

Mat-Su Community Forum, October 27, 2016

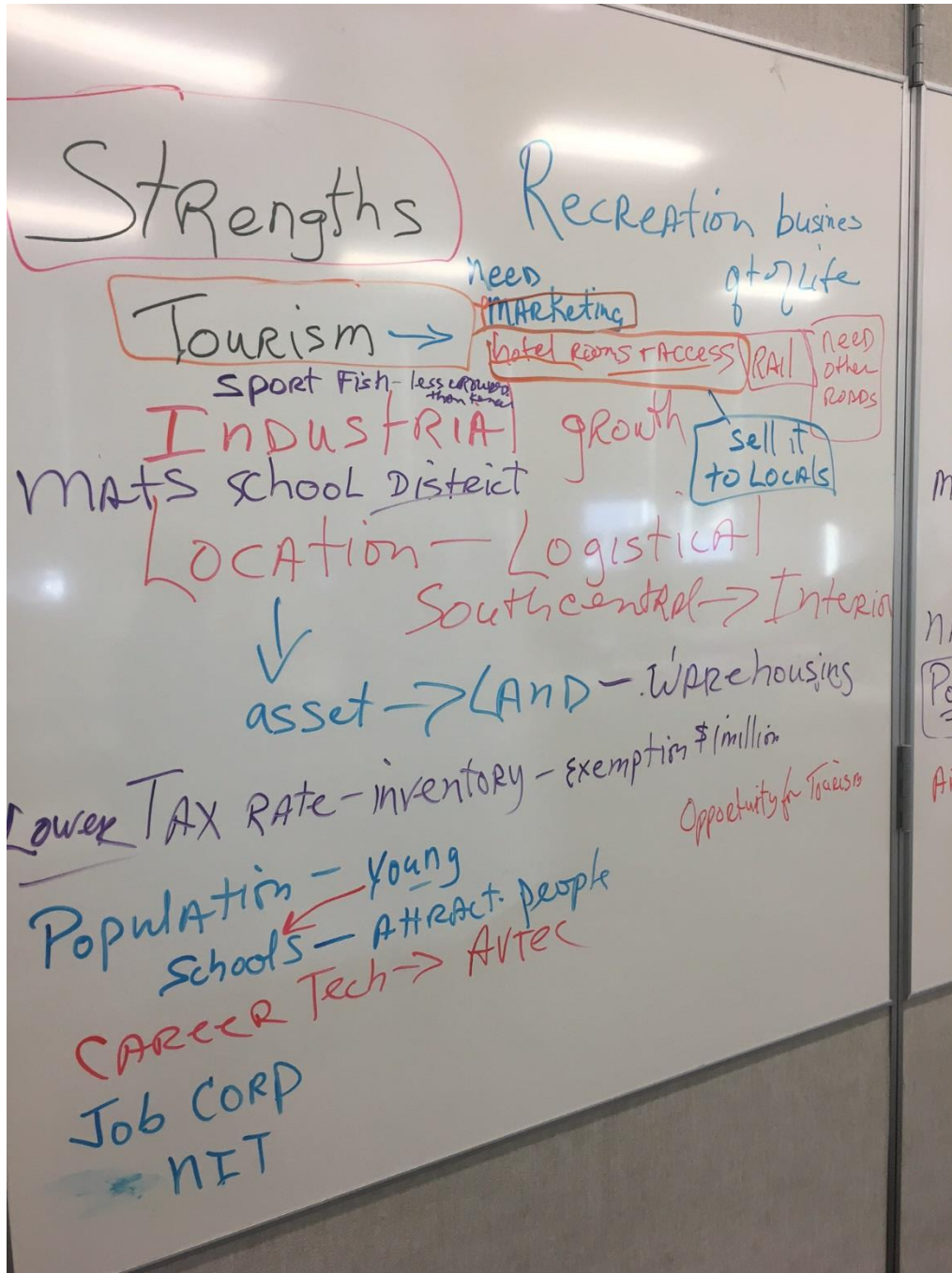
In Attendance:

Bonnie Quill, Mat-Su Convention & Visitors Bureau
John Moosey, Mat-Su Borough
Chris Gates
Don Dyer, Mat-Su Economic Development Corporation
Ethan Tyler, Division of Economic Development
Gerri Sumpter, Senator Murkowski's Office
James Wilson, Mat-Su Borough
Jerome Hertel, Alaska State Fair
John Harris
Gene Stone, Mat-Su School District
Marc VanDongen, Port MacKenzie
Margaret Sharpe, Senator Sullivan's Office
Mayor Virgie Thompson, City of Houston
Sean Parnell, Navigate North Consultants
Nolan Klouda, University of Alaska Center for Economic Development
Sara Jansen, Mat-Su Borough
Beverly Mulcahy, State of Alaska
Nathan Wallace, City of Palmer

What are biggest MatSu Opportunities for Economic Development next 5-10 years? Major Strengths?

- Tourism
- Industrial growth, tied to port development
- Crossroads between Southcentral and Interior
- Air Freight and commodities
- Opportunity with low cost of land, major asset
- Low taxes on inventory, property. 1M exemption, warehousing opportunities
- Recreation is major asset for livability and tourism
- Population:
 - Growing student numbers, people wanting to stay, schools attracting population
 - Population is young
 - Could retain more workers in Borough, 25,000 commute to Anchorage
 - Large commuting population, 15% of Anchorage workforce
- Education
 - Active voc-tech center:
 - Ability to attract more students and workers
 - Career Tech
 - Northern Industrial Training
- Entrepreneurial spirit, people owning multiple businesses, collegial community-mindedness, mutual referrals and community spirit

- Airports in Valley
- Health sector is largest employer and taxpayer in Mat-Su
- High property tax exemption for seniors, taking more property off tax rolls



1. Business Retention, Development, and Diversification

- Agro business
 - Peonies, pork, tomatos, chickens
 - Value-added agro processing center

- Relationship with Asia to buy commodities
- Marijuana
 - Established brand
 - Land availability
- Tourism
 - Tourism could grow, expand shoulder seasons, attract more Anchorage visitors
 - Summer months hotels at capacity
 - Attracting conferences? Not the right hotel space
 - Need to sell tourism to locals, not all favor it
 - Sport fishing declined between 2008 and 2013, need for greater promotion
 - Destination assessment “Destination Next” survey to identify support, infrastructure, workforce to support tourism
- Attracting industries
 - IT, growing it local
 - British Columbia example with resource development
- Telecom opportunities with
 - MTA, GCI
 - Building up broadband access over next 10 years

2. Infrastructure

- Port
 - Commodity exports, copper, lead, sand, gravel, molybdenum
 - Industrial attraction
 - LNG
- Knik arm bridge
 - Need for redundant transit to Valley
- Air freight export through Anchorage
 - Move Valley products through Anchorage International
 - Useful for Agro business

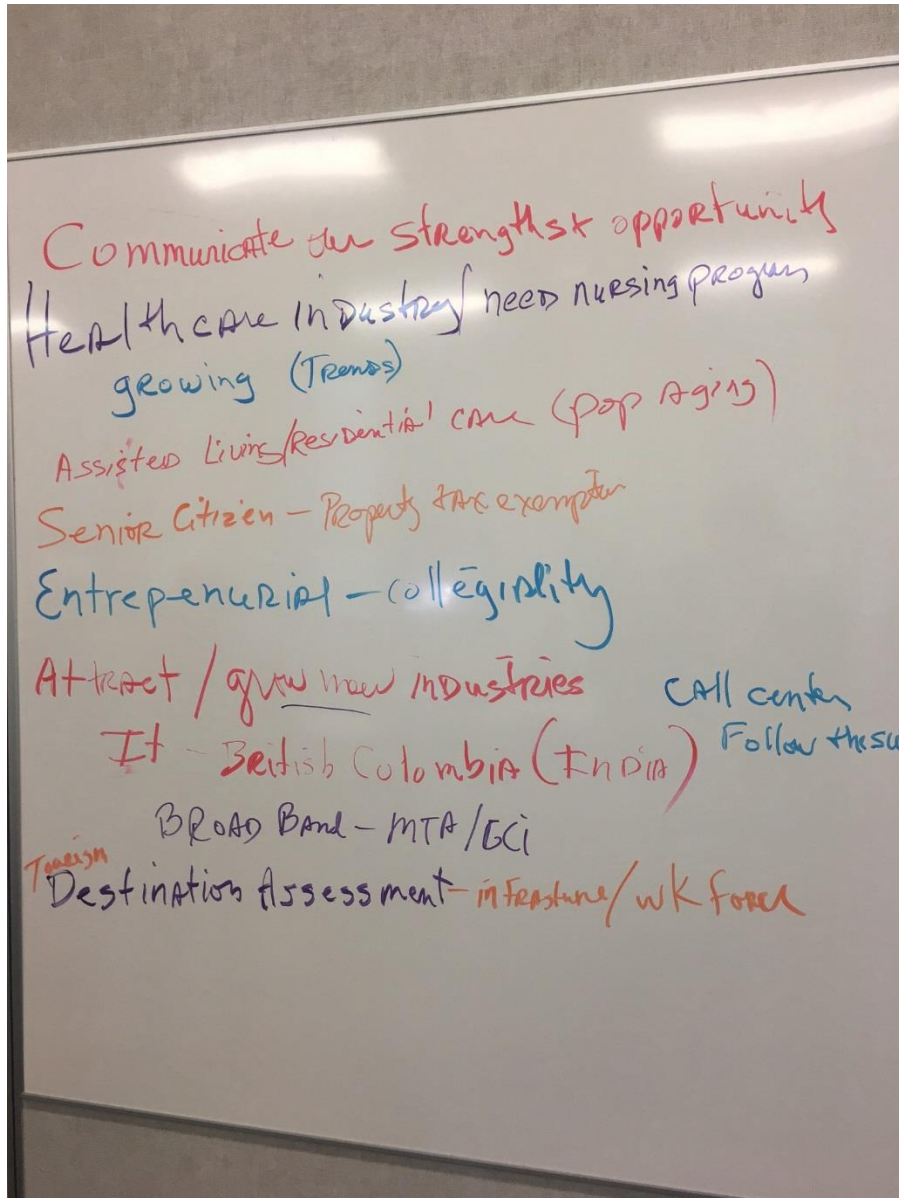
3. Energy

- Hydro-electric, AK is leader, state could be 100% hydro
- Watana Dam
- Cook Inlet Natural Gas
 - Transport natural gas from Cook Inlet to Interior
 - Incentives for increased production in oil and gas, Cook Inlet especially
 - LNG plant in Borough, 800M to 1B investment, need access for more gas

3. Workforce Development

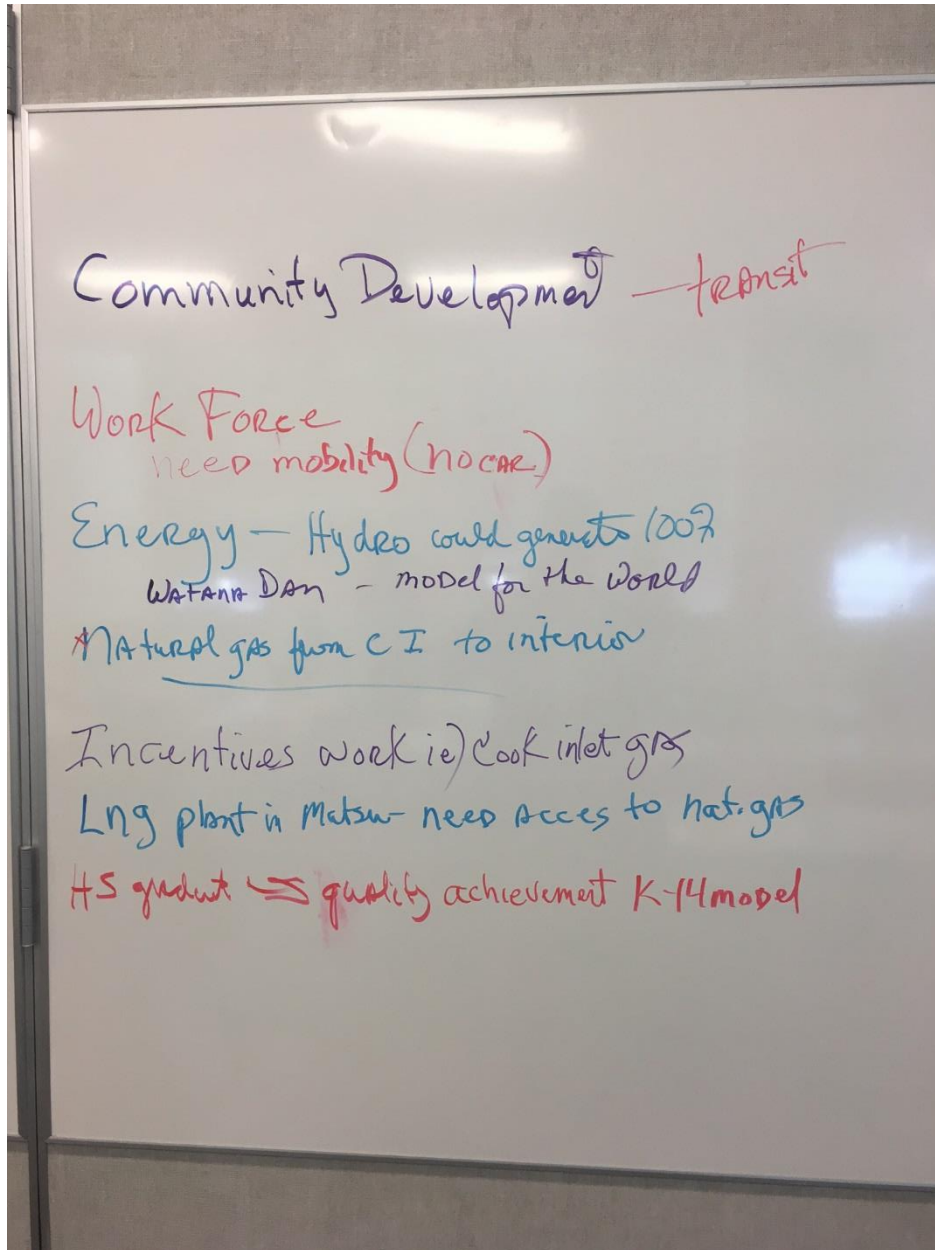
- Need for cart before horse? Industry opportunities first, or workforce
- K-12,
 - Increase graduation rates, overall achievement
 - High performing school district, good options, Spanish immersion,
 - Attracts families to Mat-Su

- Health care jobs
 - Need for nursing program
- Hospitality/visitor industry:
 - bad wrap for job quality but plenty of high wage high skilled jobs, accountants, managers, etc
- Need to communicate workforce strengths of region to employers, industry looking to relocate
- Need for site selection based on workforce strengths



4. Community development:

- Public transit
- Transportation, education, workforce, infrastructure—covered under other areas



Lunch Discussion: what would you do if you could convince the Legislature to take any one (feasible) action to develop the state economy?

- State infrastructure bond for voter approval, \$1B for rail extension, Knik Arm Bridge, etc.
- Agricultural processing center: plan, fund, implement
- Continue/resume incentives for Cook Inlet natural gas
- Change state law to expand local government incentives for tax exemptions
- Update Dow Shell Report of 1987
- Reinstate and increase state tourism marketing program

- Expedite permitting process for more oil
- Expand/diversify tax structure
- Streamline process for acquiring capital, modify las for capital access for startup businesses?
- Build Mat-Su Gateway Visitor Center
- Need for robust short, medium, and long-term plans, i.e. for mega projects like Watana Dam
- Certificate of need—eliminate to create more health care options
- Move Alaska Office of International Trade to Division of Economic Development

Goals: Final Tally

1. Business Retention, Development and Diversification: 14
2. Infrastructure: 13
3. Energy: 3
4. Workforce Development: 2
5. Planning: 8

