

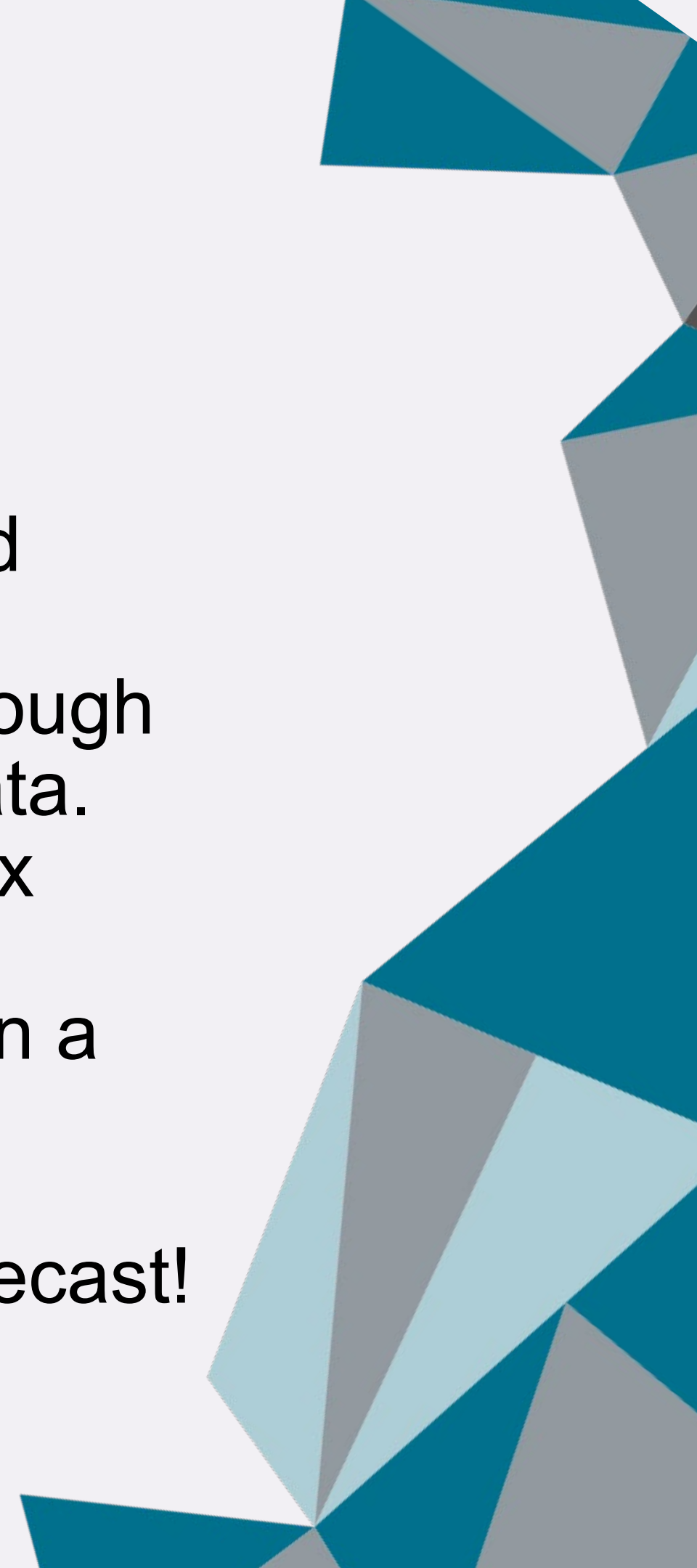
2020 AEDC ECONOMIC FORECAST




Bill Popp, President and CEO

TODAY'S PRESENTATION

- An overview of national and local population and demographic trends.
- A snapshot look at Anchorage's jobs market through employment and Real-Time Jobs Intelligence data.
- The latest Anchorage Consumer Optimism Index (ANCI) survey results.
- What is on the minds of local business leaders in a short review of the results of the AEDC annual Business Confidence Index (BCi).
- The main event - the AEDC 2020 Economic Forecast!



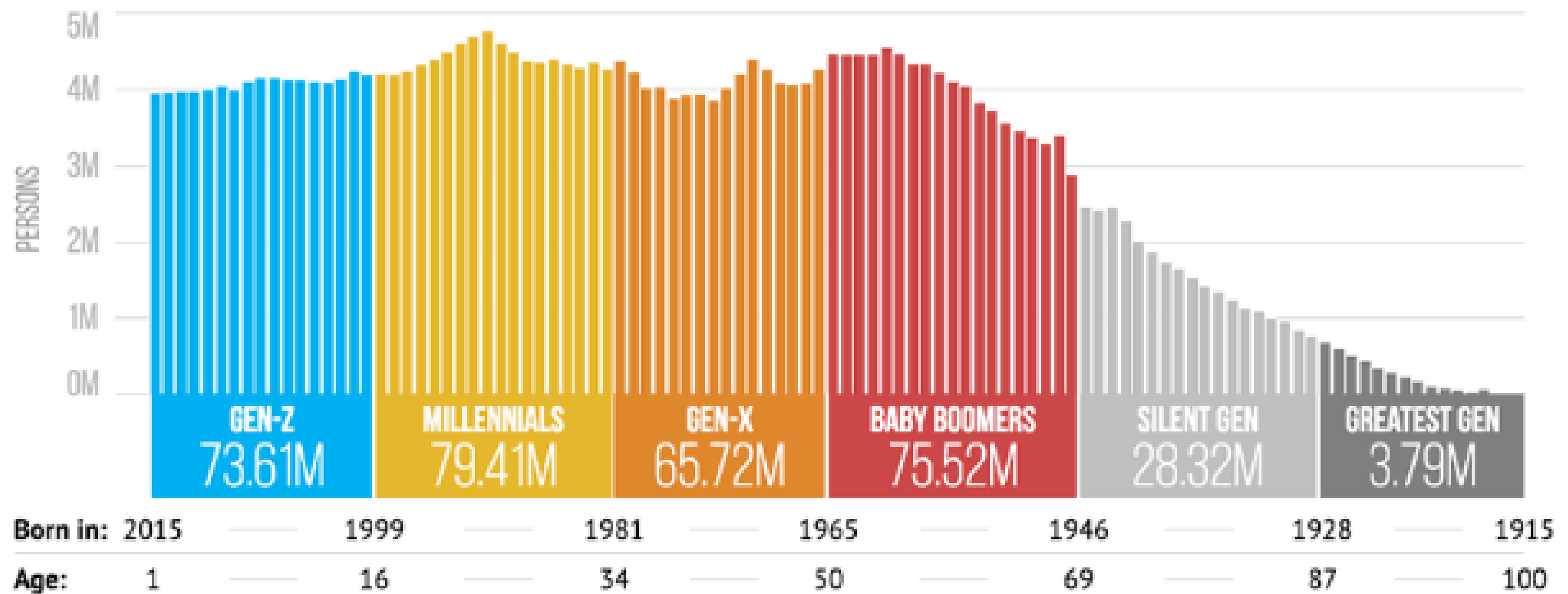


POPULATION AND DEMOGRAPHICS



Total US Population by Age and Generation

as of December 2015



Source: U.S. Census Bureau

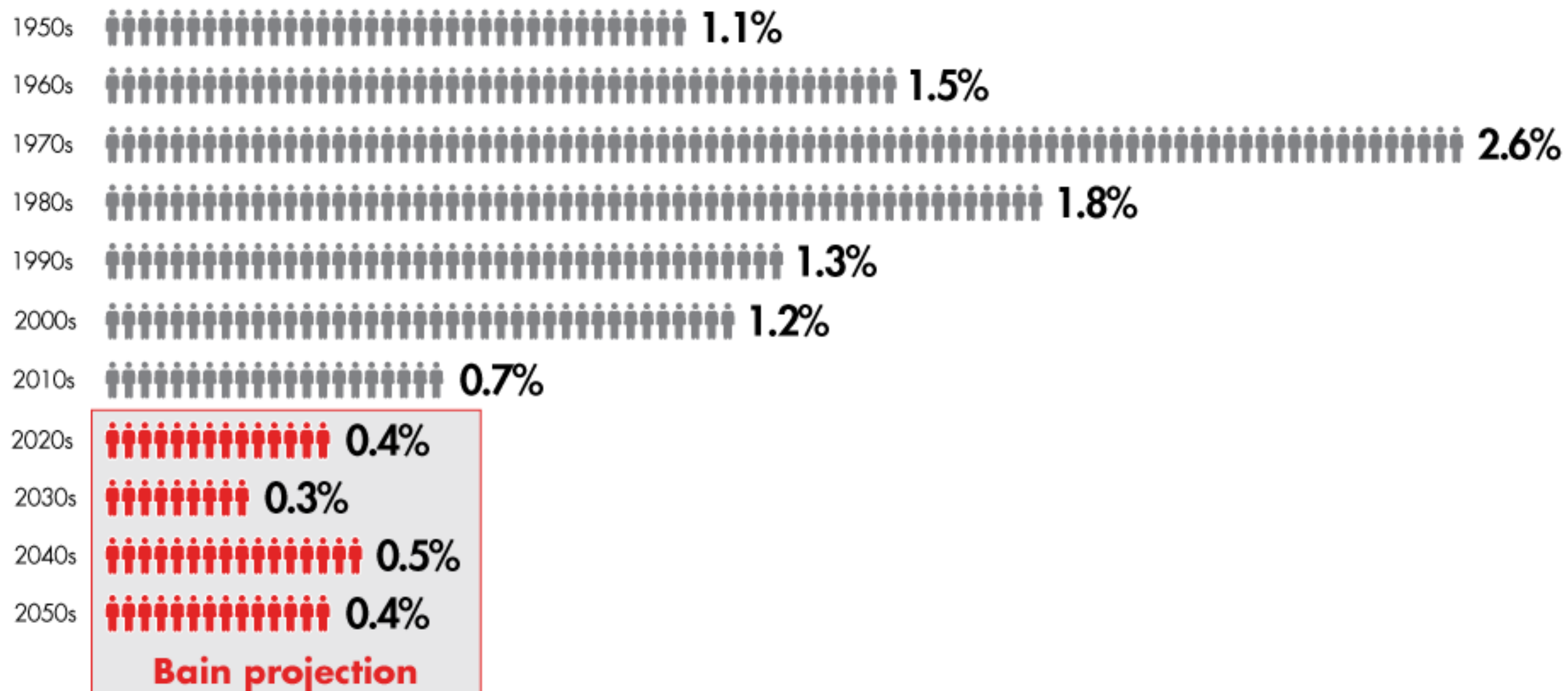




Figure 10

US labor force growth will remain low for the foreseeable future

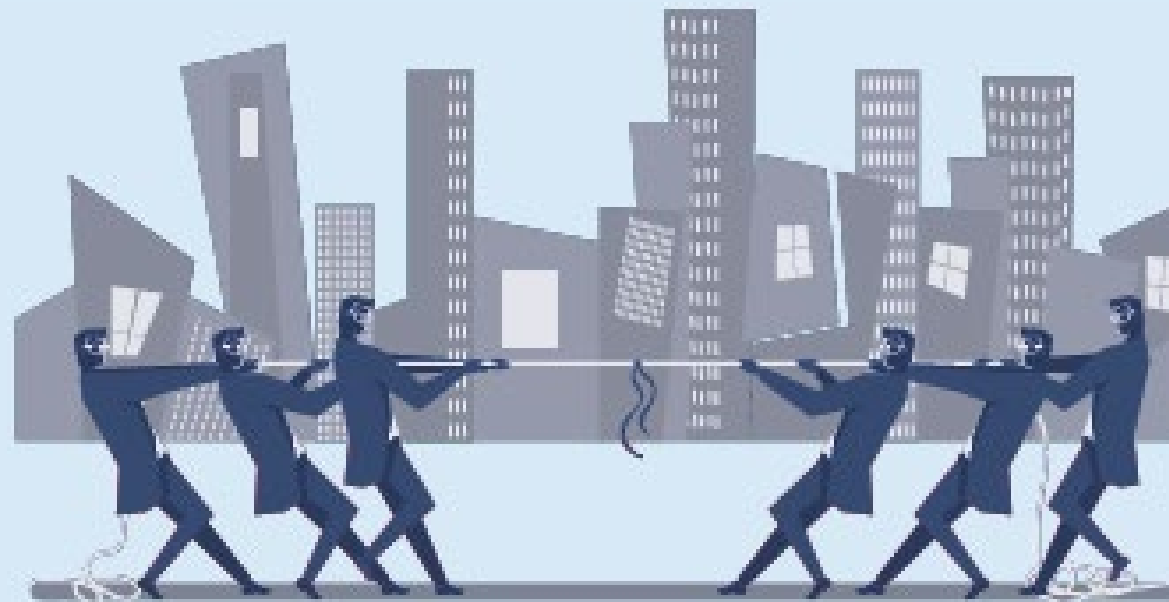
US labor force average annual growth, by decade



Sources: US Bureau of Labor Statistics; US Census Bureau; Bain Macro Trends Group analysis, 2017



TALENT WARS



WHAT PEOPLE LOOK FOR IN JOBS AND LOCATIONS



- **Workforce is migrating to communities that meet expectations for quality of life-**

"Because talented workers are mobile and in high demand, they often decide to live and work in communities with a high quality of place. Among 25- to 34-year-olds with college degrees, two-thirds look for a job after they choose the community where they want to live."

"Back to the City," Harvard Business Review. May 2017.

- **With growing labor shortages business investment is focusing on communities with growing labor pools-**

"Consequently, communities that incorporate placemaking initiatives into their economic growth strategies often manage to attract high-quality talent, leading to population growth, employment growth, and an expanding tax base."

"Chasing the Past or Investing in Our Future." Land Policy Institute, Michigan State University

AEDC Live.Work.Play. THREE-PRONGED PLAN

Downtown



- Very low resident population
- Large under-utilized areas
- Highest taxable values per s.f.
- Critical to future success of ANC

Chester Creek Greenbelt



- Connects neighborhoods from mountains to the sea
- Beloved but in need of significant investment

U-Med



- 40,000+ workers & students
- Budding center of innovation
- Missing key elements of a successful university district

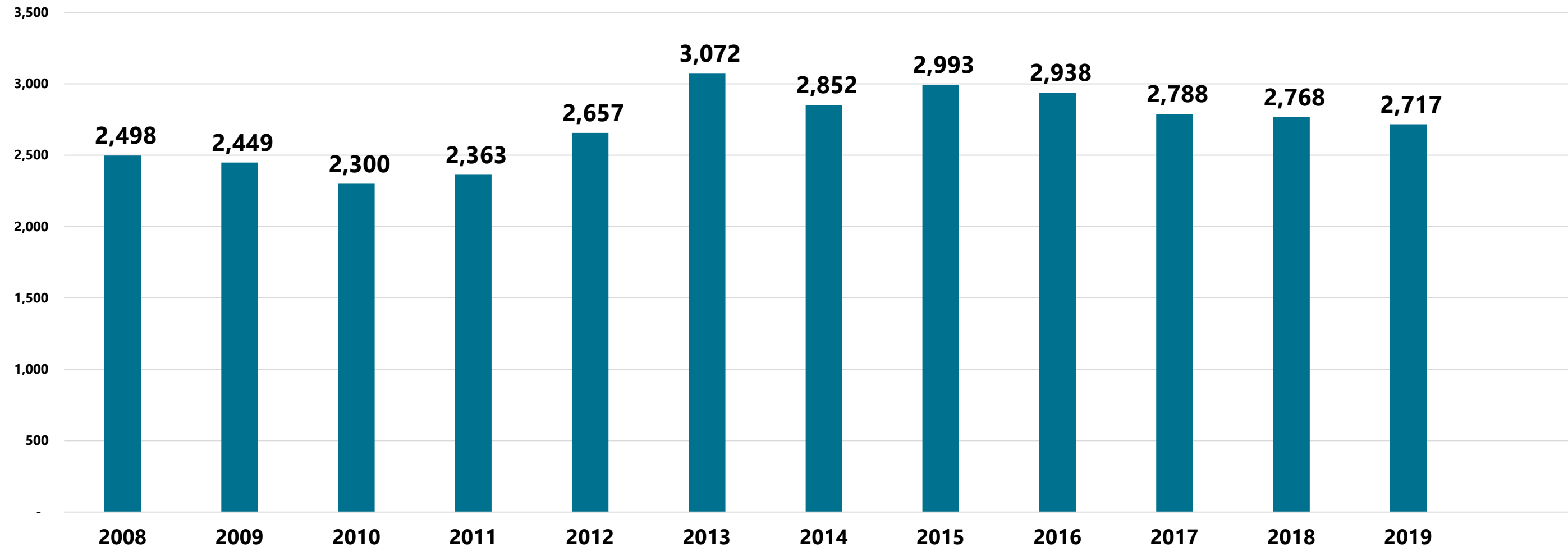
2019 HOUSING UPDATE

SPONSORED BY:



Anchorage Single Family Home Total Unit Sales

10- YEAR COMPARISON

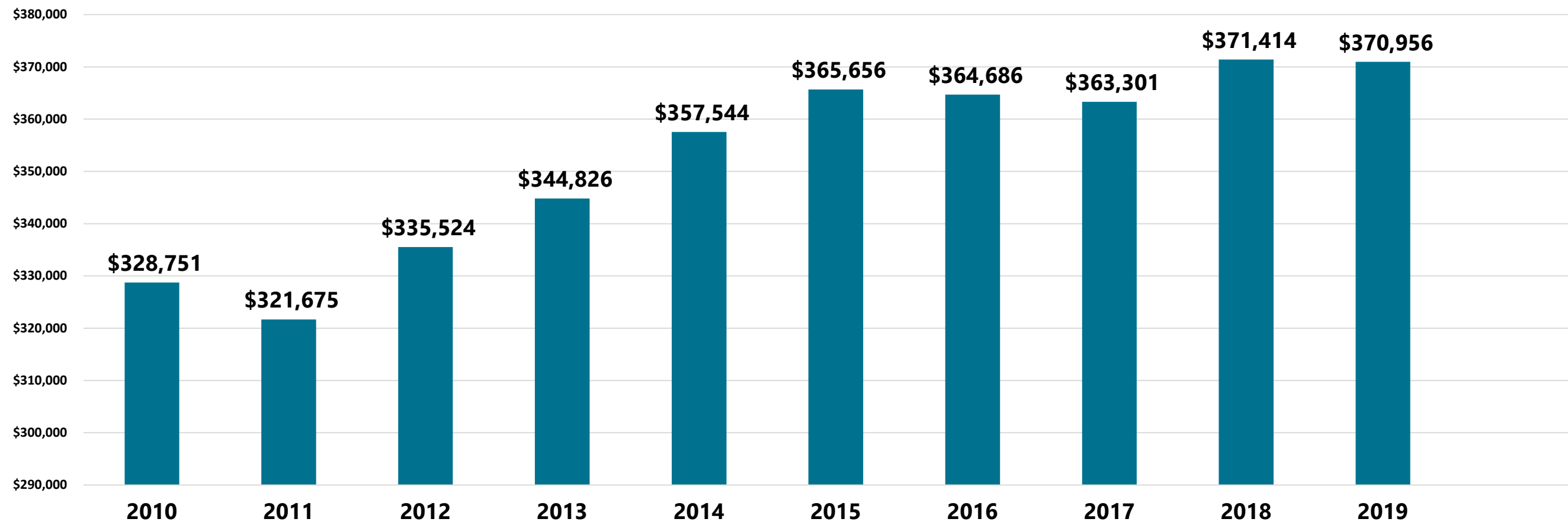


Sponsored By:



Anchorage Single Family Home Avg. Sale Price

10 YEAR COMPARISON



Sponsored By:



2019 JOBS UPDATE

SPONSORED BY:



2019 JOBS

-300 Jobs; -0.2%

5.1% Avg. Unemployment

Sponsored By:



All data sourced from the State of Alaska Department of Labor (January 2020).
2019 jobs data are based on preliminary estimates to be firmed up in June, 2020

2019 EMPLOYMENT NUMBERS

+400 Construction
+200 Prof. & Business Svcs.
+200 Leisure & Hospitality
+100 Oil & Gas
+100 Manufacturing



Sponsored By:



2019 EMPLOYMENT NUMBERS

FLAT

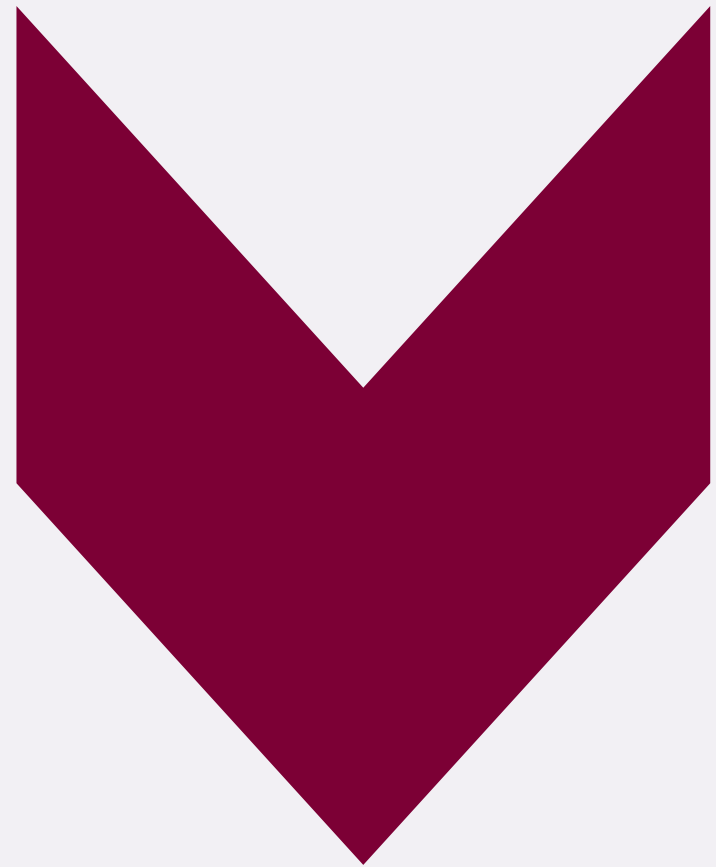


Wholesale Trade Federal Government

Sponsored By:



2019 EMPLOYMENT NUMBERS



- 400 Retail Trade**
- 200 Information**
- 200 State Government**
- 200 Local Government**
- 100 Health Care**
- 100 Trans/Warehouse/Utilities**
- 100 Financial Activities**

Sponsored By:



2019 YEAR-END REAL-TIME JOBS INTELLIGENCE REPORT

SPONSORED BY: **KeyBank** 

DATA SOURCED FROM: 
CHMURA
Economics & Analytics

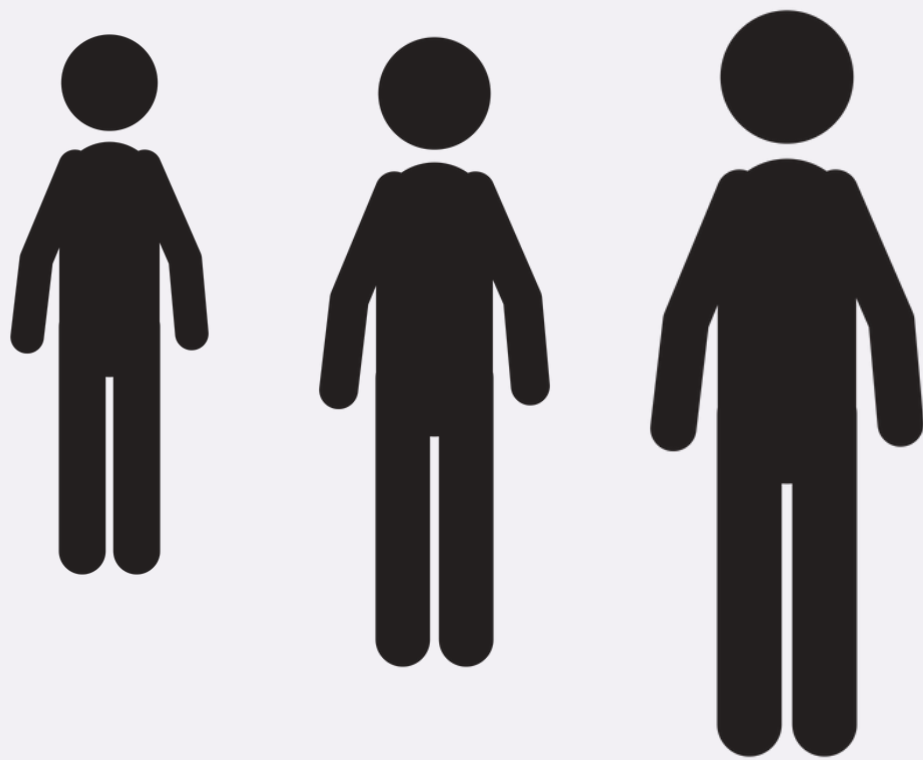
TOTAL 2019 ONLINE JOB POSTINGS

- 48,581** Job titles posted
- 6,586** Employers posting jobs
- 754** Different occupations represented
- 450** Different certifications sought

SPONSORED BY: **KeyBank** 

*Data represents the Anchorage MSA which includes Mat-Su Borough.

TOP TEN OPENINGS BY OCCUPATION



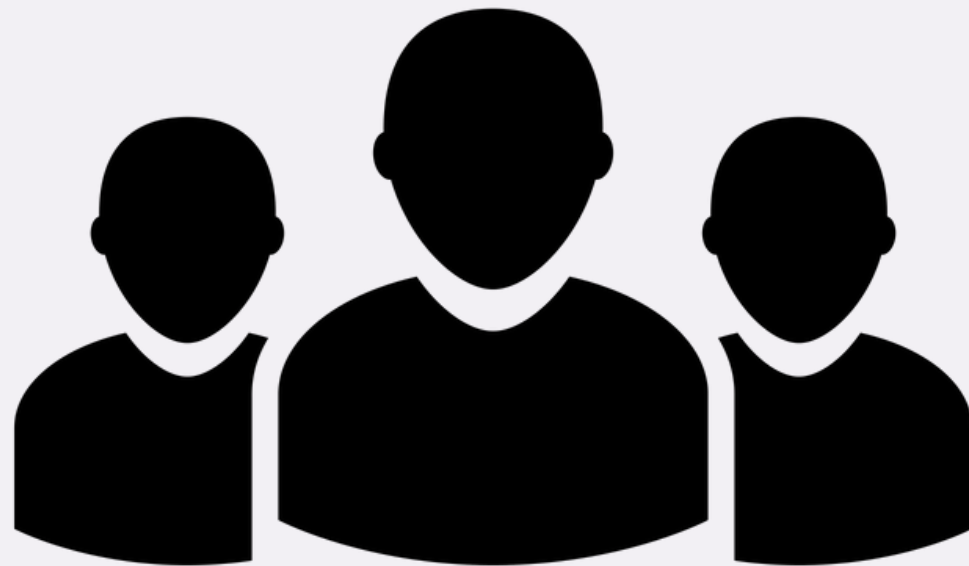
SPONSORED BY:



*Data represents the Anchorage MSA
which includes Mat-Su Borough.

- #1** Retail salespersons
- #2** Registered nurses
- #3** Secretaries & Admin. Assistants (ex. Legal, Medical & Executive)
- #4** Social & Human Services Assistants
- #5** Customer Service Representatives
- #6** First-Line Supervisors of Retail Sales Assistants
- #7** Computer User Support Specialists
- #8** Stock Clerks, Sales Floor
- #9** Maintenance and Repair Workers, General
- #10** Laborers and Freight, Stock, and Material Movers, Hand

TOP TEN EMPLOYERS IN ANCHORAGE



SPONSORED BY:



*Data represents the Anchorage MSA
which includes Mat-Su Borough.

- #1** Providence Health and Services
- #2** State of Alaska
- #3** The University of Alaska
- #4** Alaska Native Tribal Health Consortium
- #5** Municipality of Anchorage
- #6** Workplace Alaska
- #7** HCA (Alaska Regional Hospital)
- #8** The Anchorage School District
- #9** Lowes
- #10** Aramark Food and Support Services

CHANGE TRENDS

2018-2019

- **Total Job postings increased 1.5% from 2018**
 - **Job Postings for *Retail Salespersons* increased 7.6%**
 - **Job postings for *Registered Nurses* increased 10.9%**
 - **Job postings for *Social and Human Service Assistants* increased 8.6%**
 - **Job postings for *Computer User Support Specialists* increased 1.9%**
 - **Job postings for *Maintenance and Repair Workers* increased 10.7%**

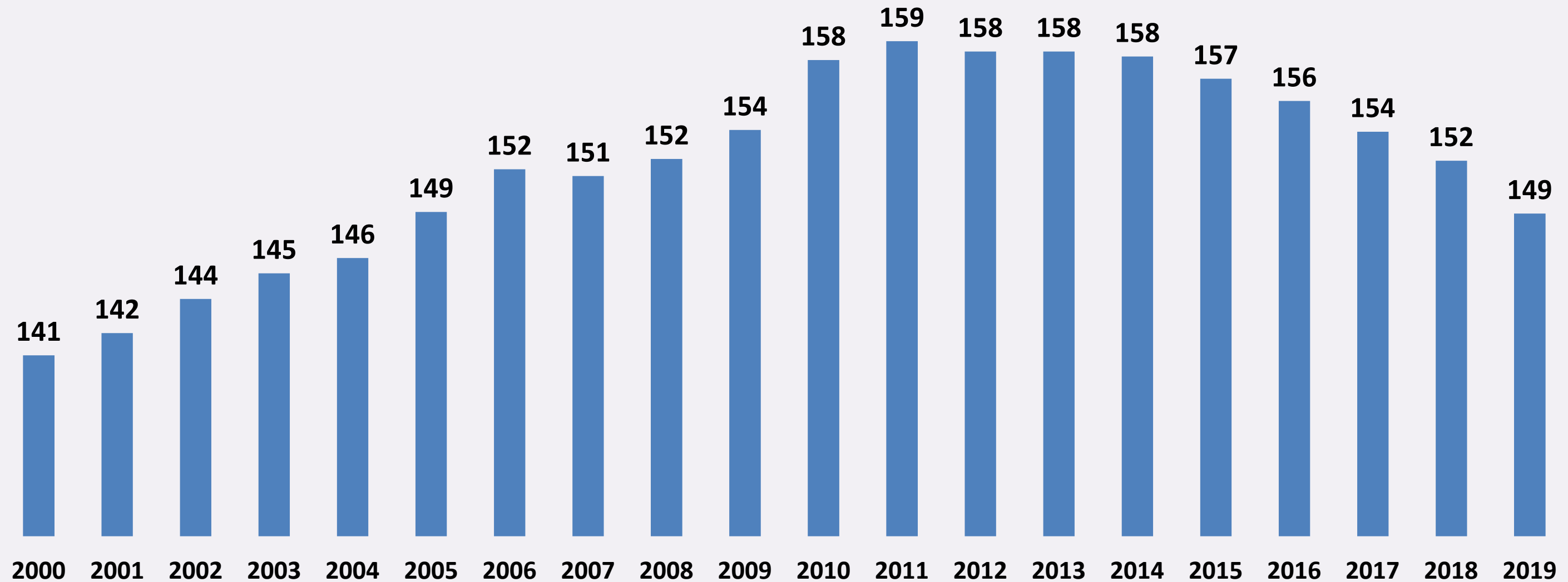
SPONSORED BY:



*Data represents the Anchorage MSA
which includes Mat-Su Borough.

LABOR FORCE TRENDS

Anchorage Average Labor Force (Thousands of People) 2000-2019



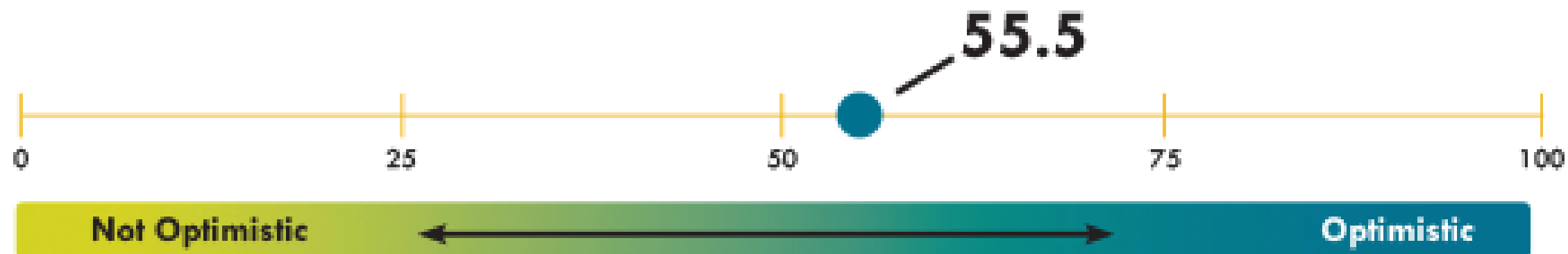
2019 Q4 ANCHORAGE CONSUMER OPTIMISM INDEX

COMPILED BY:



Anchorage Consumer Optimism Index

2019 Q4 55.5



Anchorage Consumer Optimism Index

Local Economy Confidence: 52.9

Personal Financial Confidence: 65.8

Future Expectations: 51.7

2020 BCI BUSINESS CONFIDENCE INDEX

SPONSORED BY:

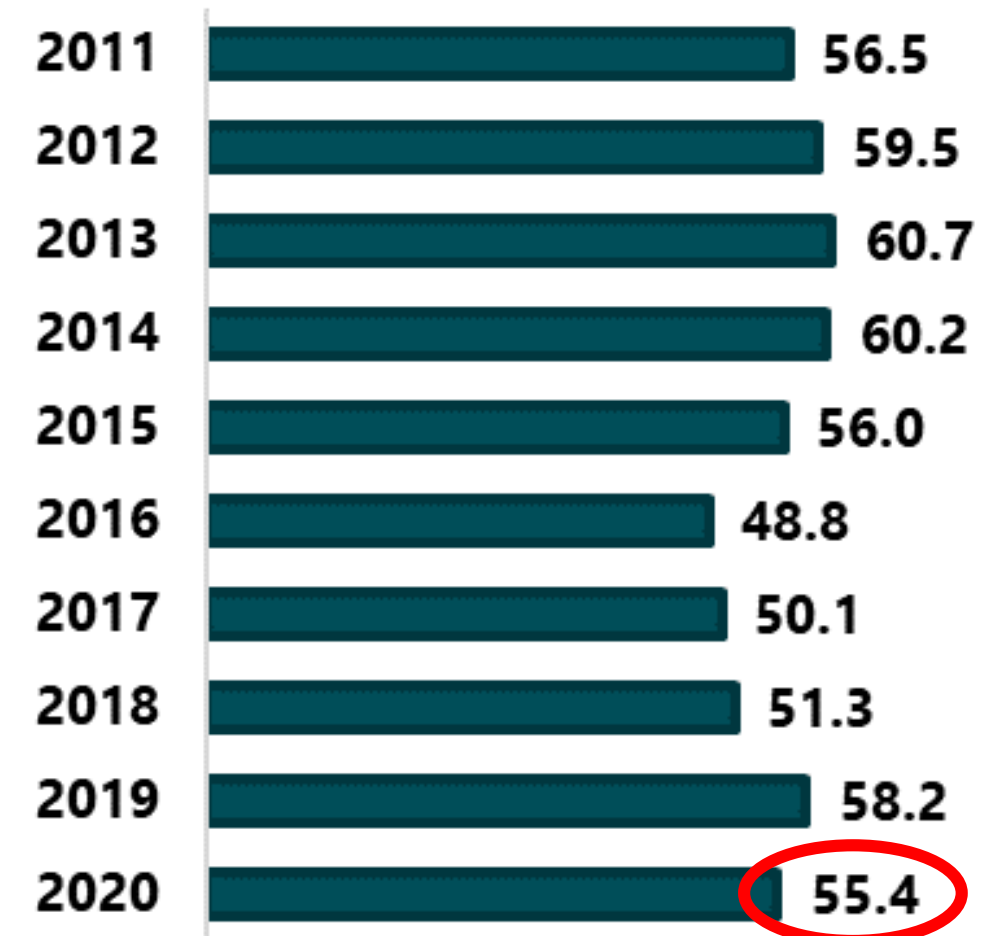


COMPILED BY:



2020 BCi

Composite Index



Sponsored By:



2020 BCI

Top 10 Barriers to Business Growth

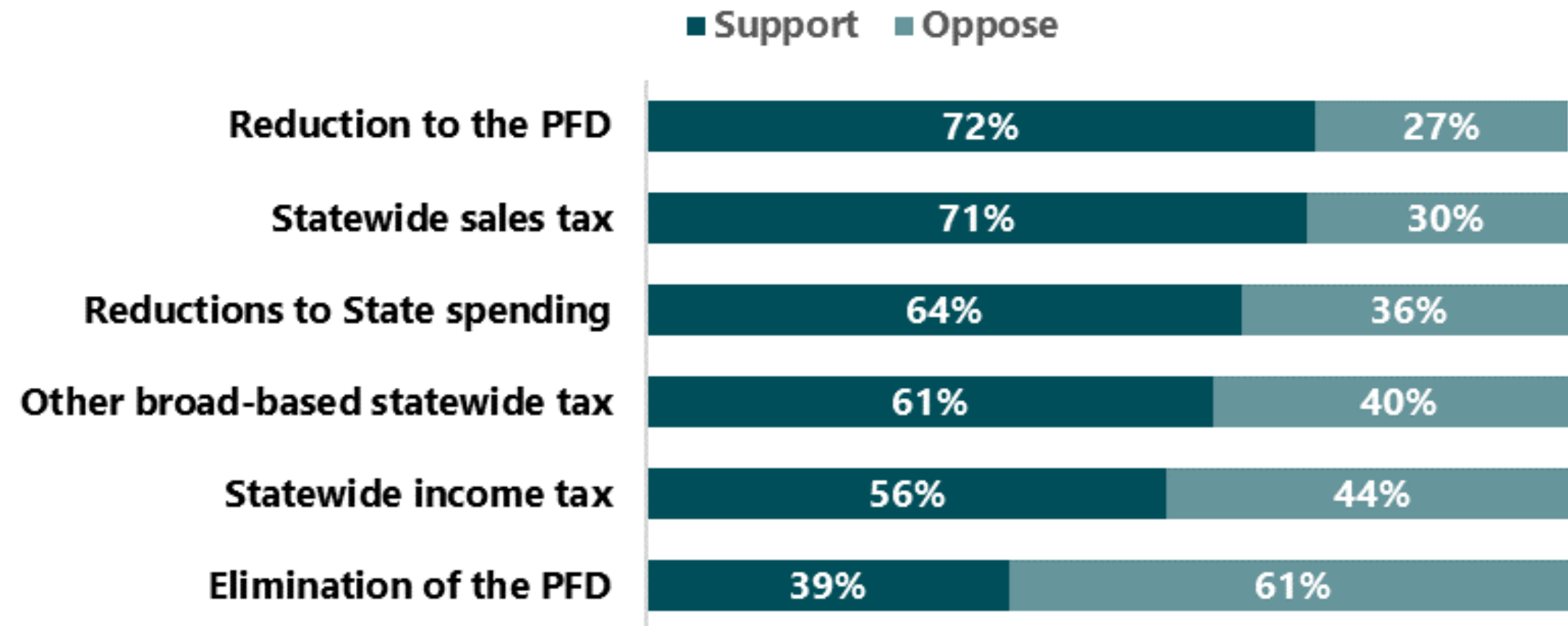


Sponsored By:



2020 BCI

State's Long-Term Fiscal Stability



Sponsored By:





2020 ECONOMIC FORECAST

SPONSORED BY:

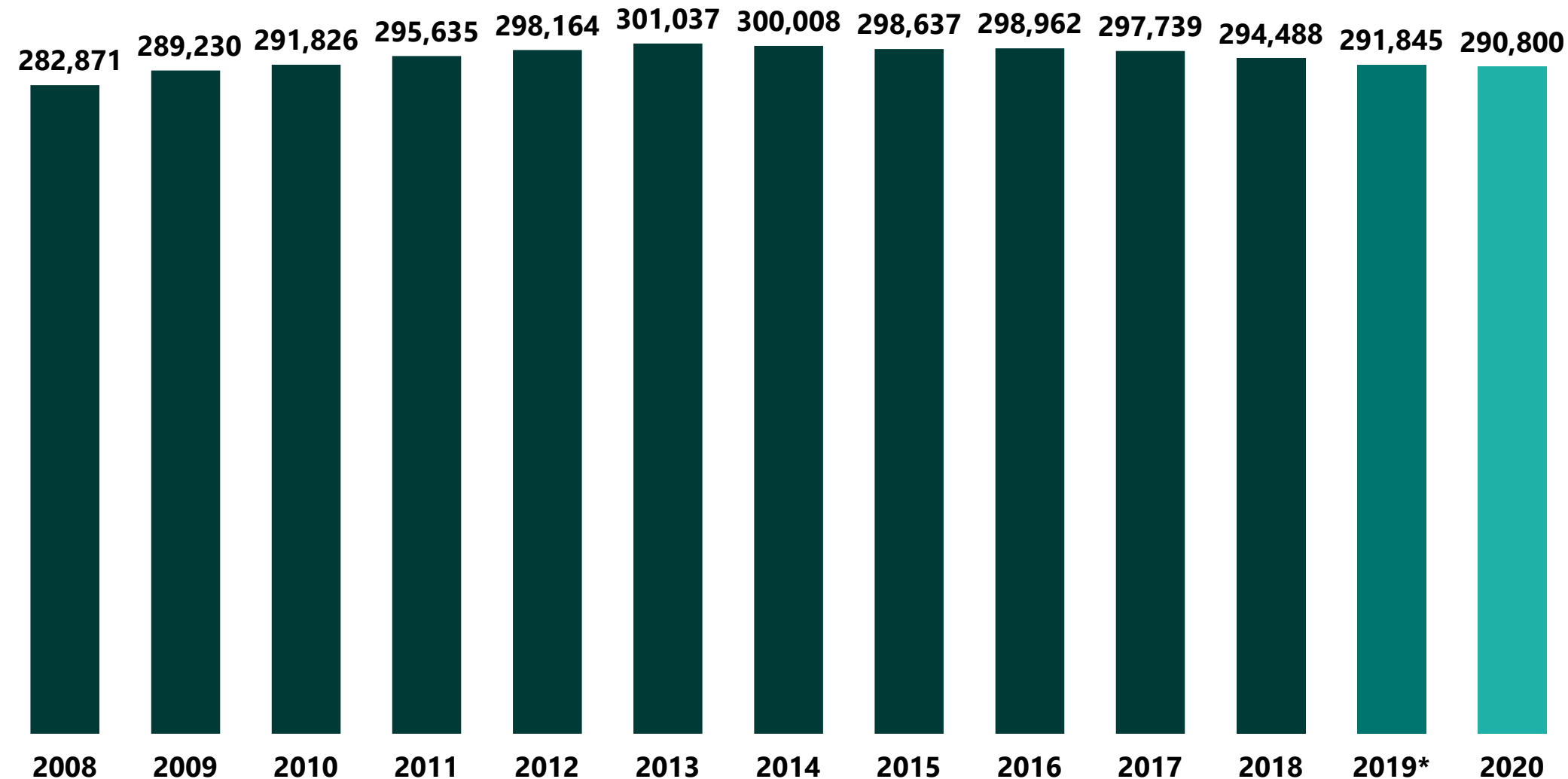


COMPILED BY:



ANCHORAGE POPULATION FORECAST

2008-2019; 2020 Forecast



1,000 projected loss in 2020

10,000+ net loss (-3.4%) since
2013 peak

20,000 loss to in/out of Alaska
Migration 2014 -2018

Sponsored By:



*Employment estimate is preliminary. All figures for calendar year based on monthly averages.
Source: Alaska Department of Labor and Workforce Development (2008-2018), McDowell Group (2019 and 2020).

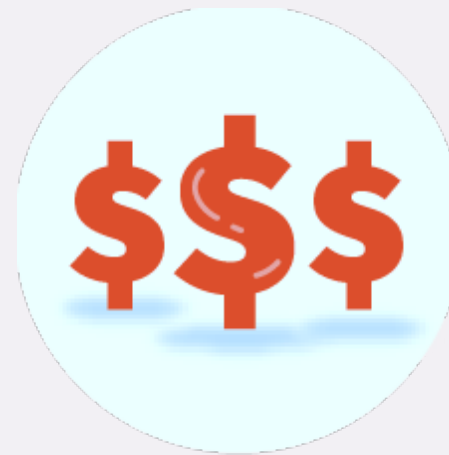
Why the Census matters for businesses

**\$3.2
BILLION**

of federal funding comes into
Alaska each year based on
census data



Data you need to plan and invest in communities across the state

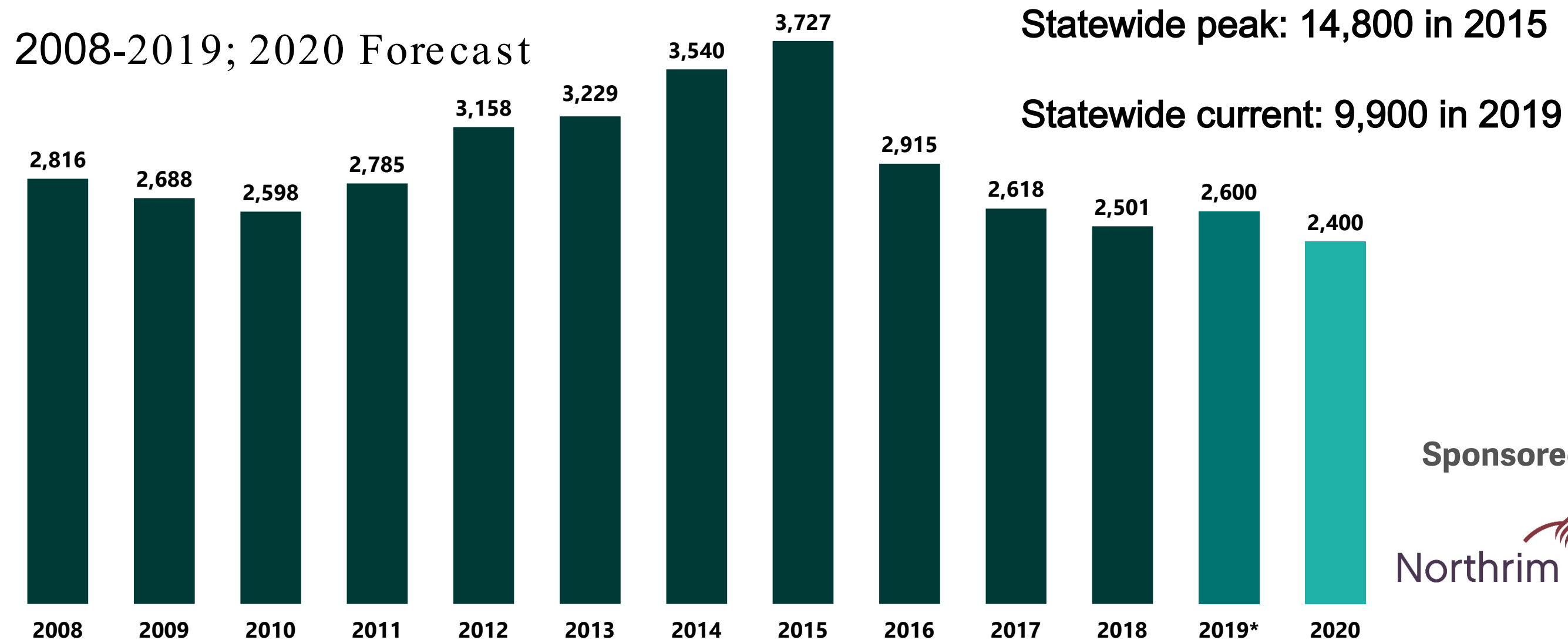


Direct funding for small businesses, through the Small Business Administration, business grants, and business loans



Funding for services that make Alaska a quality place to live & work, like police and fire, roads and airports, hospitals and schools

ANCHORAGE OIL & GAS EMPLOYMENT **-200**



*Employment estimate is preliminary. All figures for calendar year based on monthly averages.

Source: Alaska Department of Labor and Workforce Development (2008-2018 employment); McDowell Group (2019 and 2020 employment)



OneALASKA

STANDING TOGETHER

OneALASKA.com

Paid for by OneALASKA, Anchorage, AK. Chantal Walsh, chair, Nick Begich, Genevieve Bell, Gary Dixon, Jason Grenn, Crawford Patkotak, Bill Popp, Julie Sande, Jill Schaefer, John Sturgeon, Jodi Taylor approved this message. Top three contributors are ExxonMobil, Anchorage, Alaska, ConocoPhillips Alaska, Anchorage, Alaska and Hilcorp, Anchorage, Alaska.

Who is OneALASKA?



Chantal Walsh
Anchorage



Gary Dixon
Anchorage



Crawford Patkotak
Utqiagvik



John Sturgeon
Anchorage



Genevieve Bell
Fairbanks



Bill Popp
Anchorage



Jason Grenn
Anchorage



Julie Sande
Ketchikan



Nick Begich
Anchorage



Jodi Taylor
Anchorage



Jill Schaefer
Soldotna

OneALASKA



Opposition to Alaska's Fair Share Act

“That is the problem with ballot initiatives. They are statutes drafted by a small number of like-minded sponsors. If passed, the Legislature cannot touch them for two years. It’s a **‘take-it-or-leave-it’** lawmaking without the balanced review good legislation needs.”

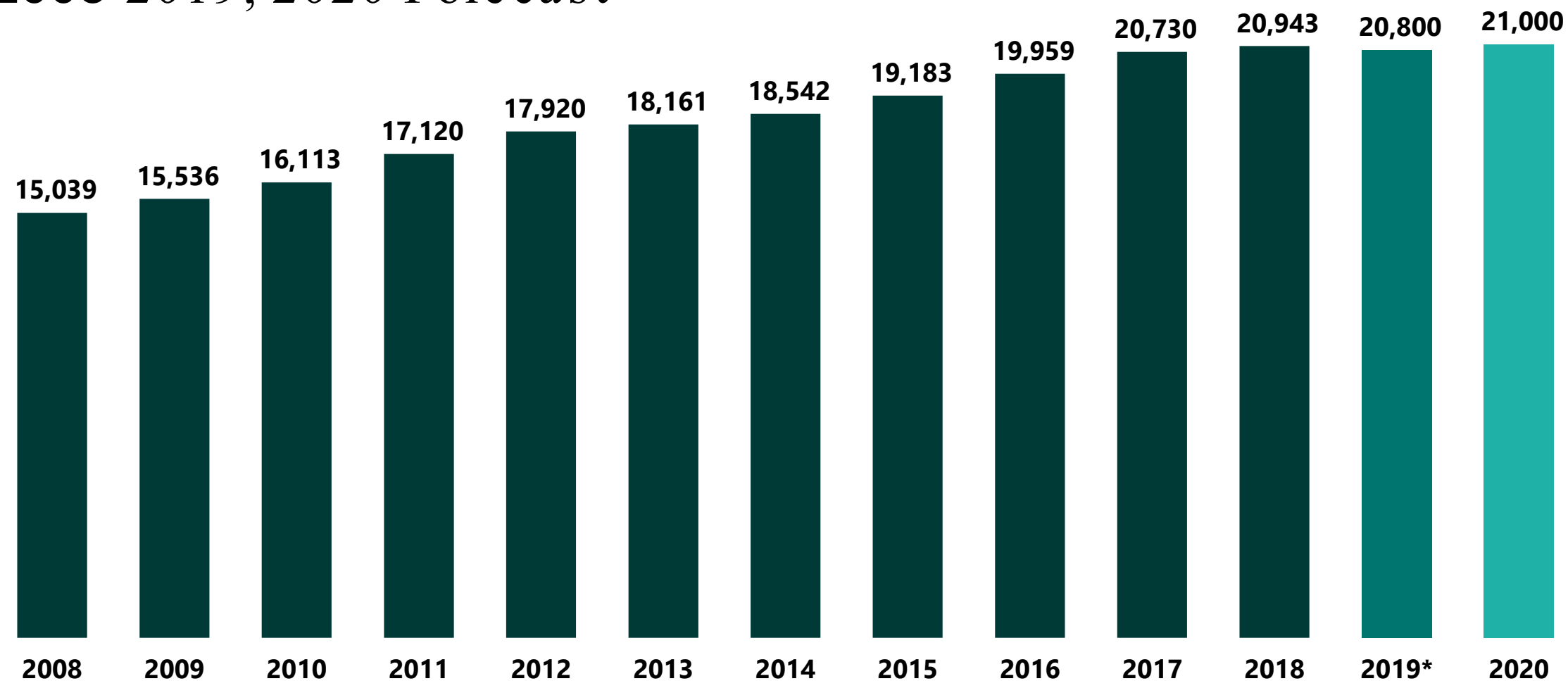
Roger Marks, Retired State Economist, Oct. 14, 2019

OneALASKA opposes the ballot initiative because:

- Goes too far & hurts Alaska's economy
 - Raises production taxes by over 300% at current prices
 - Higher Tax than ACES until \$110/Barrel
- Hurts jobs & Alaskan families – just as Alaska is coming out of a recession
- Ballot measure is wrong tool for complex oil tax policy

ANCHORAGE HEALTHCARE EMPLOYMENT +200

2008-2019; 2020 Forecast



Sector added 5,850 jobs (+39%) between 2008-2018

2nd largest employment sector

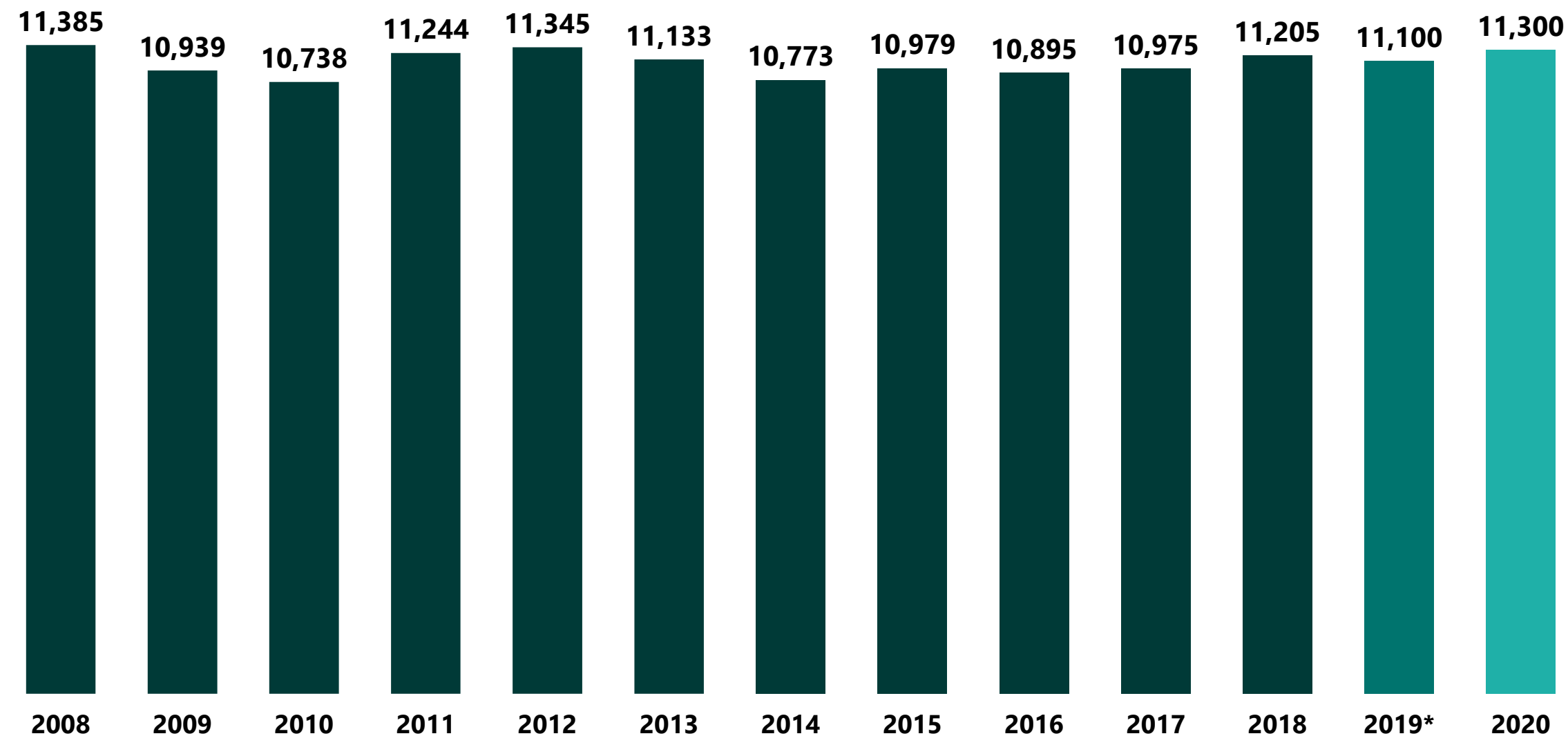
Sponsored By:



*Employment estimate is preliminary. All figures for calendar year based on monthly averages.
Source: Alaska Department of Labor and Workforce Development (2008-2018), McDowell Group (2019 and 2020).

TRANSPORTATION EMPLOYMENT

2008-2019; 2020 Forecast **+200**



Sponsored By:

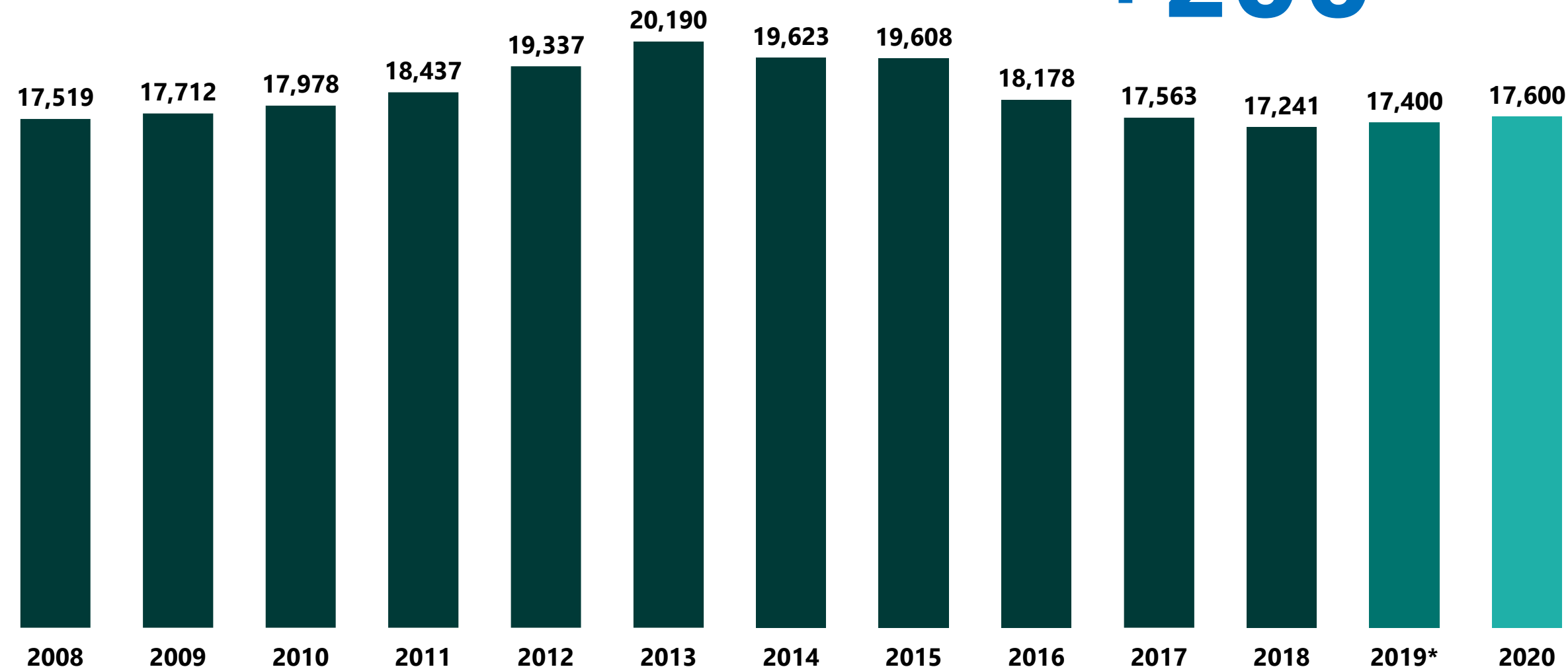


*Employment estimate is preliminary. All figures for calendar year based on monthly averages.
Source: Alaska Department of Labor and Workforce Development (2008-2018), McDowell Group (2019 and 2020).

ANCHORAGE PROFESSIONAL AND BUSINESS SERVICES

2008-2019; 2020 Forecast

+200



Sponsored By:

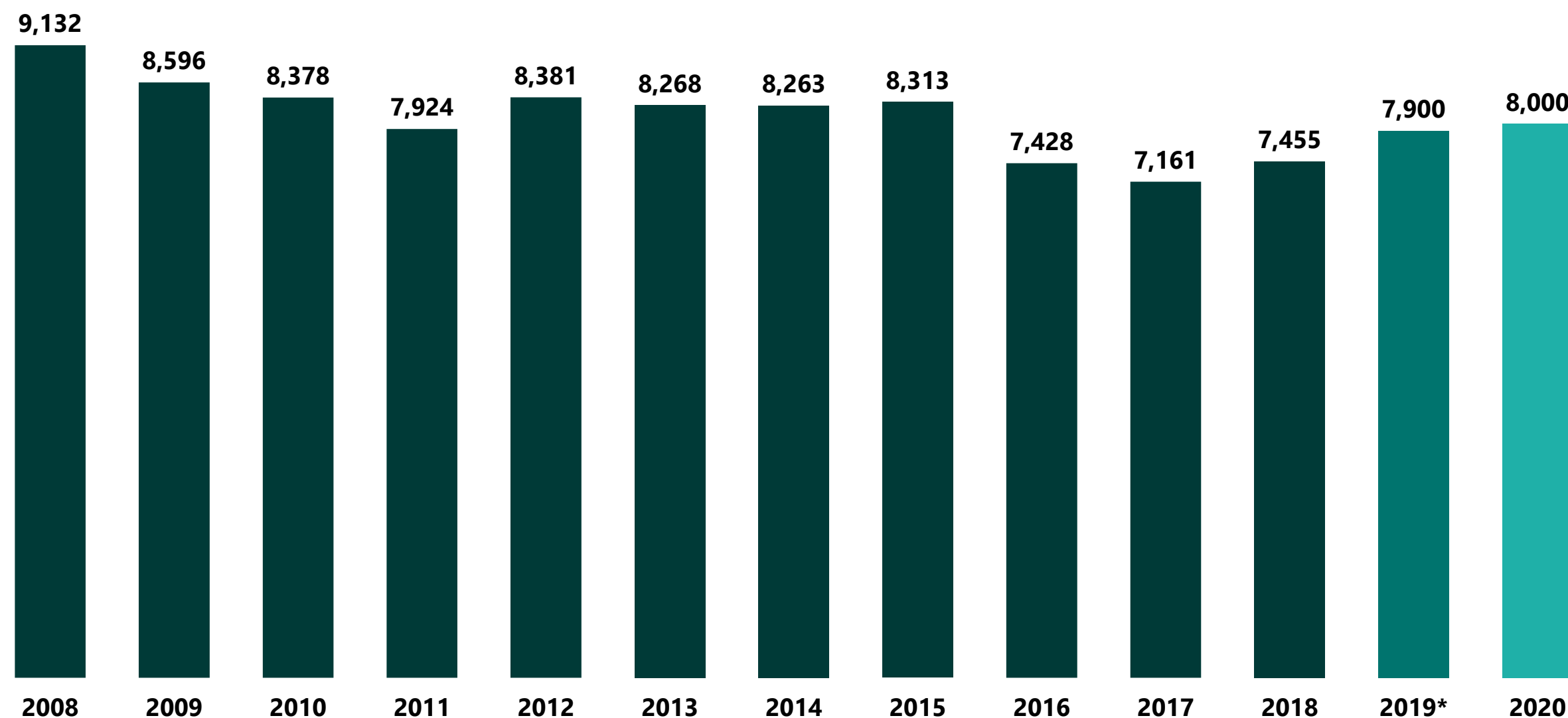
Northrim Bank®

*Employment estimate is preliminary. All figures for calendar year based on monthly averages.

Source: Alaska Department of Labor and Workforce Development (2008-2018), McDowell Group (2019 and 2020).

ANCHORAGE CONSTRUCTION EMPLOYMENT **+100**

2008-2019; 2020 Forecast



Sponsored By:



*Employment estimate is preliminary. All figures for calendar year based on monthly averages.

Source: Alaska Department of Labor and Workforce Development (2008-2018), McDowell Group (2019 and 2020).



NORTH EAST STREET VIEW



NORTH WEST PERSPECTIVE



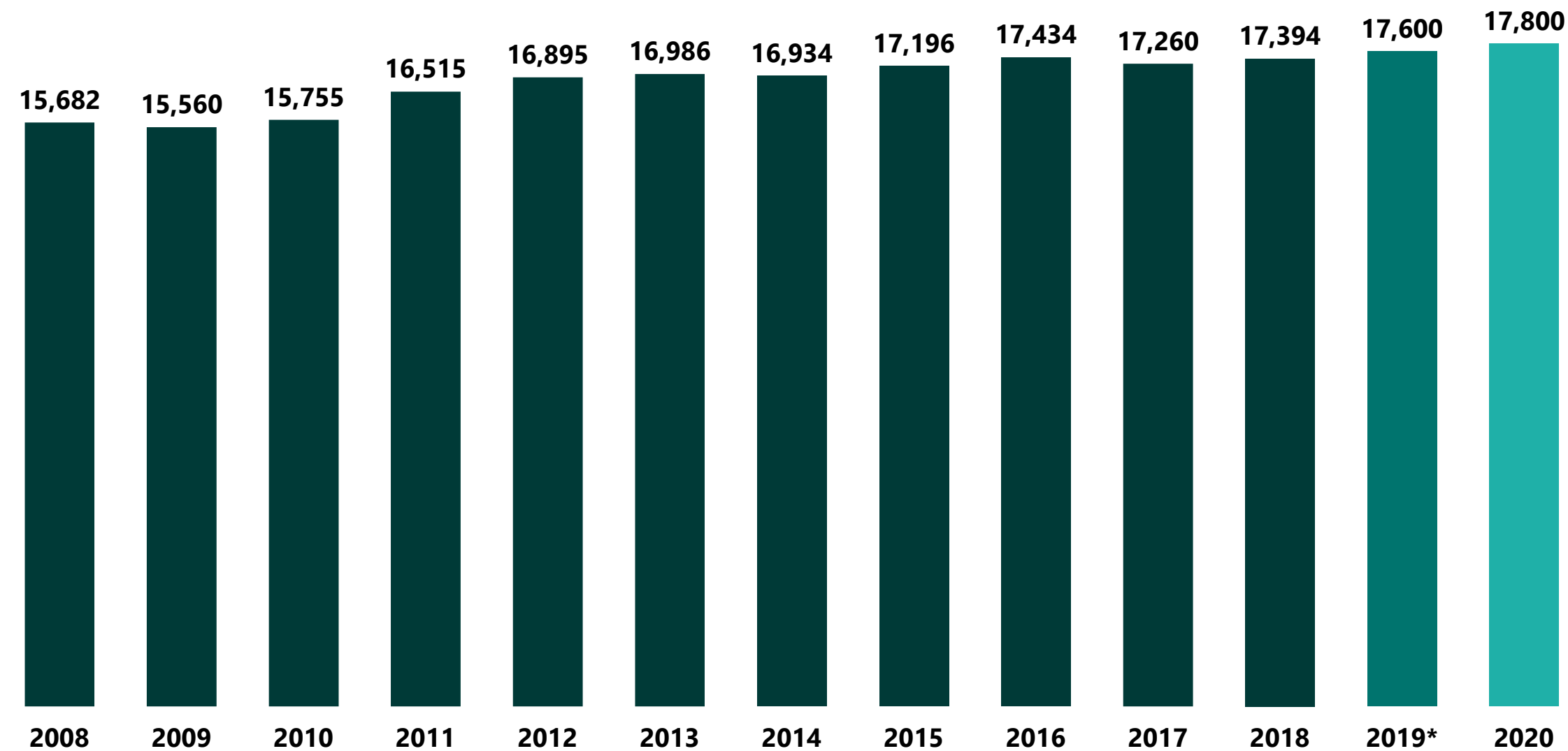
NORTH EAST PERSPECTIVE



Proposed Indigo Hotel Project

ANC LEISURE AND HOSPITALITY EMPLOYMENT

2008-2019; 2020 Forecast **+200**



Sponsored By:

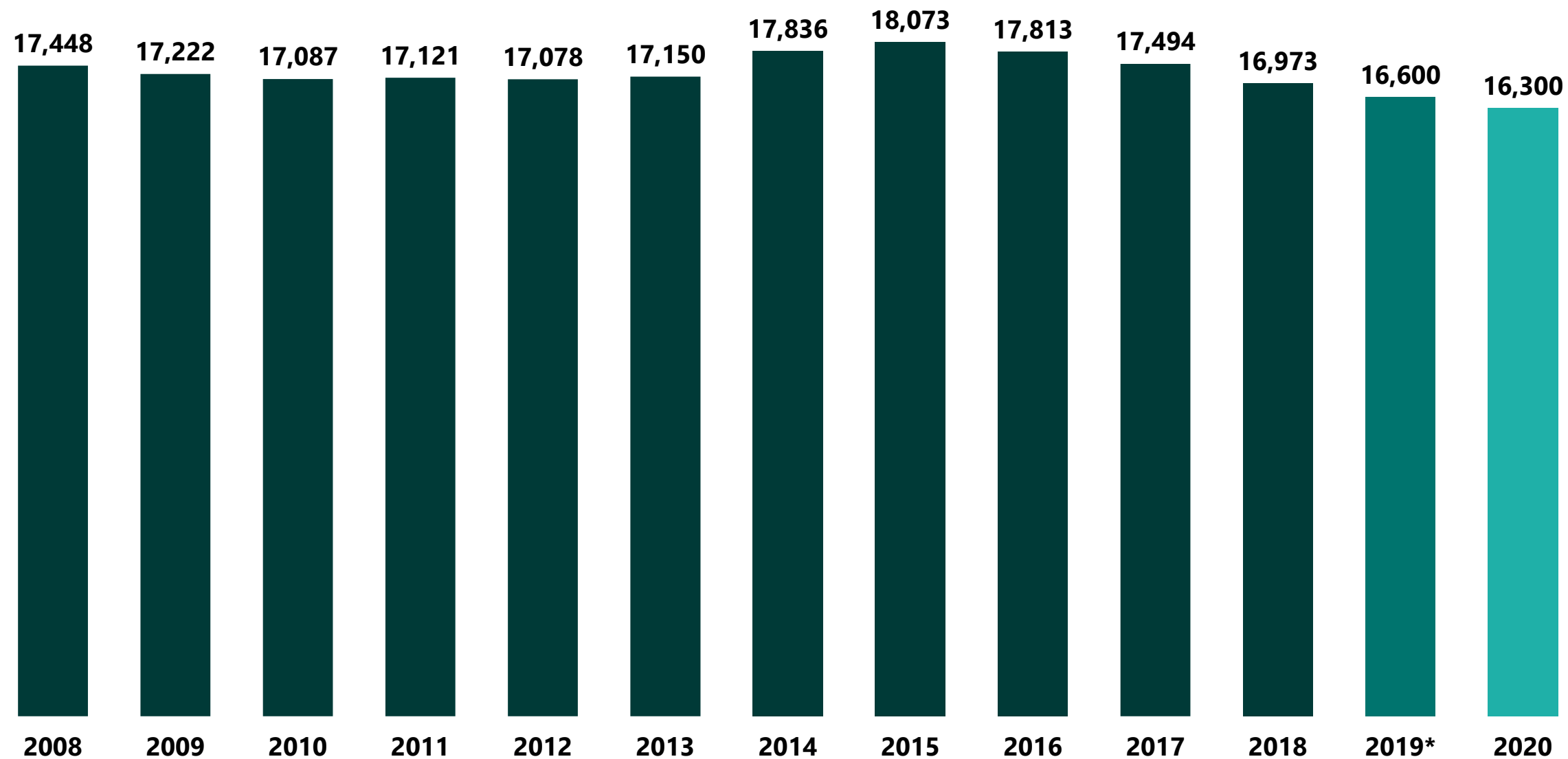


*Employment estimate is preliminary. All figures for calendar year based on monthly averages.

Sources: Alaska Department of Labor and Workforce Development (2008-2018), McDowell Group (2019 and 2020).

ANCHORAGE RETAIL TRADE EMPLOYMENT **-300**

2008-2019; 2020 Forecast



Sponsored By:

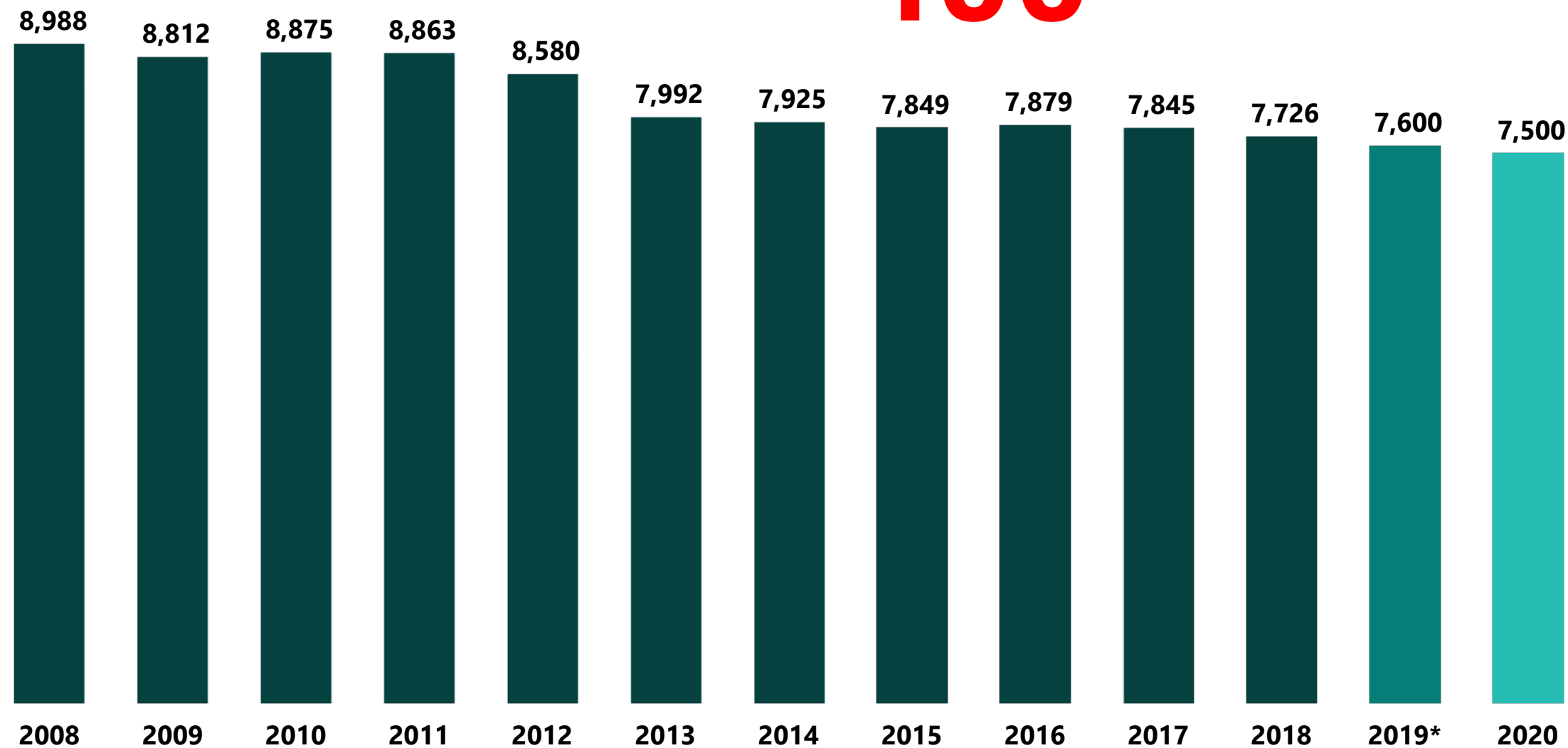
Northrim Bank®

*Employment estimate is preliminary. All figures for calendar year based on monthly averages.
Sources: Alaska Department of Labor and Workforce Development (2008-2018), McDowell Group (2019 and 2020).

ANCHORAGE FINANCIAL ACTIVITIES EMPLOYMENT

2008-2019; 2020 Forecast

-100



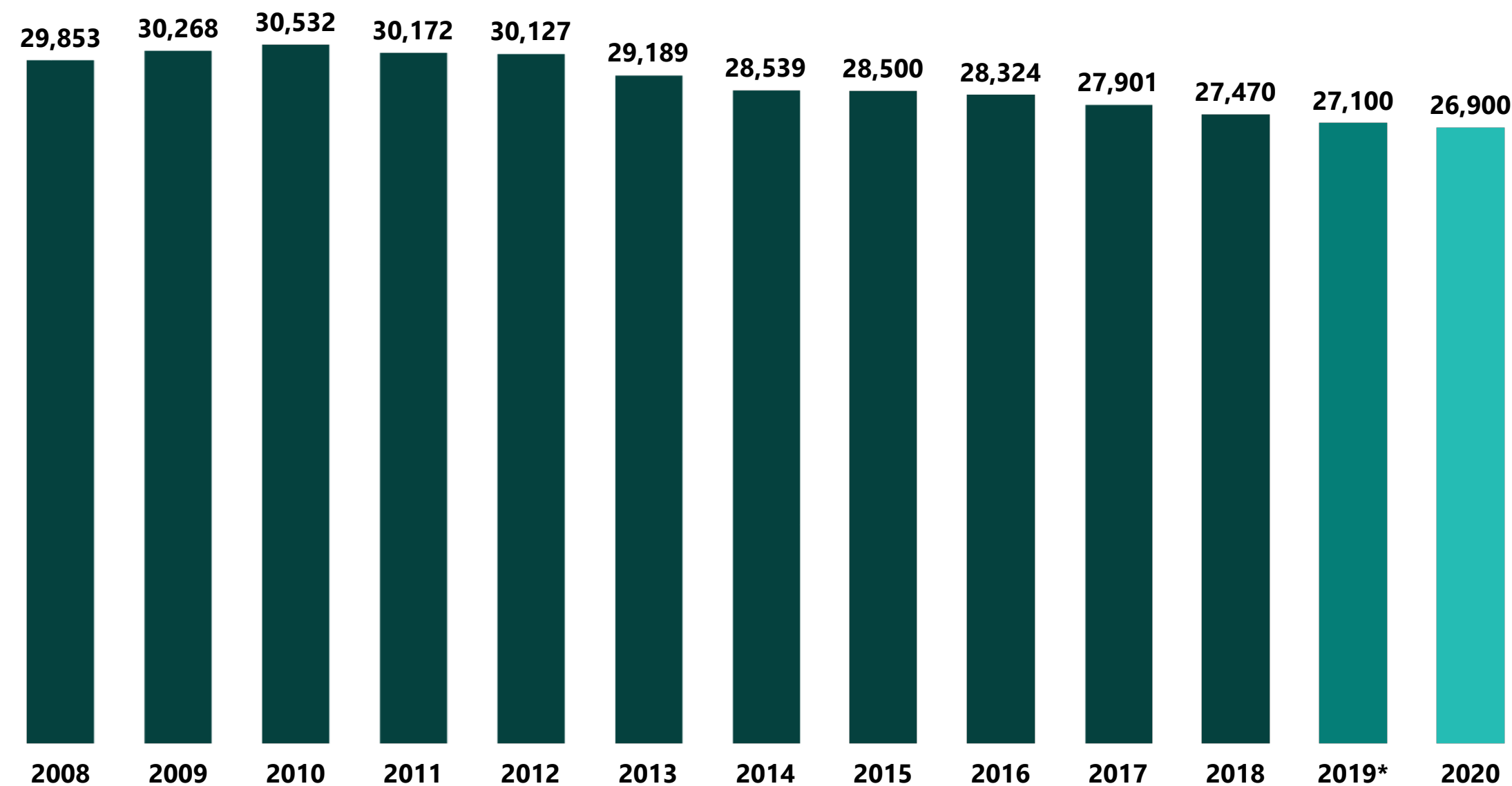
Sponsored By:



* Employment estimate is preliminary. All calendar year figures are based on monthly averages.
Sources: Alaska Department of Labor and Workforce Development (2008-2018), McDowell Group (2019 and 2020).

ANCHORAGE GOVERNMENT EMPLOYMENT **-200**

2008-2019; 2020 Forecast



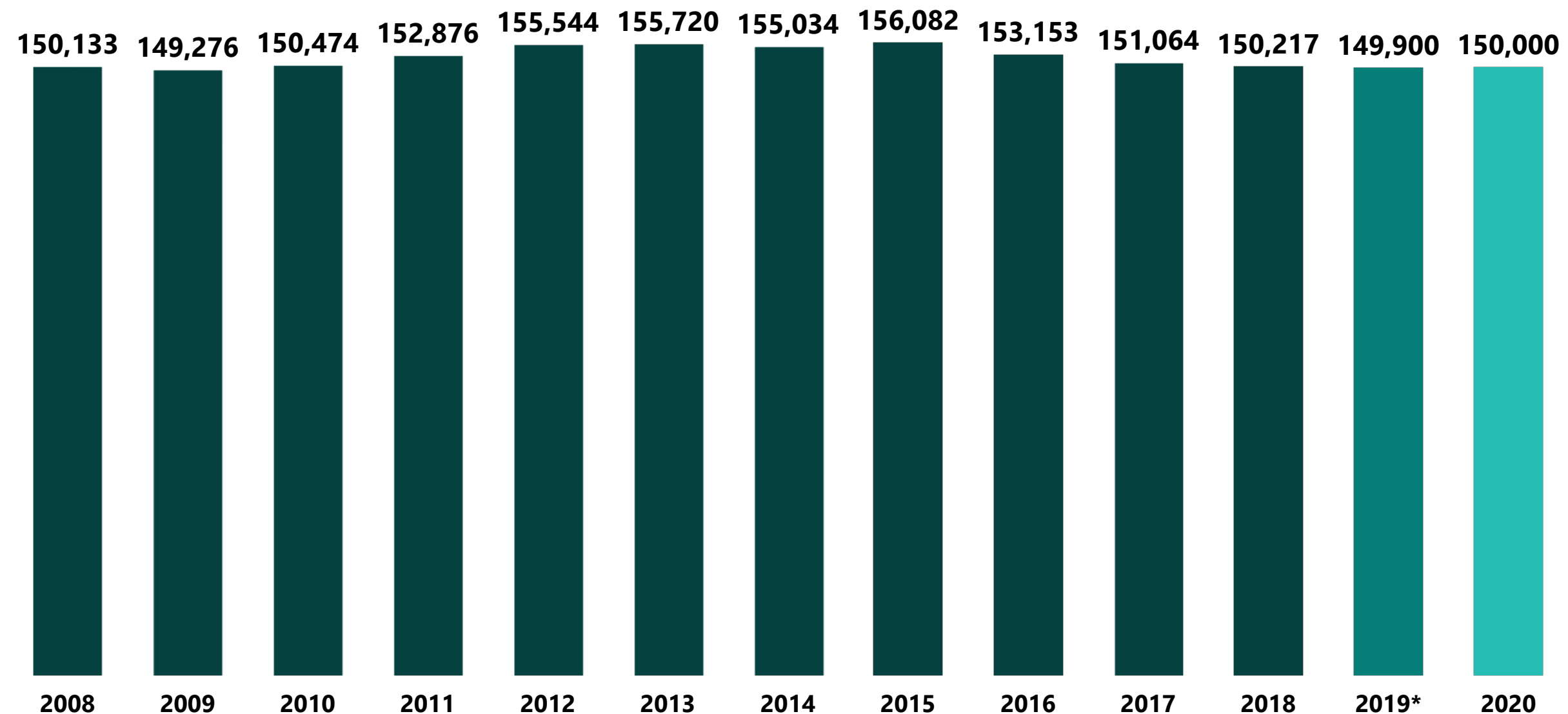
Sponsored By:

Northrim Bank®

*Employment estimate is preliminary. All figures for calendar year based on monthly averages.
Sources: Alaska Department of Labor and Workforce Development (2008-2018), McDowell Group (2019 and 2020).

2020 Jobs Forecast: +100 Jobs

Anchorage Employment, 2008 – 2019 and 2020 Forecast



Sponsored By:



*Employment estimate is preliminary. All figures for calendar year based on monthly averages.
Source: Alaska Department of Labor and Workforce Development (2008-2018), McDowell Group (2019 and 2020).

IN SUMMARY

- We can no longer afford to sit on the sidelines and watch this situation unfold – now is the time for change!
- Mixed signs from employment and labor force data - we can easily fall back into recession
- Attraction and retention of workforce and retirees is critical for a strong economy in the future
- What are you doing to make our community the best possible place to live, work, and play?

THANK YOU!

All reports available at www.AEDCweb.com



AEDC
Anchorage Economic
Development Corporation



MAKING CONNECTIONS THAT MATTER IN ALASKA

Alaska.
AIRLINES

GCI

KEYNOTE SPEAKER

David S. Wilkins,
Senior Vice
President of Hilcorp
Alaska

Sponsored by



Alaska
AIRLINES

