



Kenai Peninsula Comprehensive
Economic Development
Strategy Overview


Kenai Peninsula Economic
Development District
Tim Dillon, Executive Director
April 12, 2021




Kenai Peninsula Borough

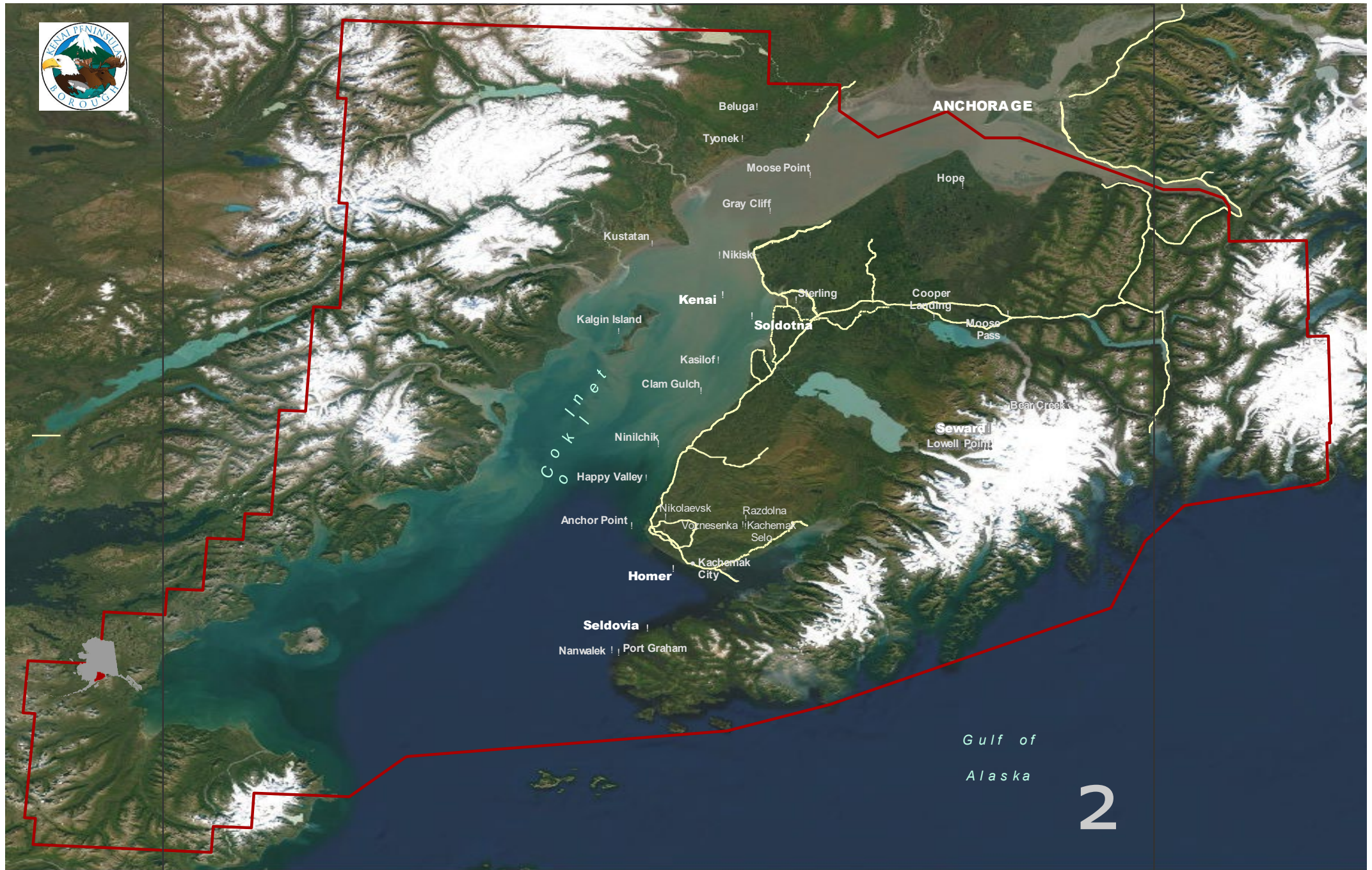
Imagery Source: ArcGIS Online World Imagery

Map Date: 9/19/2019

 Major Roads KPBBoundary

0 5 10 Miles


The information depicted hereon is for a graphical representation only of best available sources. The Kenai Peninsula Borough assumes no responsibility for any errors on this map





Who are we?

The Kenai Peninsula Economic Development District (KPEDD) is a private non-government resource focused on responsible/sustainable economic development for our region. Using a 30,000ft view of the economy, we locate financing and orchestrate community collaboration for economic planning and business incubation. We support infrastructure projects, workforce development and regional industries. KPEDD is funded by federal, state, regional and educational contracts.



Comprehensive Economic Development Strategy (CEDS)

What is it? Why is it especially important right now?

“The Comprehensive Economic Development Strategy (CEDS) contributes to effective economic development in America’s communities and regions through a locally-based, regionally-driven economic development planning process. Economic development planning – as implemented through the CEDS – is not only a cornerstone of the U.S. Economic Development Administration’s (EDA) programs, but successfully serves as a means to engage community leaders, leverage the involvement of the private sector, and establish a strategic blueprint for regional collaboration. The CEDS provides the capacity-building¹ foundation by which the public sector, working in conjunction with other economic actors (individuals, firms, industries), creates the environment for regional economic prosperity.”

- US Economic Development Administration



- ✓ **Regional Economic Development and Planning**
- ✓ **Opens Federal Funding Opportunities**
- ✓ **Builds leadership, enhances cooperation and fosters public ownership for our region**



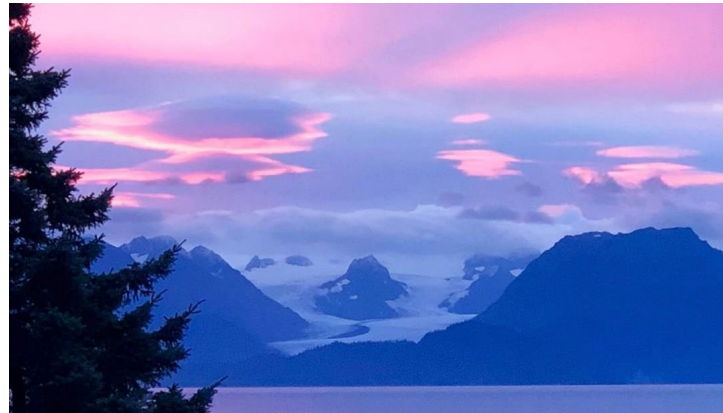
KPEDD's CEDS Planning and Outreach Efforts

The Kenai Peninsula Economic Development District is coordinating with the University of Alaska Center for Economic Development to develop, compile, assess and evaluate our region's economic trends, climate and future. We are determined to create a document that is beneficial, useful and will serve as a valuable tool across the Peninsula.

The regions that we continue to focus our outreach efforts includes the following areas (but are not limited to):

- Southern Peninsula: Homer, Seldovia, Anchor Point
- Eastern Peninsula: Seward, Hope, Moose Pass, Cooper Landing
- Central Peninsula: Kenai, Nikiski, Soldotna
- Tribal Organizations: Chugach, Kenaitze, Nanwalek, Seldovia Village Tribe, Tyonek

OUTREACH: INDUSTRY GROUPS ON THE KENAI PENINSULA



KPEDD is continuing its outreach efforts and sampling from major industries and business groups throughout the Peninsula. Through public forums, smaller engagement sessions, or one-on-one meetings with industry leaders, our focus will be to compile essential information that will assist in creating a more robust CEDS product. The acumen and insight will be invaluable in the Peninsula's economic trajectory and future.

- Oil and Gas Industry
- Fisheries Groups
- Maritime Trades
- Tourism
- Agriculture
- Medical
- NonProfits
- Chambers of Commerce

SWOT Analysis

Strengths: characteristics of the business or project that give it an advantage over others.

Weaknesses: characteristics that place the business or project at a disadvantage relative to others.

Opportunities: elements in the environment that the business or project could exploit to its advantage.

Threats: elements in the environment that could cause trouble for the business or project.

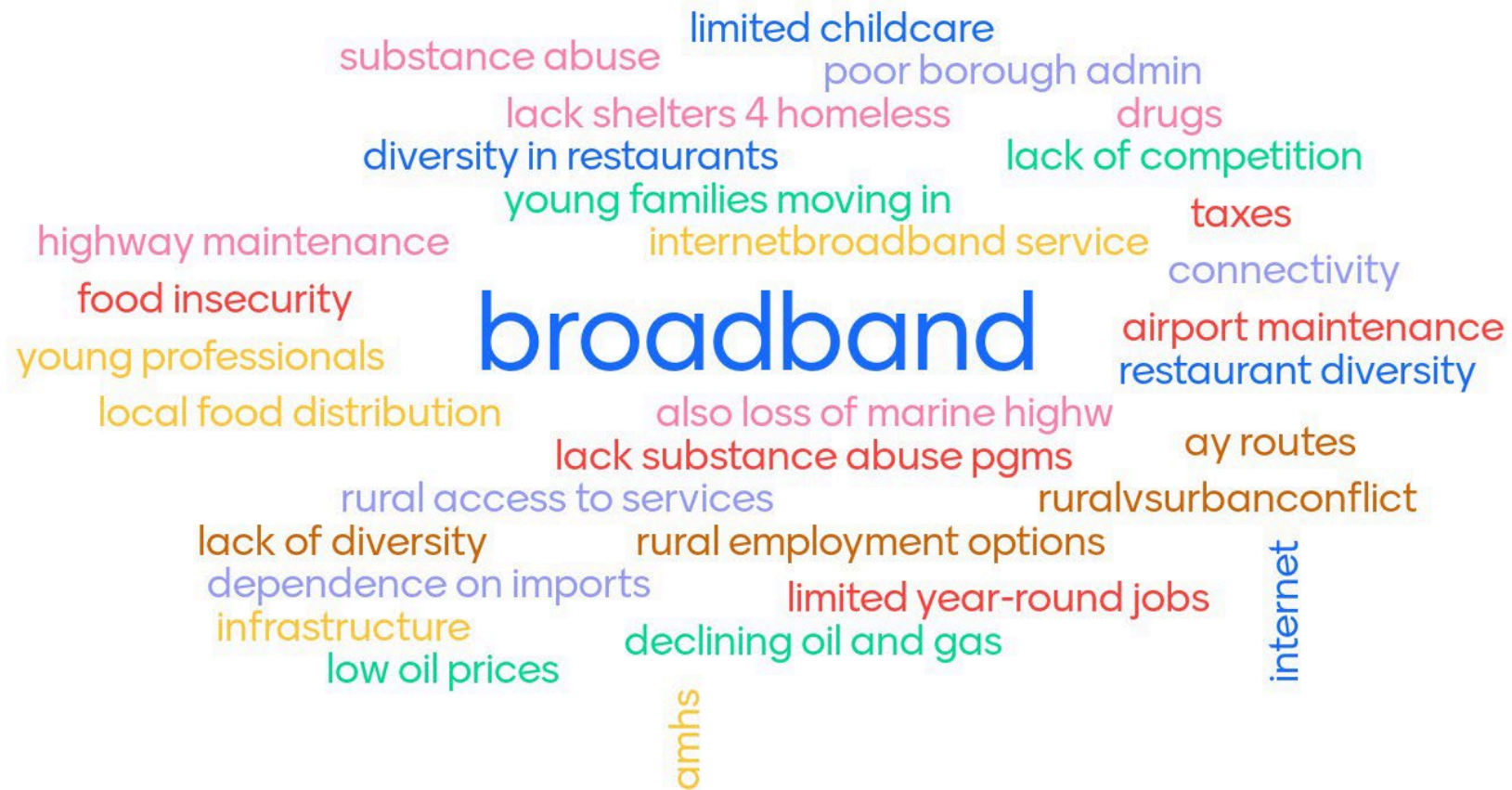
As of July 2020, KPEDD staff organized the KPEDD Board Retreat, as well as hosted the KPEDD Economic Future Forum just a few weeks ago. The outcome of the discussions created our focus of the SWOT analysis.

Through the CEDS development process, we will continue to be seeking to identify internal and external factors directly related to the economic climate and future of the Kenai Peninsula. Looking through the SWOT lens, we will better be able to address and achieve the CEDS goals as well as develop strategies for businesses to implement.

What additional strengths do you see for the Kenai Peninsula?



What additional weaknesses do you see for the Kenai Peninsula?



What additional opportunities do you see for the Kenai Peninsula?



What additional threats do you see for the Kenai Peninsula?





Identified Strengths On the Kenai Peninsula

1. Increasing graduation rates and decreased dropout rates.
2. Over 30 organizations are leading training, education, and professional workforce development.
3. Established education and research facilities (Alaska Sealife Center, Challenger Center, Kasitsna Bay Lab).
4. Stable government sector, including collaboration and integration at the local government level.
5. Opportunity for housing on the peninsula and housing prices lower than in Anchorage and the Mat-Su.
6. Third lowest crime rate per capita in Alaska (among 20 tracked Boroughs and census areas).
7. The region is accessible by road, air, and water transportation as well as rail service in Seward.
8. Borough-wide business resources (KPEDD, SBA, and SBDC).
9. Two large ice-free ports with Coast Guard presence, Homer and Seward.
10. Increased access to affordable energy.
11. Vast natural resources across the peninsula.
12. Robust hospital and healthcare sector with many providers and specialists.
13. Increased relationships with tribal governments and Native organizations (non-profits, medical centers).
14. KPEDD Board of directors.
15. Strong non-profit sector (senior center, center for coastal studies, food banks, churches, Love Inc.).



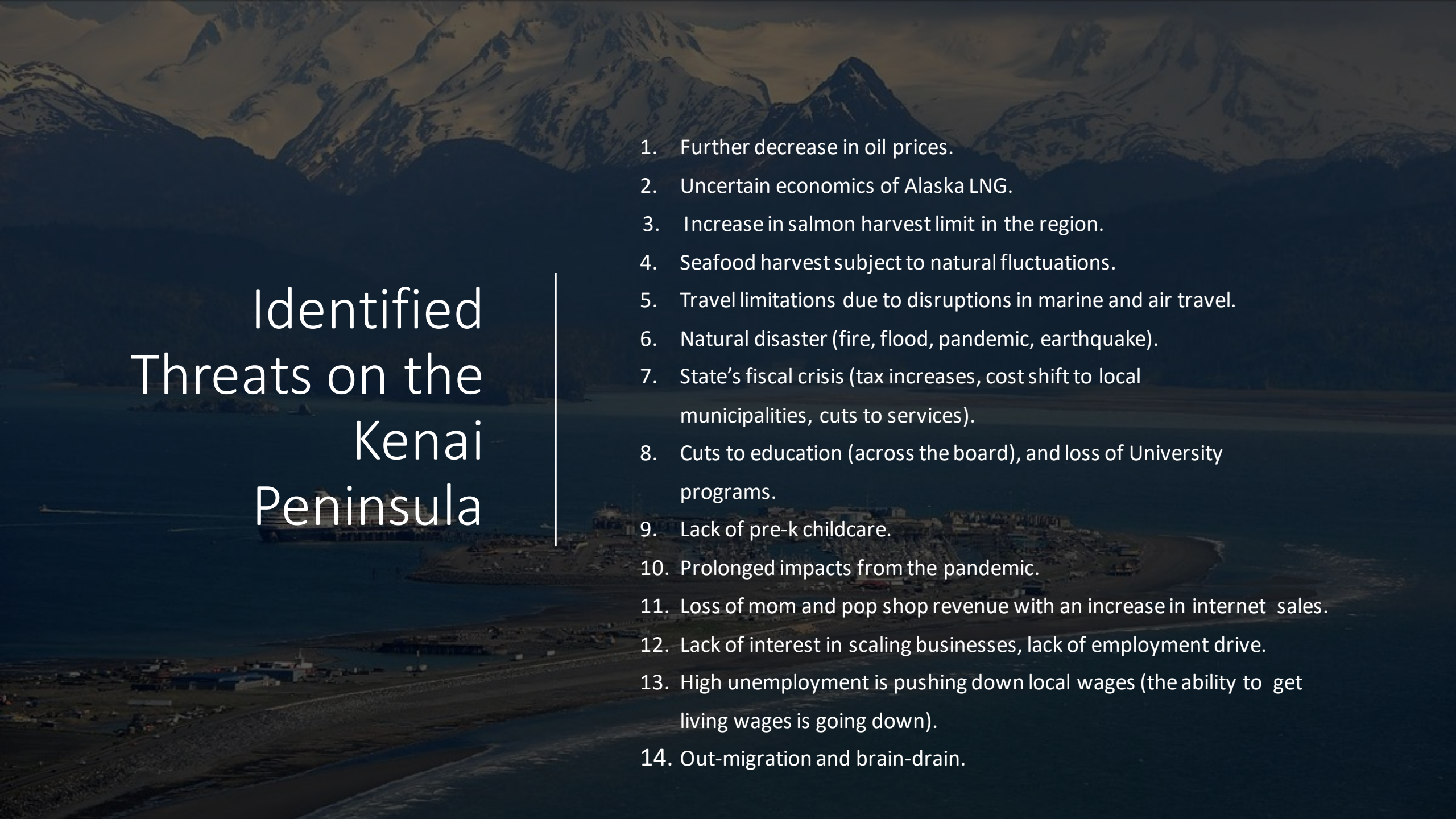
Identified Weaknesses On the Kenai Peninsula

1. Aging population and low in-migration.
2. Public revenues that support city governments, the borough, and the school district are down.
3. Economically-active population (workforce) is shrinking .
4. Decreasing public school enrollment, and funding instability for education at the borough and state level.
5. Higher prices than Anchorage and Mat-Su for groceries and gas.
6. Many families have to work multiple jobs to make ends meet.
7. Tourism sector's dependence on the Lower 48 / international economic situation.
8. Fishing sector's dependence on harvest quota and fluctuation in the number of fish.
9. A decrease in oil production resulting from low prices/supply.
10. The cost of energy is a barrier to attracting new manufacturers.
11. Lack of coordination/planning borough-wide.
12. Lack of affordable mixed-use, temporary, and seasonal housing.
13. Lack of human capital, particularly highly specialized trades.
14. Inconsistent cellphone and broadband coverage, and lacking communications infrastructure.
15. Limited public transportation options, including air travel limitations due to the loss of Ravn Air service.
16. Geographic dispersion makes providing services difficult,
17. including (maintaining infrastructure, access to medical and mental health care, and law enforcement).

Identified Opportunities on the Kenai Peninsula



1. Potential for increase in employment and high paying jobs in oil and gas, construction associated with the Alaska LNG project.
2. Expansion of high paying healthcare jobs.
3. Increase in the number of medical facilities across the region, including specialist physicians and services.
4. The diverse economic base of the peninsula spans tourism/ecotourism, oil and gas, fisheries, food hubs, farmers markets, healthcare, marijuana manufacturing, and construction.
5. Growing opportunities for agriculture and mariculture.
6. The Coast Guard is looking at Homer and Seward for marine trades and vessel maintenance.
7. Opportunities for land development, including potential housing projects, affordable, temporary/seasonal housing.
8. Teleworking/telecommuting now accessible.
9. High quality of life.
10. An increasing number of post-secondary/professional training programs.
11. Growth at airports and ports, with more room for development.
12. KPEDD economic resiliency plan (opportunities for communities, relationship with federal agencies: EPA and EDA).
13. Government/elected officials (local, borough, state) are accessible.



Identified Threats on the Kenai Peninsula

1. Further decrease in oil prices.
2. Uncertain economics of Alaska LNG.
3. Increase in salmon harvest limit in the region.
4. Seafood harvest subject to natural fluctuations.
5. Travel limitations due to disruptions in marine and air travel.
6. Natural disaster (fire, flood, pandemic, earthquake).
7. State's fiscal crisis (tax increases, cost shift to local municipalities, cuts to services).
8. Cuts to education (across the board), and loss of University programs.
9. Lack of pre-k childcare.
10. Prolonged impacts from the pandemic.
11. Loss of mom and pop shop revenue with an increase in internet sales.
12. Lack of interest in scaling businesses, lack of employment drive.
13. High unemployment is pushing down local wages (the ability to get living wages is going down).
14. Out-migration and brain-drain.

OVERARCHING CEDS GOAL

QUALITY OF LIVING/PLACE

This includes continuing to develop the Kenai Peninsula “brand” for residents, visitors, and businesses and promoting expansion of recreational amenities and public access.

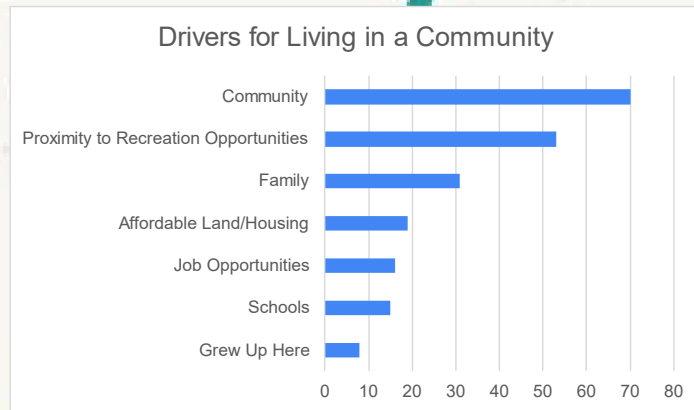
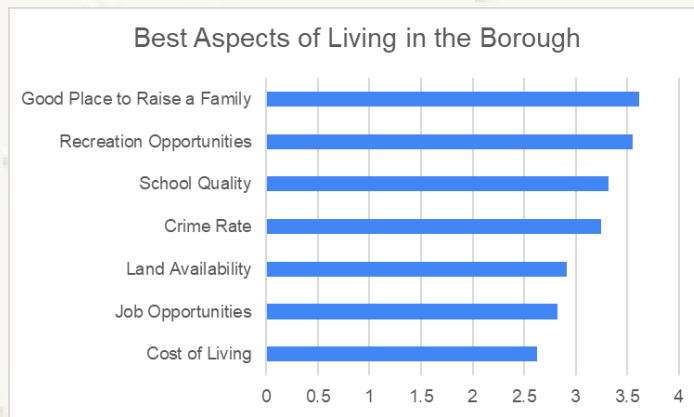


Over the last three months, KPEDD has had over 1,500 touches with its CEDS outreach efforts.

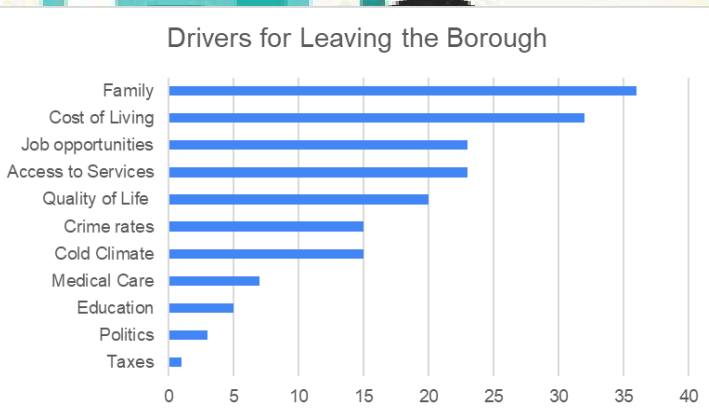


- *Economic Future Forum*
- *Chamber Luncheons*
- *Virtual meetings*
- *Regional Council Meetings*
- *Outreach and Engagement*
- *Surveys*
- *Connection*
- *Collaboration*

Survey Outcomes

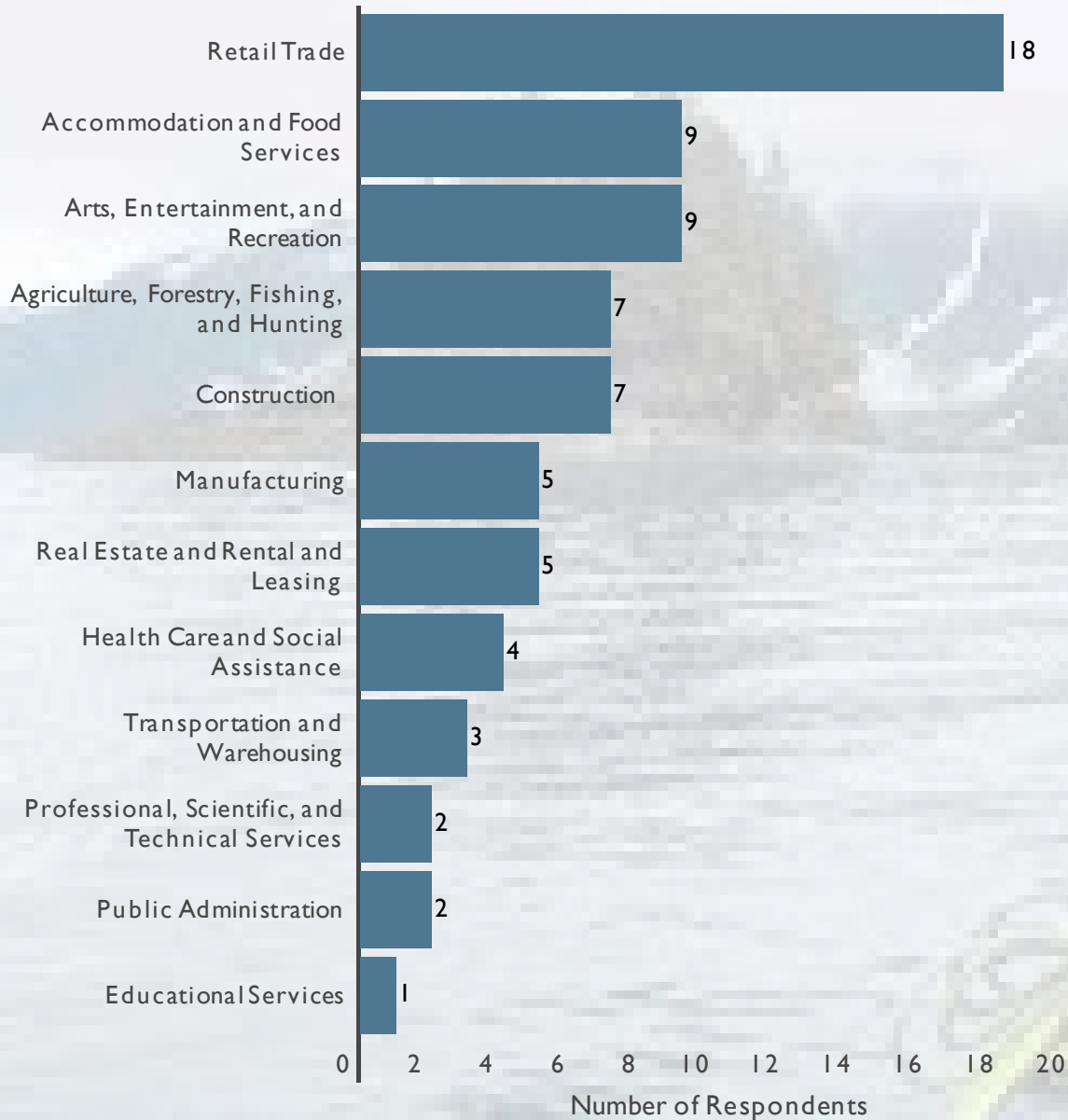


- Surveys were distributed aimed at two sectors of the population - businesses and residents. While we are still analyzing the data, we were able to better assess the economic climate of our region as well as identify focus areas to better generate the economic development strategy.

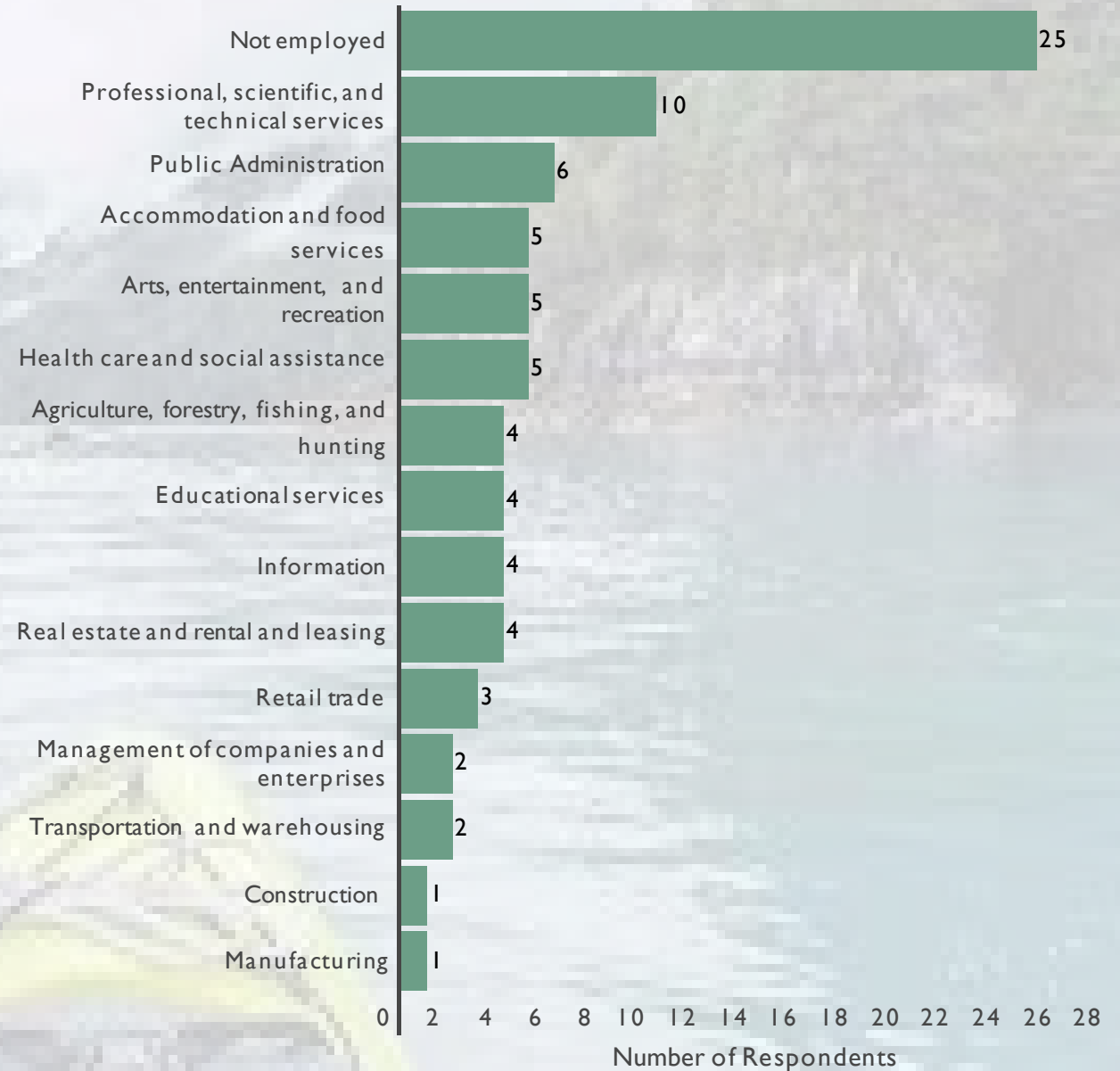


What industries do they work in?

Business Survey

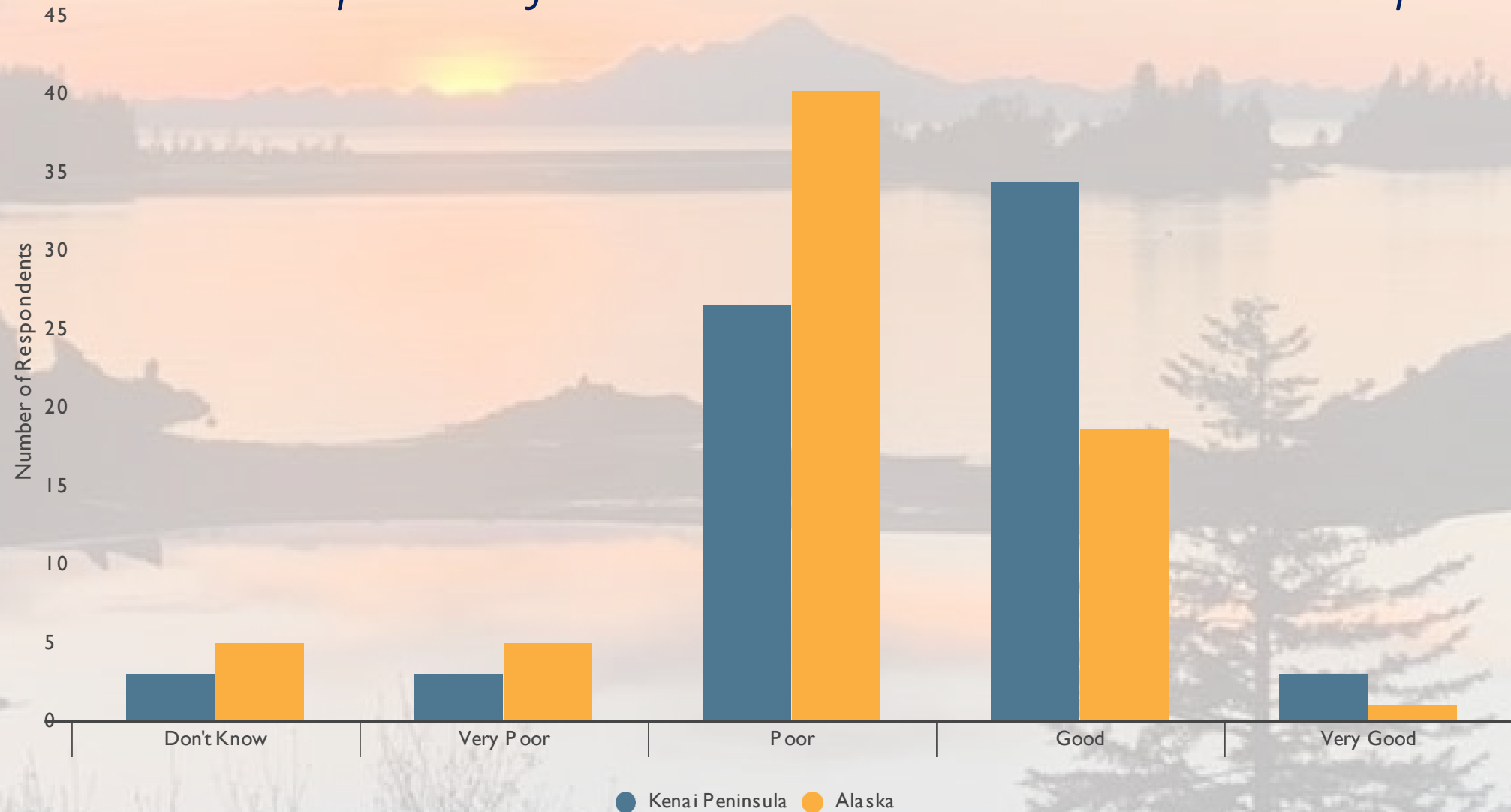


Resident Survey



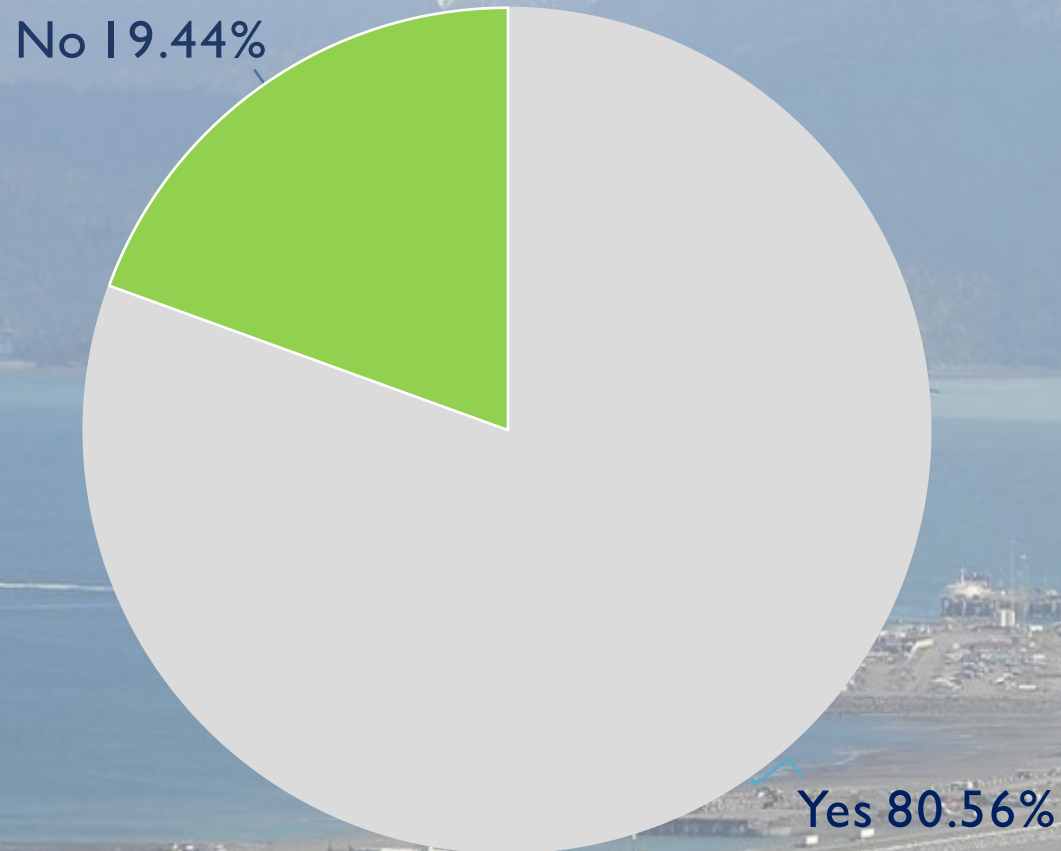
Highlights from the Business Survey

Perceptions of the Current Business Climate are Split

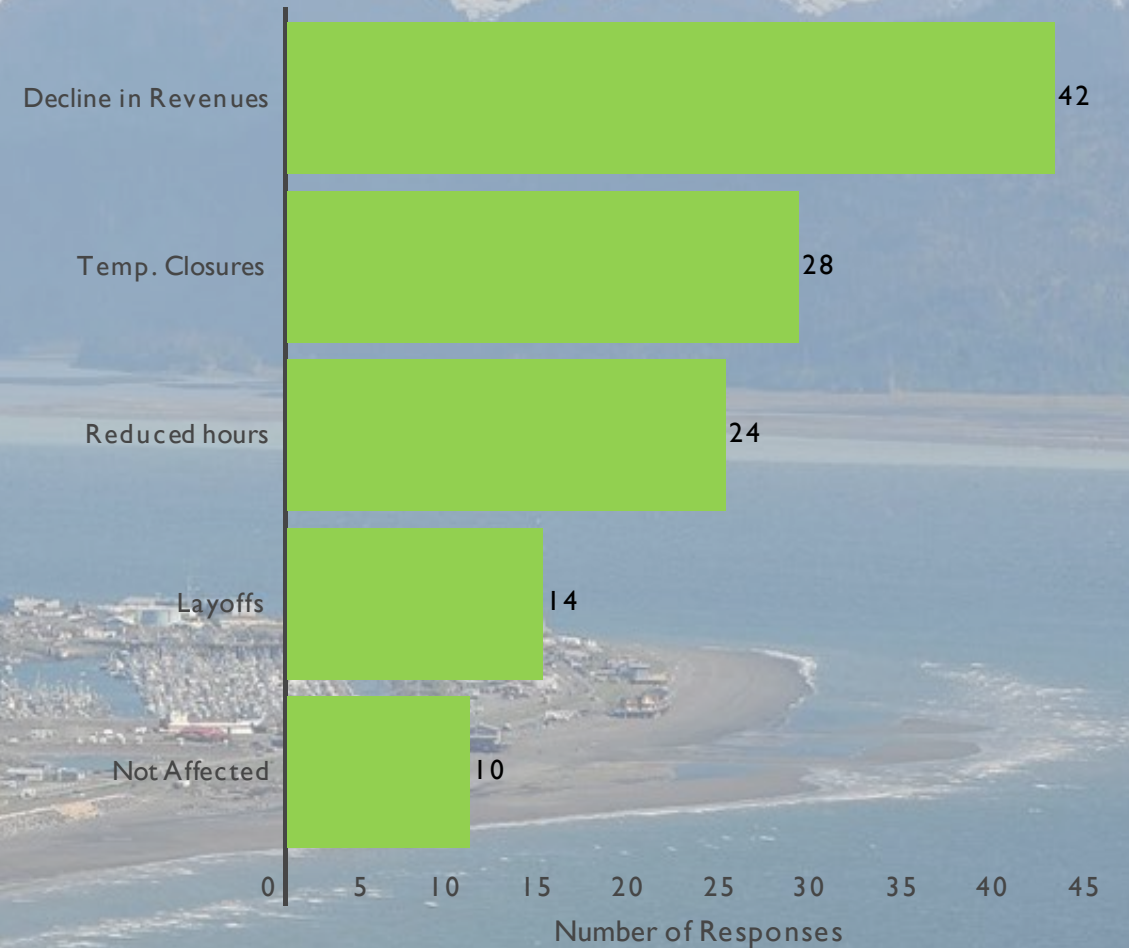


Impacts of COVID19 Pandemic on Businesses

Businesses Impacted by COVID

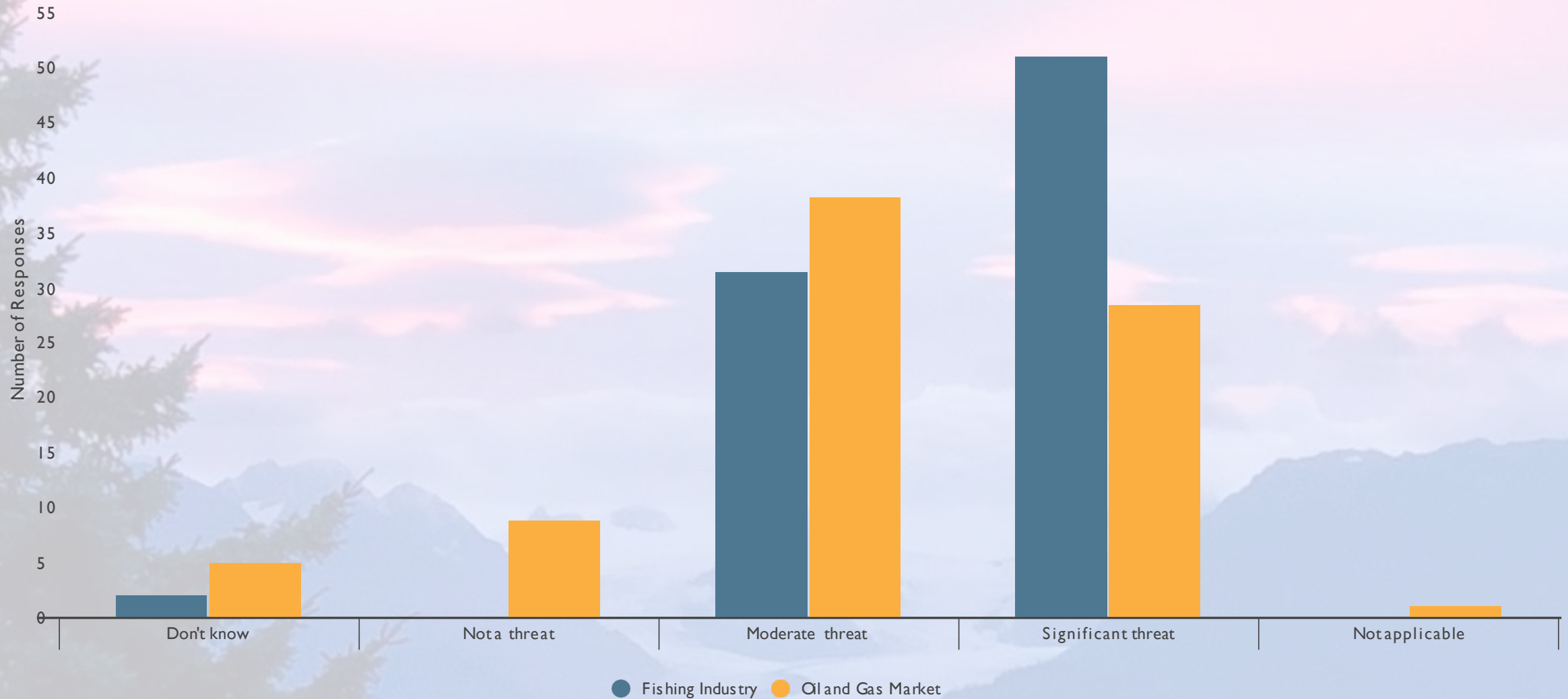


Ways in which Businesses Have been Affected

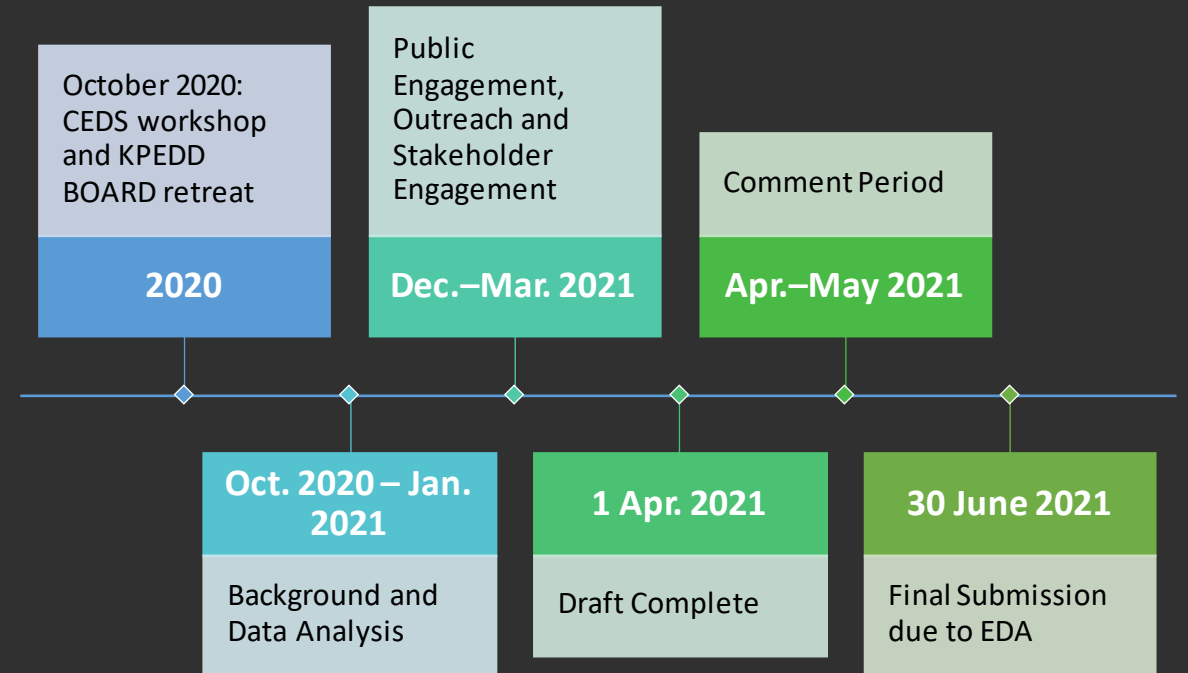


Perceptions on Risks to the Economy

Changes to the Fishing and Oil and Gas Industry are Viewed as Threats



CEDS TIMELINE to COMPLETION



When has having a CEDS made a difference?



[This Photo](#) by Unknown Author is licensed under [CC BY-SA](#)

- 7.0 magnitude 2018 Earthquake 2019
- Peninsula Wildfires; among the biggest fire seasons on record for the state
- COVID-19 Pandemic
- Alaska Railroad Corp's Alaska Freight Dock and Corridor Improvement Project (Seward)
- Expansion of Opportunity Zones (Borough Wide)
- DOT's Bridge Access Road Pedestrian Pathway (Kenai)
- Cook Inlet Commercial Fishery Support (Borough)
- Alaska Beauty Peony Cooperative (Homer)
- Challenger Learning Center Curriculum Expansion (Kenai)
- Homer Soil and Water Conservation District Specialty Crop Block Grant for Food Distribution Study
- Alaska Fish Nutrition



Investment in Broadband Infrastructure: A Universal Priority

Existing Identified Challenges on the Peninsula



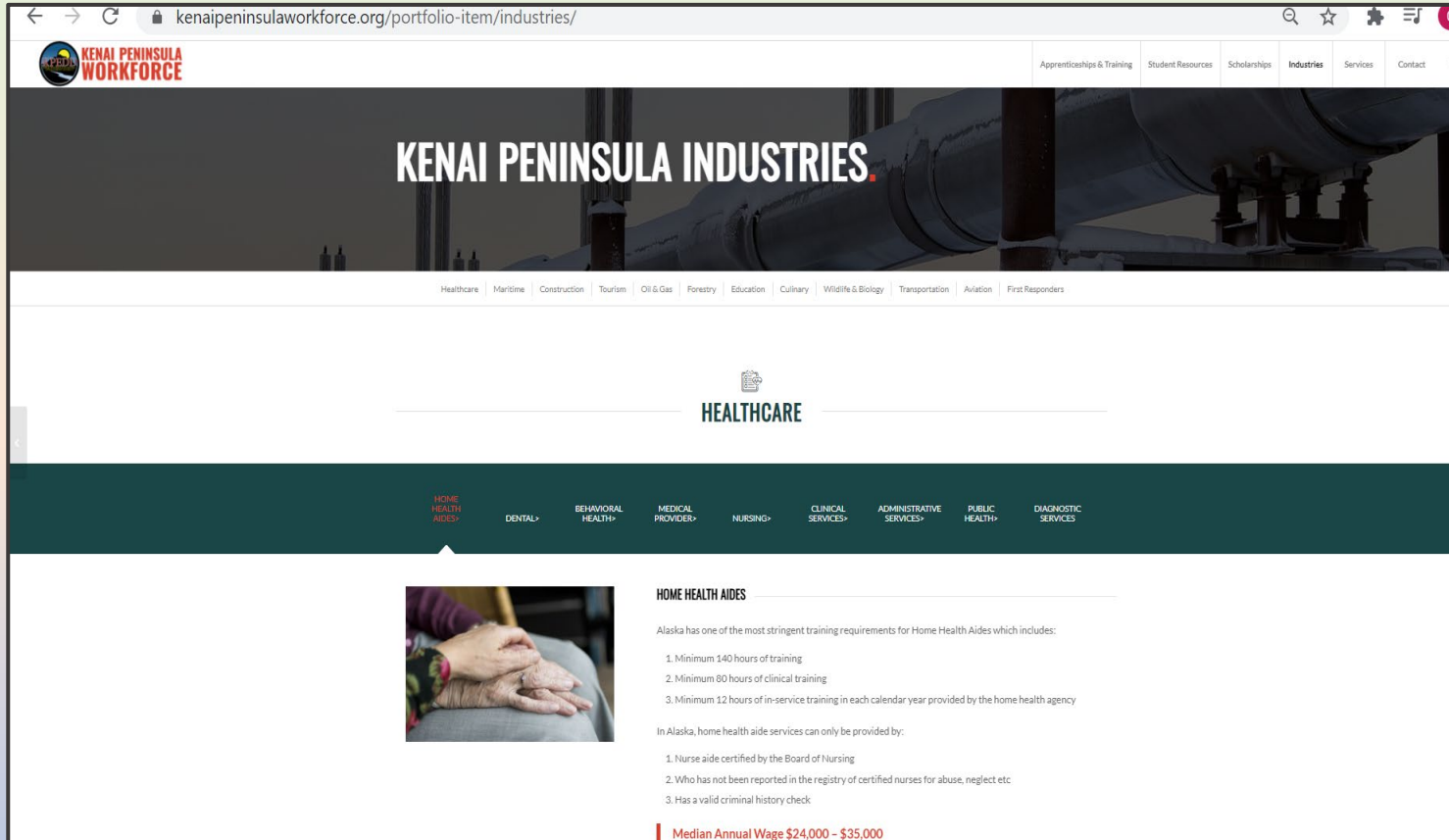
- Many of our challenges pose similar obstacles and pathways to resolve
- Erosion, a great example - which is occurring more and more along Alaska's coastline
- Land and resource management
- Access to reliable Broadband
- Creating economic stability and resiliency
- A rising tide floats all boats

kenaipeninsulaworkforce.org

“When a job opens up on the Kenai Peninsula, we want residents to be ready. Our region is filled with incredibly talented and driven individuals, ready to take on new challenges. Our job is to connect them with the resources they need to guarantee their success.”

-Tim Dillon, Executive Director

The screenshot shows the Kenai Peninsula Workforce website homepage. At the top left is the logo "KENAI PENINSULA WORKFORCE". To the right is a navigation menu with links for "Apprenticeships & Training", "Student Resources", "Scholarships", "Industries", "Services", and "Contact". The main content area features a dark background with a night sky and aurora borealis. The headline reads "THE BEST CAREER YOU WILL EVER FIND" in large white letters, followed by "LEARN MORE ABOUT THE KENAI PENINSULA'S CAREER OPTIONS" in smaller white letters. Below this is a white button that says "GIVE IT A TRY NOW". At the bottom of the page, there are three columns of text, each with an icon and a title: "GET THE EDUCATION YOU NEED" with a graduation cap icon, "FIND FUNDING OPPORTUNITIES" with a dollar sign icon, and "GET HIRED" with a wrench and screwdriver icon. Each column contains a short paragraph of text.



- In all, the site addresses 12 of the Kenai Peninsula’s workforce industries including tourism, first responders, construction and education. It dives into what careers within different industries require of applicants. Someone interested in pursuing a career in health care, for example, could look at training requirements, median annual wages, education requirements, relevant degree programs on the peninsula and other general information by health care field.

Health Care

Oil and Gas

Wildlife and Biology

Maritime

Forestry

Transportation

Construction

Education

Aviation

Tourism

Culinary

First Responders

What can you do to support this process?

Attend our outreach events

Let us know your insights!

Encourage participation in your community



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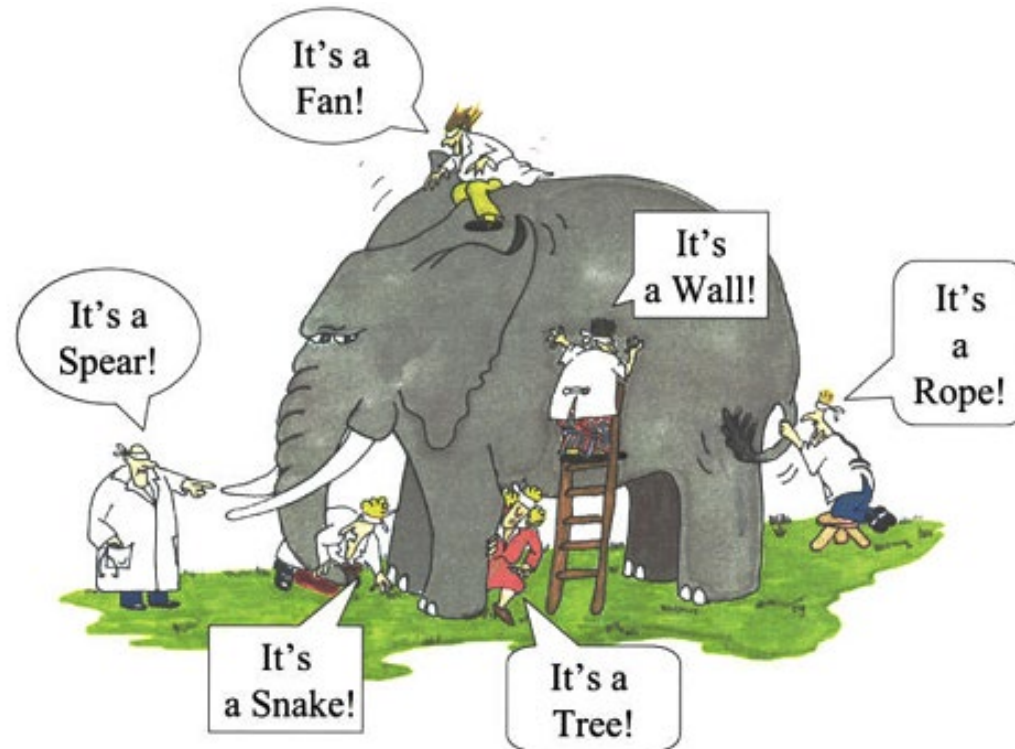
WE MAY HAVE ALL COME ON DIFFERENT
SHIPS, BUT WE'RE IN THE SAME BOAT
NOW.

- MARTIN LUTHER KING, JR.



It's important
to remember,
we are all
really the
same.

Don't forget the bigger picture.....





The Kenai Peninsula is vast; approximately 25,000 square miles. The size of West Virginia. It's intuitive that the Kenai Peninsula CEDS will be as vast in content as it is geographically.

*Thank you so very much for your
time, input and commitment to our
Kenai Peninsula.*

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