------------|-------------|-----------|-----------|
| Real Estate & Business Property | 0.9956% | 0.9956% | 1.2956% | 1.296% | 1.297% | 1.7% | 1.7% | 1.572% |
| Property Tax Score | 1 | 1 | 3 | 4 | 5 | 6 | 6 | 6 |
| Business Assets | | | | | | | | |
| Infrastructure? (aka: Personal Property) | No | No | No | No | No | No | Yes | Yes |
| Inventory? | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| Exempt \$ | \$1,000,000 | \$1,000,000 | \$1,000,000 | \$1,000,000 | \$1,000,000 | \$1,000,000 | \$100,000 | \$20,000 |
| Tax on \$50K of infrastructure?** | \$0 | \$0 | \$0 | \$0 | \$0 | N/A | \$526 | \$786 |
| Tax on \$500K of goods? | \$0 | \$0 | \$0 | \$0 | \$0 | N/A | \$4,204 | \$7,546 |
| Total Asset Tax Burden | \$0 | \$0 | \$0 | \$0 | \$0 | N/A | \$4,730 | \$8,332 |
| Asset Tax Score | 2 | 2 | 2 | 2 | 2 | 1 | 3 | 4 |
| Commerce | | | | | | | | |
| Sales Tax | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 5.00% | 0.00% |
| Purchase Cap | N/A | N/A | N/A | \$500.00 | N/A | N/A | 0.00 | N/A |
| Commerce Tax Score | 1 | 1 | 1 | 2 | 1 | 1 | 4 | 1 |
| Tourism | | | | | | | | |
| Bed | | | 5.00% | 5.00% | 8.00% | 8.00% | 7.00% | 12.00% |
| Car Rental | | | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 8.00% |
| Marine Passenger Fee | | 5.00% | 0.00% | 0.00% | 0.00% | 0.00% | \$5.00 | 0.00% |
| Tourism Tax Score | | 1 | 1 | 1 | 3 | 3 | 2 | 4 |
| A&T Taxes | | | | | | | | |
| Alcohol | 0.00% | 0.00% | 0.00% | 0.00% | 5.00% | 5.00% | 3.00% | 0.00% |
| Tobacco | 5.50% | 5.50% | 5.50% | 5.50% | 8.00% | 8.00% | \$1.00 | \$1.48 |
| Wholesale Value Cigarette | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 55.00% |
| A&T Tax Score | 1 | 1 | 1 | 1 | 3 | 3 | 2 | 5 |
| Overall Score | 6 | 7 | 10 | 10 | 13 | 15 | 13 | 20 |
| Business Friendly Rank | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 |

Rank: #1 Most Friendly - # 8 Least Friendly
Taxes in \$ are per sales unit

*Borough and City rate combined

** Assumes 100% of exemption used on inventory

*** There is a wide variation in services delivered. Some jurisdictions may have additional fees.

Mat-Su Business License Activity – Strong Investor Interest

- 2013 Active: Start: 8,078 End: 8,601
- New = 1,084
- Increase = 523 or 6.54%
- New Owners Outside Mat-Su = 232 – 21.4%
- New Owners Outside Alaska = 74 – 6.8%

Questions?

Thank You!