

# **Northern Opportunity: Alaska's Economic Strategy**

November 2, 2016

## **Vision**

*Alaska will have a diversified and sustainable economy that grows economic wealth, which will provide benefit for the people and businesses of Alaska.*

## **Mission Statement**

*The purpose of the Alaska Economic Strategy is to engage Alaskans in a dialogue about our future, which will result in the articulation of economic policies and goals for the future of our communities. These policies will promote the growth of economic opportunities to benefit Alaskans.*

# ALASKA

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**NORTHERN OPPORTUNITY**

## **Alaska's Economic Strategy**

Coordinated by the Department of Commerce, Community and Economic Development - Division of Economic Development with assistance from the University of Alaska Center for Economic Development

## **Northern Opportunity: Alaska's Economic Strategy**

### **Introduction**

In the coming decade, Alaska's success will depend on resiliency and economic diversity beyond reliance on oil and gas development. Regions across the state have developed economic plans and now they will be combined into a statewide strategy. The economic policy outcomes can:

- Maximize development of the human capital of Alaska's population.
- Secure fiscal stability of state revenues to mitigate the impacts of volatile global resource price fluctuations.
- Promote importation of private investment to Alaska.
- Leverage public financial assets to support economic growth.
- Promote the creation of wealth in Alaska.

The economic prosperity of Alaska depends on how we plan for the future. In order to achieve Alaska's vision of a sustainable economy, the following goals are offered for consideration.

### **GOALS**

#### ***1. Business Retention, Development and Diversification – to promote activities that directly grow wealth in Alaska.***

- Foster a business climate that supports retaining the businesses already operating in the state and assist them to expand and grow.
- Encourage industries such as mining, fisheries, and tourism to expand the range of business activity and increase value-added processing in Alaska.
- Advance the development of new business opportunities associated with global climate change and renewable/alternative energy use.
- Increase high-tech, knowledge-based businesses that will take advantage of AK's strategic location and research and development opportunities.
- Explore opportunities based on the opening of maritime transportation corridors.
- Encourage expansion of logistics business opportunities.
- Increase access to internet bandwidth to overcome geographical distance and increase rural community economic vitality.
- Ensure that the state's entrepreneurial sector has the technical capacity to successfully compete in the state, national, and global marketplace.
- Support the retention and expansion of small businesses in the economy.
- Expand public-private opportunities for collaboration.
- Explore opportunities associated with expanded military bases/ training in AK.
- Support entrepreneurship opportunities in Fisheries, Tourism, Mining and Forestry Products:
  - Increase access to maritime industries opportunities and fish permits
  - Promote investment in new fishing, tourism and Forestry products
  - Assist communities to explore new tourism products
  - Explore mining sector opportunities throughout AK.
  - Provide information about and access to loan program

**2. *Infrastructure – to build and maintain transportation and communication facilities to support economic development***

- Develop safe, reliable, well maintained ground and air and maritime transportation facilities in Alaska to support future economic activity.
- Develop a predictable funding mechanism for infrastructure development and maintenance.
- Optimize the financial assets of the State of Alaska so they may be used in infrastructure development.
- Improve and expand transportation to and within communities.
- Support the development of comprehensive statewide broadband infrastructure to improve individual and business communications. Expand bandwidth to rural communities.

**3. *Energy – to stabilize the cost of energy in Alaska***

- Reduce energy costs with infrastructure that lowers cost and increases Regional Efficiency
- Support development of regional energy mini grids
- Support and assist with the development of sustainable renewable energy sources and generation systems.
- Explore the use of local energy sources to reduce reliance on imported fuels.
- Implement Regional Energy Plans
- Expand community efforts to conserve energy through energy audits and improved insulation materials and LED lights.

**4. *Workforce Development – to expand the skills of the workforce.***

- Develop the Human Resource capital of Alaska with coordination among school districts, universities, training programs and business leaders.
- Ensure workforce development training efforts are responsive to the needs of private sector employers.
- Increase high school graduation rates
- Promote professional development that prepares residents to contribute to the economy.
- Develop a solid network between technical and vocational training organizations and workforce development efforts.
- Evaluate proposed University budget cuts for their impact on the AK economy.
- Develop future education programs to maximize Alaskan participation in issues of the arctic, global climate change, artificial intelligence and new technology, such as drones.

**5. *Community Development – to provide quality of life for workers***

- Assist with affordable housing for the Alaska workforce.
- Improve access and affordability of health care.
- Provide water and sewer facilities in rural Alaska.
- Promote “quality of place” in Alaska