

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 are focusing our outreach efforts on will include the following areas (but are not limited to):

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



Presentation and Engagement

- We are hosting listening and brainstorming sessions about economic needs on the Peninsula with a variety of industries, local governments, organizations and interested partners.
- We are conducting surveys formatted two ways. One structured for the business sector to gain an understanding and perspective of the economic climate through our industry partners' lens. The other is aimed at the general public to gain understanding of quality of life elements and regional confidence about the future from a general public perspective.
- Our objective is to gain an outlook and sample of those representatives of the major subregions and populations of the Borough.

OUTREACH: INDUSTRY GROUPS ON THE KENAI PENINSULA







KPEDD is also conducting outreach 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?

Mentimeter



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What additional weaknesses do you see for the Kenai Peninsula?

Mentimeter

limited childcare substance abuse poor borough admin lack shelters 4 homeless drugs diversity in restaurants lack of competition young families moving in highway maintenance connectivity food insecurity airport maintenance young professionals restaurant diversity local food distribution also loss of marine highw ay routes lack substance abuse pgms ruralvsurbanconflict rural access to services lack of diversity rural employment options internet dependence on imports limited year-round jobs infrastructure declining oil and gas low oil prices

What additional opportunities do you see for the Kenai Peninsula?

Mentimeter

online college

value-added-seafood untapped winter rec more recovery programs

remote workers dot swd airport snow remo

agriculture opportunities local food processing

public transportation

tourism after covid internationalrelationship

> marine manufact maint local food distribution

> > more kpb land opened up broadband reliance

telecommuting paradise

increase tech jobs transportation



What additional threats do you see for the Kenai Peninsula?

Mentimeter

state-budget-cuts

natural disasters small boat closure

salmon habitat loss lack of early education lack of vaccinations prolonged school closure

marine taxes

lackluster dot attention transportation cuts

increased service costs increased material costs

lack of affordable housin divisive politics

fire risk from beetlekill salmon mismanagement political division outside funding dependenc

public school closure state budget cut state government funding

fire risk beetle kill over zealous regulations

small boat fishery close shift away from oil

disruptive technologies rapid climate warming

unemployed dependency

drugs and crime climate change



Identified Strengths On the Kenai Peninsula

- 1. Increasing graduation rates and decreased dropout rates.
- Over 30 organizations are leading training, education, and professional workforce development.
- Established education and research facilities (Alaska Sealife Center, Challenger Center, Kasitsna Bay Lab).
- Stable government sector, including collaboration and integration at 12. the local government level.
- Opportunity for housing on the peninsula and housing prices lower than in Anchorage and the Mat-Su.
- Third lowest crime rate per capita in Alaska (among 20 tracked Boroughs and census areas).
- 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).
- 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.
- 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.
- $2. \quad \text{Public revenues that support city governments, the borough, \ and the school \ district are \ down.}$
- 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.
- ${\bf 13.}\ \ Lack\, of\, human\, capital,\, particularly\, highly\, specialized\, trades.$
- 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
- ${\bf 16.}\,\, {\bf Geographic\, dispersion\,\, makes\,\, providing\,\, services\,\, difficult,}$
- 17. including (maintaining infrastructure, access to medical and mental health care, and law enforcement).

Identified Opportunities on the Kenai Peninsula



- 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.
- 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/eco-
- tourism, oil and gas, fisheries, food hubs, farmers markets, healthcare, marijuana manufacturing, and construction.
- 6. Growing opportunities for agriculture and mariculture.
- The Coast Guard is looking at Homer and Seward for marine trades and vessel maintenance.
- Opportunities for land development, including potential housing projects, affordable, temporary/seasonal housing.
- 9. Teleworking/telecommuting now accessible.
- 10. High quality of life.
- An increasing number of post-secondary/professional training programs.
- 12. Growth at airports and ports, with more room for development.
- KPEDD economic resiliency plan (opportunities for communities, relationship with federal agencies: EPA and FDA).
- 14. 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).
- 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.

Comprehensive **Economic** Development Strategy Goals >>>>>>>



/Communications



Workforce and **Human Capital**



Infrastructure and **Land Use** (Goal 3)



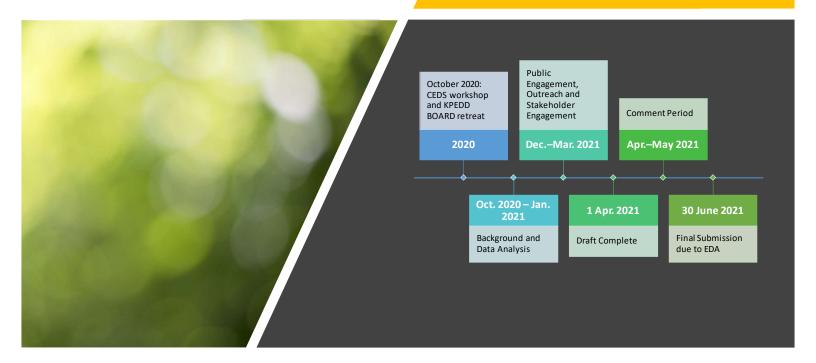
Business Climate (Goal 4)



Regional **Partnerships** (Goal 5)

Coordinate with

CEDS TIMELINE to COMPLETION













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 which is occurring more and more along Alaska's coastline
- A rising tide floats all boats



City of Homer Top 5 State Requests:

- 1. Barge Mooring and Large Vessel Haul Out Facility*
- 2. New Large Vessel Mooring Facility*
- 3. Storm Water Master Plan
- 4. Main Street Sidewalk
- 5. Multi-Use Community Center
- * Also serve as City of Homer's Top 2 Federal Requests



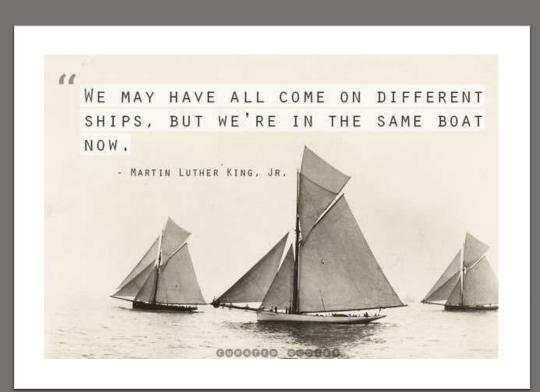
What can the Homer Economic Development Commission do to help this process?

Attend our outreach events

Participate in the surveys

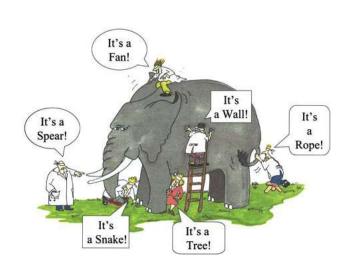
Encourage participation in your community





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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