



# AEDC PROGRESS REPORT

QUARTER 4 OF 2017 | ENDING DEC. 31

## REPORT HIGHLIGHTS

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- The Anchorage Cares campaign unveiled its first video ad, garnering more than 10,000 views within two weeks of release
- The 2018 Business Confidence Index Survey gathered responses from more than 330 local businesses
- AEDC delivered comprehensive research and investment proposals to several international companies considering doing business in Anchorage
- Live. Work. Play. designed a first-of-its-kind Internship Playbook to help local organizations develop or enhance their internship programs

## EXECUTIVE SUMMARY

AEDC had a very busy 4th quarter. Of particular note is the role AEDC played in the proposed sale of Municipal Light & Power (ML&P) to Chugach Electric Association (CEA) that was announced by the Municipality of Anchorage in December. In early 2017, after receiving a groundswell of complaints from AEDC member companies about recent dramatic electric rate increases by ML&P, AEDC formed an Electric Utilities Working Group to dig into the issues surrounding the spike in electric rates to commercial rate payers. After several meetings, the AEDC working group gave its recommendation in April, 2017 to the Municipality, ML&P and CEA leadership that the time had come to merge the utilities. The recommendation was supported by all parties and an effort was launched shortly thereafter that resulted in the announcement of the proposed sale. Our thanks to the many businesses and partners that participated in the AEDC Electric Utilities Working Group process that has brought this long-standing issue so close to finally being resolved. If successful, Anchorage electric ratepayers will benefit for decades to come.

The AEDC Investors Council, Board of Directors and staff successfully completed the strategic planning process for 2018, which was finalized with the passage of the AEDC strategic plan and budget at the Annual Board meeting held on December 6. The Board of Directors also elected Ms. Julie Taylor, President & CEO of Alaska Regional Hospital to the Board and gave its sincerest thanks to Mr. Jim Hasle of BDO for his many years of service on the Board, including Chair of the Board in 2016. The Board also elected Ms. Raquel Edelen of the Hotel Captain Cook as 2018 Chair, Ms. Grace Greene of TOTE, Inc. as 2018 Vice Chair and Ms. Lynn Rust-Henderson of Premera Blue Cross Blue Shield of Alaska as Secretary/Treasurer. 2017 Chair Ms. Marilyn Romano of Alaska Airlines will round the 2018 officers of the Board as Immediate Past Chair.

The Staff, Board of Directors and Investor Council members are all looking forward to a very busy 2018 as AEDC continues its work to grow the Anchorage economy and make our community the #1 city in America to live, work and play by 2025.

## Community Engagement

In Q4, AEDC staff remained active in the community, participating in dozens of meetings, conferences and public events:

- The Nov. 3 Live. Work. Play. First Friday event drew hundreds of Alaskans to the Anchorage Museum for a special exhibition highlighting the future of housing in Anchorage.
- Staff remained connected and engaged with multiple local business organizations ranging from local chambers of commerce to the Export Council of Alaska to the Anchorage Community Development Authority.
- The inaugural Anchorage Cares video ad, designed to reduce panhandling and promote positive alternatives, reached thousands of Alaskans via AEDC social media platforms.

**Community meetings:**

Media Interviews (12), Stormwater Utility Steering Committee Meeting, Pathway to Purpose Workforce Development Task Force, Anchorage Planning and Zoning Commission

**Community activities:**

Export Council of Alaska board meetings, Alaska Airlines Freighter Tour, Launch Alaska Demo Day, Alaska Common Ground Health Care Cost Panel, American Planning Association presentation, LWP First Friday, Alaska World Affairs Council Luncheon, Anchorage Chamber of Commerce Luncheons and Young Professional Events, 1 Million Cups, Ocean Technology Innovation Science (OTIS) Event, Small Business Development Council event, Chugiak Eagle River Chamber of Commerce luncheons, Chariot Group Tech Open House Reception, Alaska Executive Search Customer Appreciation Night, Pango Technology, Inc. Open House, Coffman Engineers Holiday Party, First National Bank Alaska Holiday Party

## Project Updates

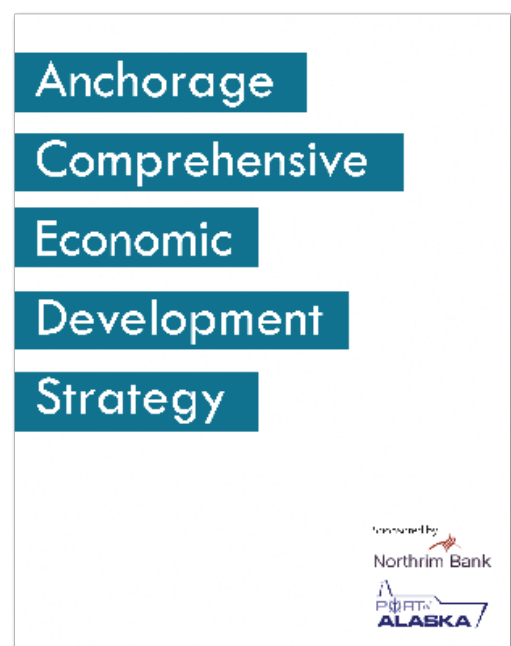
### BUSINESS & ECONOMIC DEVELOPMENT

**Project Name:** Anchorage Comprehensive Economic Development Strategy


**Project Lead:** Emma Kelly

**Date:** Ongoing

**Description:** In Q4, AEDC continued commissioned work on Anchorage's Comprehensive Economic Development Strategy -- a strategy for the Municipality of Anchorage to diversify and grow its economy while increasing jobs and attracting and retaining workforce. Staff incorporated targeted feedback from steering committee members and other stakeholders and designed and compiled the preliminary report in anticipation of a second public comment period in January. Following this second public comment period, the draft will be revised and updated then sent to the Mayor's office and the Anchorage Assembly for approval.



View this email in your browser



## ALASKA BUSINESS NEWS

**From resource development to retail, Alaska is brimming with business opportunity.**

**RETAIL SPACE REVIVAL** - In Anchorage's notoriously tight commercial real estate market, a slight increase in vacancy rates is good news for creative developers. New projects include mixed-use residential developments in the heart of downtown and retail construction around the Anchorage Bowl. Across town, approximately 5.5 million square feet of available space sits ready and waiting to build.

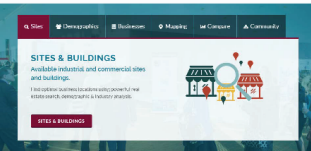
**ALASKA'S LIQUEFIED NATURAL GAS PROJECT PROGRESSES** - As Alaska continues to rise out of recession, major resource development projects stand poised to generate thousands of new jobs and hundreds of millions of dollars worth of economic activity. One project, a proposed Liquefied Natural Gas pipeline and processing facility, could send major ripple effects across the entire state.

**PORT PROSPECTS** - Anchorage is the largest city in Alaska and home to the only inter-modal port facility in the state - the Port of Alaska. The Port handles 90 percent of the state's goods and supplies 85 percent of the Alaska population.

Despite its role in the state's economy, the Port is currently operating at approximately 40 percent capacity, meaning there's plenty of room for new business. It's Alaska's maritime gateway to commerce. How could your business use it?

[Click here to read more about these opportunities](#)

**Explore Anchorage at your desk.**



Anchorage Prospector allows you to explore what Anchorage has to offer: sites & buildings, demographics, competitor analysis, talent pool, a community profile, and more.

[Click here to visit Anchorage Prospector](#)

**The Anchorage Advantage**

- Ted Stevens Anchorage International Airport (ANC) is No. 2 in the North America for landed cargo throughput
- ANC is No. 6 in the world for cargo throughput
- ANC serves 5 million passengers served annually
- 1 in 10 jobs in Anchorage directly or indirectly related to ANC

[Click Here to learn about Anchorage's Airport Advantage](#)

**ANC to:** Seoul, Hong Kong, Shanghai

**What's happening in Alaska?**

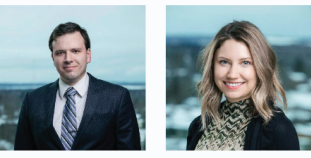
**Unlocking Alaska's energy potential** - The opening of ANWR's 1002 area bodes well for the future of Alaska's energy extraction and production industry. [Read more](#)

143 bids, \$2.4 billion in oil and gas lease sales - Today's results were stronger than we expected. On state lands, companies have already leased many of the available tracts. And yet for what acreage was available, we received extremely competitive bids. This indicates that companies are interested in exploring in Alaska. [Read more](#)

**Alaska, connecting the U.S. to Asia** - UPS International President Jim Barber told an Anchorage group the right thing for his first trip to Alaska had come for a number of reasons, including the hub's expanding importance in connecting to China and Asian-Pacific communities. [Read more](#)

**Mining exploration expands in Alaska** - The Icy Cape prospect is a long stretch of coastline about 75 miles northwest of Valdez in Southeast Alaska owned by the trust at the entrance of Icy Bay that appears to hold world-class deposits of several heavy minerals. [Read more](#)

**Need Assistance? We're here for you.**



For assistance with logistics, including Bio-Appel and Port, contact Will Rizzo, Logistics Business Development Director at [wrizzo@aedsweb.com](mailto:wrizzo@aedsweb.com) or (907) 264-1207

For general business assistance or questions, contact Emma Kelly, Business & Economic Development Director at [ekelly@aedsweb.com](mailto:ekelly@aedsweb.com) or (907) 244-1210

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Want to change how you receive these emails?  
You can update your preferences or unsubscribe from this email.

[MailChimp](#)

**Project Name:** Business Attraction E-news

**Project Lead:** Emma Kelly

**Date:** Ongoing

**Description:** A new email newsletter tailored to the needs of commercial site selectors, the AEDC Business Attraction E-news spotlights real estate opportunities, demographic characteristics and emerging windows of opportunity within the Anchorage workforce, with content specially curated to attract new companies to Anchorage. The first newsletter covered emerging opportunities within Anchorage's retail sector, opportunities connected to a proposed Alaska Liquefied Natural Gas project and extra capacity at the Port of Alaska; the second newsletter covers burgeoning local workforce development initiatives and increasing activity -- and opportunities -- along the North Slope. With a preliminary 22.6 percent open rate, the newsletter already performs nearly two percent above the industry average.

**Project Name:** "Pop-Up" Anchorage

**Project Lead:** Emma Kelly

**Date:** March - November 2017

**Description:** In Q4, AEDC completed a case study of the entrepreneurial resources available for minorities, immigrants and refugees in the Municipality of Anchorage, including a set of recommendations to address barriers going forward. After exploring possibilities for a pop-up retail program similar to that of REVOLVE Detroit, AEDC concluded Anchorage currently lacks the foundational infrastructure, specifically technical assistance and microlending, to enact such a program.

**Project Name:** Business Confidence Index Survey

**Project Lead:** Emma Kelly

**Date:** Annual

**Description:** An annual survey tracking the local business community's impression of the Anchorage economy. In Q4 2017, AEDC received confidential feedback from more than 330 local organizations.

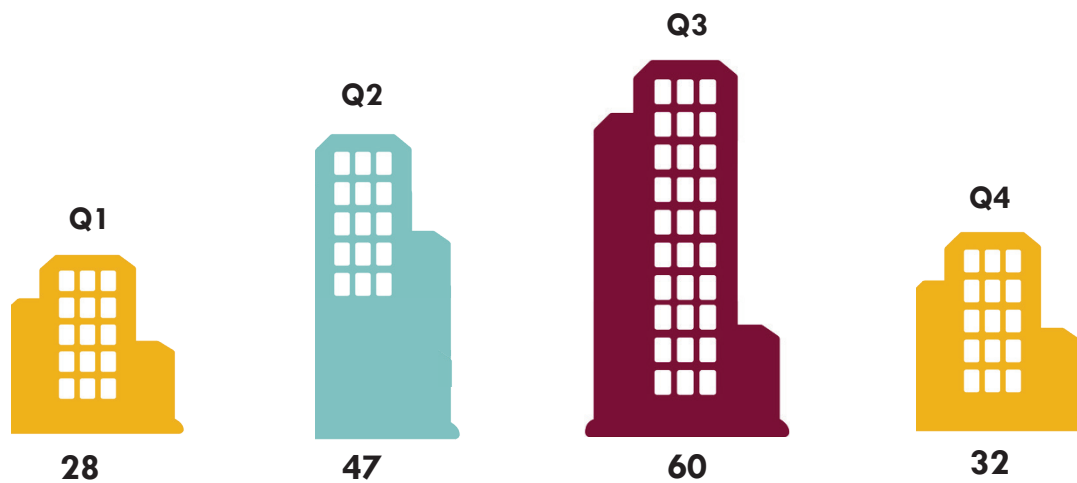
**Project Name:** Cost of Living Index

**Project Lead:** Emma Kelly

**Date:** Quarterly

**Description:** In Q4, AEDC conducted data collection for the Cost of Living Index. This quarterly project tracks the price of goods to provide a comparison of key consumer costs in cities across the nation.

## Businesses assisted by AEDC in 2017



## AIRPORT-RELATED BUSINESS DEVELOPMENT

**Project Name:** AeroNexus Project: Japanese Automotive & Electronics Multinational

**Project Lead:** Will Kyzer

**Date:** Oct. 5, 2017

**Description:** Following a series of teleconferences, AEDC delivered an investment proposal to a large Japanese corporation with diverse holdings in automotive, commodities, electronics and logistics. This proposal detailed a comprehensive business case for investing in Anchorage, focused on the city's air cargo advantages. The proposal is under review.

**Project Name:** Investment Attraction: South Korean Food & Entertainment Company

**Project Lead:** Will Kyzer

**Date:** Oct. 10, 2017

**Description:** AEDC was contacted by a South Korean company interested in establishing a bottled water plant in Alaska. AEDC compiled a substantial amount of research for the firm and arranged a joint meeting with AIDEA. While the data provided was appreciated, the company insisted that significant tax incentives must be available for the project to be possible.

**Project Name:** Local Business Development: Airport Sleeping Pods

**Project Lead:** Will Kyzer

**Date:** Nov. 30, 2017

**Description:** AEDC assisted a local entrepreneur looking to establish a sleeping pod facility at ANC. While ANC is currently unable to host sleeping pods due to Federal restrictions on ANC's terminal usage, AEDC has proposed several privately-owned sites near ANC for the entrepreneur's consideration.

## DEVELOPMENT

**Project Name:** 2017 Peterson Tower Holiday Party

**Project Lead:** Darleen Fernandez

**Date:** Dec. 13, 2017

**Description:** A very merry time was had by the more than 100 guests that stopped by the AEDC offices during the annual Peterson Tower Holiday Party. New Investor Main Event Catering provided fine fare, Newcity Entertainment DJ'd the event, Live.Work.Play. raffle winners Ed Ulman, Mara Kimmel and Anand Vadapalli were delighted with their winnings, and to make sure things didn't get too lively, four Anchorage Downtown Partnership Security Ambassadors staffed building front doors and circulated throughout all participating floors. Overall, eight companies in the building participated in this year's festivities.

**Project Name:** January Cycle Investor Renewal Billing

**Project Lead:** Darleen Fernandez

**Date:** July 1, 2017

**Description:** One hundred eighteen (118) invoices for Annual Investment January cycle membership dues were prepared and mailed.

**Project Name:** 2018 Economic Forecast Luncheon

**Project Lead:** Darleen Fernandez

**Date:** Jan. 31, 2018

**Description:** Sponsorship commitments for the 2018 Anchorage Economic Forecast Luncheon were solicited and secured through December 31. Sponsorship efforts were scheduled to continue through January followed by event planning including logistics, volunteer recruitment and centerpiece and gift bag assembly.



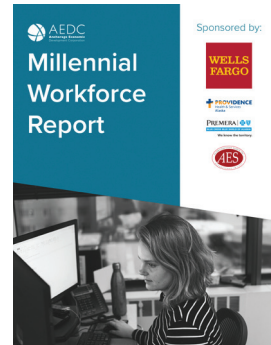
# RESEARCH

**Project Name:** AEDC Reports

**Project Lead:** Sean Carpenter

**Date:** October - December 2017

**Description:** In Q4, AEDC released two reports covering employment data and consumer confidence. Reports were published online and distributed via e-newsletters, social media and live events. Research was also conducted for several additional reports that were released in early 2018, including the annual Business Confidence Index, the 2018 Economic Forecast Report and the Millennial Workforce Survey.



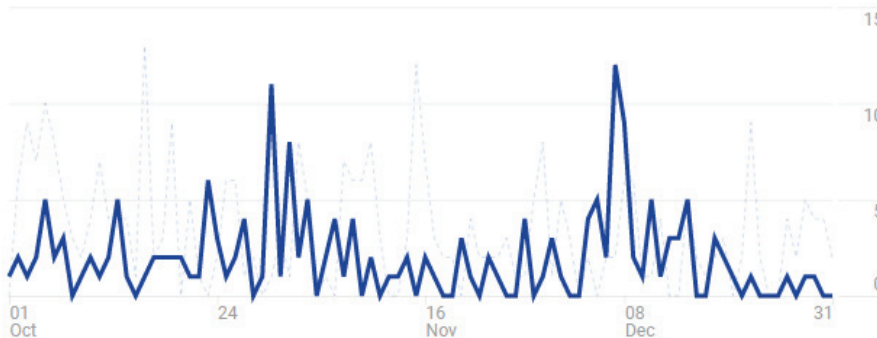
**Project Name:** AnchorageProspector.com

**Project Lead:** Sean Carpenter

**Date:** Ongoing

**Description:** Anchorage Prospector continues to develop, offering vital data to businesses considering Anchorage investments. In Q4 of 2017, Anchorage Prospector served 155 users over 194 sessions. At approximately two minutes, the length of time visitors spend on the site has increased, while the bounce rate -- the percentage of visitors who leave the site after viewing only one page -- has decreased by nearly 72 percent in Q4, which is a fantastic development.

Visitors continue to come from a variety of sectors -- from utilities to large educational institutions to small businesses other economic development entities -- and they're spending an increasing amount of time on the site.



Above: Q4 visitor traffic for AnchorageProspector.com

## LIVE. WORK. PLAY.

**Project Name:** Internship Playbook

**Project Lead:** Moira Gallagher

**Date:** Nov. 15, 2017 - Jan. 31, 2018

**Description:** Facilitated through the Workforce Development Area of Focus, the inaugural Internship Playbook is a comprehensive guide for organizations to develop or enhance their internship programs -- which will provide both students and companies with valuable educational experiences. More robust internship programs would create more opportunities for companies to hire young Alaskans, which in turn would mean that more young Alaskans would stay in state.

**Project Name:** Millennial Workforce Survey

**Project Lead:** Moira Gallagher

**Date:** 2017-2018

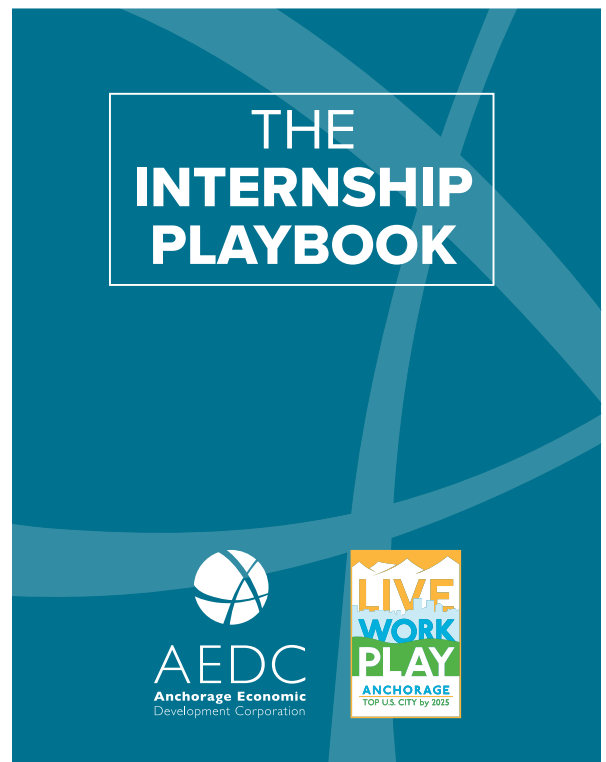
**Description:** As a contract with sponsors Wells Fargo, Providence, Premera and Alaska Executive Search, AEDC conducted the first-ever Millennial Workforce Survey -- an online survey of individuals living in Anchorage who were born between 1980-2000. Open through the month of October, the survey asked respondents about their workplace priorities and motivating factors influencing where they chose to live and work. An Executive Summary was provided to the four corporate sponsors of the report, and the full survey report has been drafted and will be released in February 2018.

**Project Name:** LWP Metrics

**Project Lead:** Connor Keesecker

**Date:** 2017-2018

**Description:** The LWP Metrics are the mechanism by which LWP tracks Anchorage's progress in becoming the number one city in which to live, work and play by 2025. In 2017, the due date for the metrics was moved to mid-December in order for the metrics be included in the latest issue of STRIVE magazine, distributed at the AEDC Economic Forecast Luncheon where the metric standings were presented.



**Project Name:** LWP First Friday

**Project Lead:** Moira Gallagher

**Date:** Nov. 3, 2017

**Description:** Held annually in the Anchorage Museum atrium, the November First Friday event showcases projects of the LWP initiative, in this case housing. Over 1,400 people attended and engaged with the exhibits about Accessory Dwelling Units, downtown housing development, and a 3D microapartment design exercise. Local media coverage of the event appeared on KTUU, KTVA, and in the Anchorage Press.





## LIVE. WORK. PLAY. CONTINUED



**Project Name:** Anchorage Cares Campaign

**Project Lead:** Moira Gallagher, community safety co-chairs

**Date:** 2016-2019

**Description:** Anchorage Cares is a public awareness campaign designed to reduce panhandling by deterring members of the public from giving directly to panhandlers while encouraging positive alternatives. In Q4 this project launched a 30-second social media ad highlighting a few of the statistics surrounding panhandling in Anchorage. Local motion artist Shelby Kulish worked with the AEDC Communications team. The video drew more than 10,000 views in the two weeks following its release in mid-December.



Above: Images from the Anchorage Cares educational video by Alaska-raised artist Shelby Kulish.

**Project Name:** LWP Raffle

**Project Lead:** Connor Keesecker

**Date:** July 27 - Dec. 13, 2017

**Description:** This annual Live. Work. Play. fundraiser raised more than \$23,000 to support LWP efforts around Anchorage. After kicking off in July, the raffle drawing was held on December 13 during the Peterson Tower Christmas Party, with winners receiving round-trip air tickets courtesy Delta Air Lines.



**Project Name:** Trails Initiative Wayfinding Project

**Project Lead:** Moira Gallagher

**Date:** 2017-2018

**Outcome:** A partnership between the Anchorage Park Foundation, Anchorage Parks & Recreation and the LWP Trails & Transit Area of Focus, this community trail improvement project continued its fundraising efforts throughout Q4.

The initiative aims to make local trails safer and more accessible by placing new maps, markers and locators along Anchorage's most popular trail systems. So far, more than \$175,000 has been raised to support sign installation and maintenance, including emergency locators aligned with the 911 dispatch system, enabling emergency responders to quickly find trail users in distress.

# Communications

## SNAPSHOT

<b>NEWS COVERAGE</b>	<b>SOCIAL MENTIONS</b>	<b>SOCIAL MEDIA</b>	 <b>6.3% YOY</b>	<b>E-NEWS</b>		
Q1 - 33	Q1 - 253	11,127			<b>SUBSCRIBERS</b>	
Q2 - 31	Q2 - 272	<b>FOLLOWERS</b>			Q4 '16	6,319
Q3 - 41	Q3 - 266				Q4 '17	8,137
Q4 - 34	Q4 - 257					

### Key projects worked on by the Communications Department during Q4:

- *January Luncheon* - Selling tickets, designing all materials/presentations, media planning and technical logistics
- *Millennial Workforce Survey* - Survey marketing and final report design
- *Anchorage Cares* - Media placement and campaign monitoring
- *Business Attraction E-News* - Launching the newsletter and continuing monitoring for feedback and new opportunities
- *Anchorage Comprehensive Economic Development Strategy* - Managing public comment process and draft report design

### Notable Media Coverage

- *Consolidated power - Petroleum News*
- *Anchorage utilities, mayor announce \$1B consolidation deal - Alaska Journal of Commerce*
- *MEA wants in as Chugach Electric, ML&P talk merger- KTUU 2 News*
- *Student count drops by more than expected at Anchorage School District - Anchorage Daily News*
- *A flex schedule, a good boss or working remotely: What does a perfect job look like?- KTUU 2 News*
- *Sullivan: Health care at a crossroads - Alaska Journal of Commerce*
- *Lake Hood keeps providing bang for the buck - Alaska Journal of Commerce*
- *Air Anchorage: Cargo a huge boon for Anchorage economy - Mat-Su Frontiersman*

## PUBLIC RELATIONS

PR Inquiries	Q1	Q2	Q3	Q4
Media Contacts	28	36	41	32
Presentations by staff	19	17	19	15

## WEBSITE

This quarter, there was a 22.3 percent increase in pageviews, and 4.71 percent decrease in time on page. This is most likely due to Forecast Luncheon ticket sales driving traffic to the website. The bounce rate decreased by 5.42 percent as well over the last quarter. During Q4 of 2017, to be implemented in Q1 of 2018, the Communications team will assess the past strategies used for the website and modify them in order for AEDC to better fulfill its mission by communication with its constituents - including investors.

## E-NEWSLETTERS

The three AEDC newsletter lists remain constant in terms of open rates and click rates. The investor list maintains a 21.6 percent open rate with a 3.7 percent click rate, and the Live. Work. Play. list maintains a 22.6 percent open rate with a 3.3 percent click rate. The non-profit average for open rates is 24.98 percent and the average click rate is 2.76 percent. AEDC's clickthrough rate is significantly higher than the non-profit average.

## Staff

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