

Valdez Economic Vision and Initiatives – July 6, 2016

Initiative	Promote housing affordability and availability
Goal	Increase the availability of affordable housing. Meet housing needs of seniors and persons with developmental disabilities for existing Valdez residents and potential new residents.
Purpose	Lack of affordable housing stymies short and long term growth.
Objective to Accomplish	Conduct housing needs assessment and develop housing action plan. Potential Partners: City, AHFC, private land owners NPRHA, various lending agencies.
Milestones / Metrics	Set measurable goals and program in 2016
2016 Timeline	<p>July:</p> <ul style="list-style-type: none"> ▪ Revised RFP for the Housing Needs Assessment to be brought directly to the City Manager / City Council (Commission wants to fast-track the process and does not wish to weigh-in on revisions made by City Staff) ▪ Request work session w/ City Council, Mayor, and City Manager to revisit the Council’s expectations of the EDC and the EDC’s expectations in terms of moving actions forward – Lisa will work w/ City Manager to coordinate this meeting; will provide Council with latest version of the Strategic Initiatives document to review prior to meeting ▪ Talking points for meeting w/ Council to be included in meeting request: housing; zoning and abatement / code enforcement; recommendation to have a City employee rather than a contract employee (taking over Lamar’s position); boat maintenance and repair needs assessment ▪ Lisa will add more info to the Strategic Initiatives document regarding housing; will provide to Commission by second meeting in July <p>September:</p> <ul style="list-style-type: none"> ▪ Send out RFP and award project ▪ Launch Housing Needs Assessment study <p>September-December: Engage w/ study compilation process, pu:</p> <ul style="list-style-type: none"> ▪ Complete housing needs assessment ▪ Offer “sneak preview” of study to business community w/ purpose of asking them to engage in policy creation and provide input

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	<p>October:</p> <ul style="list-style-type: none"> ▪ Assess findings of study and move forward with a housing action plan ▪ Reach out to potential partners <p>November: Host mini-summit of potential players to discuss how to move forward in both this project as well as housing needs as a whole (open to building community and public)</p>
<p>Pilot Project / Immediate Next Step</p>	<p>July:</p> <ul style="list-style-type: none"> ▪ Request work session w/ City Council, Mayor, and City Manager to revisit the Council’s expectations of the EDC and the EDC’s expectations in terms of moving actions forward – Lisa will work w/ City Manager to coordinate this meeting; will provide Council with latest version of the Strategic Initiatives document to review prior to meeting ▪ Lisa will add more info to the Strategic Initiatives document regarding housing; will provide to Commission by second meeting in July
<p><u>Housing Statistic Snapshots:</u></p>	<p>Source: <i>City of Valdez Valdez-Socioeconomic Indicators December 2015</i></p> <p>Background: A large proportion of Valdez’s housing stock is older and less efficient, and over a quarter of the city’s housing stock is in mobile homes. This combined with the harsh climate result in Valdez residents spending an average of 13% of their income on household energy, more than comparison Southcentral communities, according to AHFC 2014 Housing Assessments.</p>
<p>Median Monthly Rent Increase</p>	<p>Valdez: One-year increase = 8%; four-year increase = 11% Alaska: One-year increase = 3%; four-year increase = 13%</p>
<p>Homeowners with mortgage paying > 30% of income for housing</p>	<p>2013 = 19.3% 4-year change = -.02% 1-year change = +3%</p>
<p>Renters paying >30% of income for housing</p>	<p>2013-27.5% 4-year change: -19% 1 year change: -5%</p>

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Average household size (owner-occupied & renter-occupied)	2010 = 2.47 (owner); 2.07 (renter) 2012 = 2.64 (owner); 2.40 (renter) 2013 = 2.76 (owner); 3.03 (renter)
Number of dwellings built	2010 = 13 2012 = 6 2013 = 3 2014 = 3 new homes 2015 = 1 new triplex 2016 = 0 so far
Projected new housing (within city limits) over the next five years	NPRHA (North Pacific Rim Housing Authority) is schedule to build 30 housing units over the next 5 years. 5 or fewer housing units may be built in 2016.
Types of housing	28% of Valdez housing stock are mobile homes. 5% of Alaskan homes are mobile homes. 7% of rural US homes are mobile homes.

Initiative	Enhance senior and developmental disability services and opportunities
Goal	Plan and facilitate services and infrastructure to meet long term needs of seniors and persons with developmental disabilities.
Purpose	Conduct updated assessment of service and facility needs for seniors and persons with developmental disabilities
Objectives to Accomplish	Support and provide assistance support services for PDD as well as increase opportunities for local construction industry as well increase educational options in Valdez. Potential Partners: City, North Pacific Rim Housing Authority (NPRHA), AHFC, AMHT/HESS, Planning & Zoning Commission

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Milestones / Metrics	<p>Over the next 5-10 years:</p> <ul style="list-style-type: none"> -Increase # of dwelling units specifically designed for PDD by 10-15%. -Increase # of Persons certified to assist in this field by 10%. -Increase # of non-resident clients in either group by 10%. -Increase # of PDD with housing needs that are met by 25%.
2016 Timeline	<p>July:</p> <ul style="list-style-type: none"> ▪ Revised RFP for the Housing Needs Assessment to be brought directly to the City Manager / City Council (Commission wants to fast-track the process and does not wish to weigh-in on revisions made by City Staff) ▪ Request work session w/ City Council, Mayor, and City Manager to revisit the Council's expectations of the EDC and the EDC's expectations in terms of moving actions forward – Lisa will work w/ City Manager to coordinate this meeting; will provide Council with latest version of the Strategic Initiatives document to review prior to meeting ▪ Talking points for meeting w/ Council to be included in meeting request: housing; zoning and abatement / code enforcement; recommendation to have a City employee rather than a contract employee (taking over Lamar's position); boat maintenance and repair needs assessment ▪ Lisa will add more info to the Strategic Initiatives document regarding housing; will provide to Commission by second meeting in July <p>September:</p> <ul style="list-style-type: none"> ▪ Send out RFP and award project ▪ Launch Housing Needs Assessment study <p>September-December: Engage w/ study compilation process, pu:</p> <ul style="list-style-type: none"> ▪ Complete housing needs assessment
Potential Pilot Project / Immediate Next Step	<p>July:</p> <ul style="list-style-type: none"> ▪ Request work session w/ City Council, Mayor, and City Manager to revisit the Council's expectations of the EDC and the EDC's expectations in terms of moving actions forward – Lisa will work w/ City Manager to coordinate this meeting; will provide Council with latest version of the Strategic Initiatives document to review prior to meeting ▪ Lisa will add more info to the Strategic Initiatives document regarding housing; will provide to Commission by second meeting in July

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<u>Data Snapshots for PDD and Seniors:</u>	Source: Local and State Service Providers including the Alaska Housing Finance Corp., Alaska Mental Health Trust Authority (AMHTA) Frontiers Services, Connecting Ties, and The Independent Living Center.
2015 estimate of Housing Units Needs for current PDD residents	15 housing units which could entail apartment units, stand-alone homes or other acceptable housing stock.
Individuals who receive assistance for developmental disabilities	1,900 Alaska residents
2015 number of individuals on waiting list	700 Alaska residents
Number of individuals on the waiting list who reside in Valdez	None. However, there is anecdotal evidence that undefined number of PDD may consider moving to Valdez if adequate housing, services and employment/training is available.
Number of individuals age >64	2010 – 2014 = 28.6% increase 2013 – 2014 = 1.4% change As senior population doubles between now and 2022, so too will grow the need for a range of senior housing including independent living, assisted living, and nursing home care.

Initiative	Downtown Beautification and Redevelopment
Goal	Complete phase I of beautification efforts.
Purpose	Increase downtown tourism and commerce.

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Objective to Accomplish	<ul style="list-style-type: none"> -Continue planning and physical changes to enhance attraction of downtown. -Investigate tax incentives for building modifications. -Identify and apply for grants. -Institute changes through ordinance amendments. -Achieve buy-in / collaboration from downtown business owners -Reduce vacancies -Increase mixed-use applications -Clean up -Grow commercial activity in downtown -Strengthen anchor tenants <p>Potential Partners: City of Valdez, AIDEA, local civic supporters</p>
Milestones / Metrics	<p>Over the next 5-10 years:</p> <ul style="list-style-type: none"> -Increase # of downtown buildings which have used tax incentive program by 20%. -Increase downtown tourism and commerce by 20%.
2016 Timeline	<p>July:</p> <ul style="list-style-type: none"> ▪ EDC and Beautification Taskforce to have joint lunch meeting on July 20th – Lamar to talk w/ Todd about availability ▪ Move forward on implementation or recommendation of joint project between EDC and Beautification Taskforce ▪ EDC host focus group for Main Street (downtown) property owners to share info on Beautification Committee efforts and ask for their involvement in upcoming project(s) <p>August:</p> <ul style="list-style-type: none"> ▪ Continue project design and/or implementation efforts jointly ▪ Encourage Council to reconsider the City’s position in regards to the 3 Bears lot and how it could play into downtown beautification initiatives <p>September: Continue project implementation efforts jointly</p> <p>October: State completes main street improvements</p> <p>November: Re-group w/ Main Street property owners to engage them in discussion and additional project opportunities</p>

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Potential Pilot Project/ Immediate Next Step	<p>July:</p> <ul style="list-style-type: none"> ▪ EDC and Beautification Taskforce to have joint lunch meeting on July 20th – Lamar to talk w/ Todd about availability
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Initiative	Improve Marine-Related Facilities and Industries
Goal	Expand and maximize use of marine related facilities. Assist and work with primary private and government users.
Purpose	Reverse underutilization of port facilities and create new well paid jobs and year around businesses.
Objective to Accomplish	<ul style="list-style-type: none"> -Increase traffic through Port of Valdez; work w/ partners in port -Complete the new Valdez Small Boat Harbor and maximize the economic opportunity associated with it -Growing marine services industry -Facilitating expansion of seafood processing industry -Maximize capacity of port and harbor uplands to support the future needs of the U.S. Coast Guard -Make valid contacts w/ the Fairbanks business community <p>Potential Partners: City, Port and Harbor Commission, AIEDA, lending agencies, fish companies.</p>
Milestones / Metrics	<p>Over the next 5-10 years:</p> <ul style="list-style-type: none"> -Increase Port Use by 50% by 2020. -Increase # of local and transient vessels repaired by 20%. -Increase # of jobs in industry by 20%. -Increase # business in industry by 20%.
2016 Timeline	<p>Joint EDC / PHC meeting July 6:</p> <ul style="list-style-type: none"> ▪ Where can there be uplands development? There is currently no perfect spot for it. ▪ PHC can look at logistics and structures while EDC can look at job creation and economic impact ▪ What can the EDC do to support and complement the efforts of the PHC? A: Needs assessment for marine work combined with competitive analysis to identify the niche that will make Valdez unique and incentive for use

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	<p>July:</p> <ul style="list-style-type: none"> ▪ Lisa and Colleen can update Commission at every meeting regarding what’s happening with the Port ▪ EDC to recommend to the City Council that a marine repair and needs assessment be conducted at the port/harbor; include a follow-on memo supporting the PHC decision to stop or slow down work on the boat launch ramp and associated uplands if that allows for expanded and enhanced decision making that would better serve the needs of the uplands and harbor; Needs assessment should be a joint effort between the EDC and PHC; Lisa will email Council communications to Commissioners <p>August: Present joint meeting’s outcomes and recommendation for marine services feasibility study to City Council</p> <p>On hold for now:</p> <p>Better understand current status of Interior use of the Valdez Port</p> <ul style="list-style-type: none"> ▪ Lamar to reach out to Port and Harbor Master to find out quantity, weight, type of cargo, etc. that coming through the Valdez Port <p>Find out what the Port and Harbors Commission has done in regards to port outreach, marketing, and education. Research whether the City should work with a firm to conduct marketing for the Port</p> <ul style="list-style-type: none"> ▪ Lamar: Investigate potential port marketing avenues with a special focus on the Fairbanks/Interior shipping of goods demands. Report back to Commission by second meeting in May. <p>Identify structurally what our issues are then from the job-development / recruitment side</p>
Pilot Project	<p>July: EDC to recommend to the City Council that a marine repair and needs assessment be conducted at the port/harbor; include a follow-on memo supporting the PHC decision to stop or slow down work on the boat launch ramp and associated uplands if that allows for expanded and enhanced decision making that would better serve the needs of the uplands and harbor; Needs assessment should be a joint effort between the EDC and PHC; Lisa will email Council communications to Commissioners</p>
<u>Port Harbor Statistics Snapshot:</u>	Source: <i>Competitive Market Analysis and Long Range Planning for the Port of Valdez</i>
Alaska’s Freight and Cargo Network	The Port of Valdez operates in a complex and highly competitive freight transportation environment given the number of transportation options available in other Southcentral ports as well as trucking, rail, and air service modes.

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Relative Market Share by Port (non-petroleum)	Anchorage 84%, Whittier 11%, Seward 3%, and <u>Valdez 2%</u>
Port of Valdez Freight Movement	<ul style="list-style-type: none"> -In 2014, 44,000 tons of freight moved through the Port with about 55% outbound shipments. -Average freight volume between 2002 and 2011 was about 30,000 tons. -Out-bound shipments of salmon have grown significantly in the last 5 years with expected future growth.
Positive strategic positioning of Port of Valdez.	<ul style="list-style-type: none"> -Valdez Port and freight facilities are recognized as being capable compared to other ports. -Proximity to North Slope, oil and gas activity, Interior mines, communities, and military bases are all assets. -Direct access to such activities along the relatively uncontested Richardson and Dalton Highways represents an advantage to some shippers. -The availability of significant uplands are an advantage over other ports when a natural gas pipeline or other major developments are contemplated.
Challenges to Port of Valdez	The distance from Alaska’s population centers and lack of rail transportation place Valdez at a disadvantage when competing for freight volume.
Seafood Processing and Commercial Fishing Snapshots:	Source: <i>Socioeconomic Baseline Indicators Study December 2015</i>
Resident Commercial Fishermen & Crew Members	<p>Total Valdez Resident Commercial Fishermen: 2014 = 92 resident fishermen Five-year change = -2.9%, one-year change = -9.8%</p> <p>Valdez Resident Crew Members: 2014 = 69 Five year change = -5.5%, one-year change = -6.8%</p>
Valdez Permit Owners - Fishing	<p>2010 = 32 permit holders 2013 = 28 permit holders 2014 = 23 permit holders One-year change = -17.9% Five-year change = -28.1%</p>
Valdez Boat Harbor Tenants	<p>Valdez 2007 = 37%; 2015 = 40%</p> <p>Interior Communities combined 2007 = 45%; 2015 = 49%</p>

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	Rest of Alaska 2007 = 18%; 2015 = 11%
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Initiative	Link and Expand College Programs to existing and new industries
Goal	Strengthen relationship between business and education.
Purpose	Reduce out-migration of educated residents.
Objective to Accomplish	-Provide increase of instruction in vessel repair, health care and oil spill clean-up. -Develop long term operational plan. Potential Partners: City/School District, college, non-profit foundations.
Milestones / Metrics	Over the next 5-10 years: -Increase # of new programs/linked to key profession jobs by 20%. - Increase # of new students in programs that are linked to local industries by 20%.
2016 Timeline	July: <ul style="list-style-type: none"> ▪ Use info gleaned from community meeting 1.5 years ago to formulate plan to move forward – Lisa to find report on / notes from that meeting to provide to the Commission <p>Alaska Host program is \$85/person – would be something that would be pursued for next spring</p>
Pilot Project	July: Use info gleaned from community meeting 1.5 years ago to formulate plan to move forward – Lisa to find report on / notes from that meeting to provide to the Commission
Data Snapshots:	Source: <i>Socioeconomic Baseline Indicators December 2015</i>
PWSC – Annual credit hours	2010 = 8,524 2013 = 7,177 2014 = 7,315

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	5-year change = -1,209 hours 1-year change = +138 hours
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Initiative	Reduce Energy Cost and Increase Access to Power
Goal	Reduce and stabilize residential, public, commercial and industry energy costs and use. Enhance access to power for commercial businesses (particularly the major marine services industries (processing plants)). Increase availability of electric power via renewable energy channels.
Purpose	Increase business and job opportunities with cost savings.
Objective to Accomplish	-Develop energy assessment study and action plan -Educate community -Advocate for policy change w/in City Potential Partners: AHFC-loan program, Copper Valley Electric, Peter Pan, Silver Bay.
Milestones / Metrics	Over the next 5-10 years: -Increase # of uses and buildings with energy use and efficiency/improvements by 20%.
2016 Timeline	July: <ul style="list-style-type: none"> ▪ Lisa will put together summary w/ Copper Valley Electric regarding solar research for this area, hydroelectric project that was recently installed (Allison Creek), power transmission needs, and additional topics; will present summary during first meeting in August September: <ul style="list-style-type: none"> ▪ Request presentation from either AHFC, Copper Valley Electric, and ACHP Alaska (Alaska Cold Climate Housing Program – based out of Anchorage) at business luncheon in November (or sometime this fall/winter) Different recommended approaches:

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	<ul style="list-style-type: none"> -Educate community via energy fair, or utility bill inserts, or articles, etc. -Educate contractors on how to better explain benefits of energy efficiency in homes -Promote energy audits to home and business owners across community -Promote policy change at City level to encourage more sustainable developments and enhancements for residences and businesses -Promote policy change for internal City practices, including encouraging energy efficiency in all City buildings
<u>Relevant Energy Statistics</u>	Source: City of Valdez Valdez-Socioeconomic Indicators December 2015
Electricity- Residential/\$1000 (Oct 2015)	Homer \$243.62 Kenai \$243.62 Valdez: \$171.7 Cordova \$168.77 (includes PCE)
Heating Oil (\$/gal) August 2014	Cordova: \$4.62 Valdez: \$4.13 Kenai: \$3.88 Homer: \$3.66
Gasoline (\$/gal (Aug 2014)	Valdez: \$4.76 Cordova: \$4.66 Kenai: \$4.41 Homer: \$4.28
Pilot Project	July: <ul style="list-style-type: none"> ▪ Lisa will put together summary w/ Copper Valley Electric regarding solar research for this area, hydroelectric project that was recently installed (Allison Creek), power transmission needs, and additional topics; will present summary during first meeting in August

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Initiative	Recreation/Tourism
Goal	Increase year round recreation/tourism opportunities.
Purpose	Increase jobs and businesses. Improve quality of life.
Objective to Accomplish	<p>-Market new and existing recreational opportunities. -Complete Year Round Mountain Site Study. -Support Levitation 49 regional trails master plan. -Enhance service quality within visitor industry. -Complete Branding Project in 2016-17.</p> <p>Potential Partners: City, AIEDA, lending agencies.</p>
Milestones / Metrics	<p>Over the next 5-10 years:</p> <p>-Increase # of visitors -summer and winter by 20%. -Increase # new tourism businesses by 20%. -completed planned tourism related infrastructure. -Increase # of new jobs in tourism by 20%.</p>
2016 Timeline	<p>July:</p> <ul style="list-style-type: none"> ▪ Make decision on whether or not to move forward w/ BRE project ▪ Host second business luncheon – Wednesday, July 13th – noon at the College w/ the City Manager presenting ▪ Lamar to contact Isaac Vanderberg at the SBDC requesting a business luncheon presentation outlining the SBDC’s tools resources at the August luncheon ▪ Lamar will request analytics and statistics from Valdez businesses currently utilizing the SBDC’s resources (quantity of website pings, quantity of prior and existing clients, etc.) ▪ One-on-one meetings w/ all 5 large hotel owners will be scheduled as soon as possible; that effort will be taken on by Scott, Mike, Colleen and tour operator; have made limited connection, and will keep the EDC updated as progress is made – Lisa can ask Mayor to make personal phone calls to the business owners; During second July meeting will make deliberation to move forward or not

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	<ul style="list-style-type: none"> ▪ Bring Jeff Toelle (rep from Fairbanks) to speak at one of the business luncheons regarding Fairbanks' approach to accessibility ▪ There are communities who have embraced enhanced accessibility and are seeing economic benefit from that; look into inviting a rep from one of those communities to present to the Commission (or at a business luncheon) ▪ City should bring an architect to Valdez to offer City-funded voluntary accessibility assessments to be conducted at private facilities; Lisa to pursue w/ City Manager as part of the budget ▪ Look for avenues to connect ADA enhancements w/ community marketing and housing development initiatives <p>August:</p> <ul style="list-style-type: none"> ▪ Business luncheon presentation from the Small Business Development Center ▪ EDC to begin exploring new project topics that fit into year-round recreation and tourism opportunities ▪ ADA compliance updates construction will begin; first at schools, starting w/ the high school <p>September:</p> <ul style="list-style-type: none"> ▪ Year Round Mountain Site Study completed; request a presentation at the Sept. business luncheon and City Council (joint work session between City Council, EDC, and Parks and Rec.)
Pilot Project	<ul style="list-style-type: none"> ▪ Deliberate what BRE implementation could look like were it to move forward ▪ Invitations to business luncheon to go out
<u>Tourism Statistics</u> <u>Snapshots:</u>	
Total Wages, Leisure & Hospitality	2010 = \$4.5 million 2014 = \$6.2 million 5 year change = +38%
Total (scheduled) Air Passengers (in + out)	2010 = 31,034 2014 = 29,269 5 year change -5.7%

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Bed Tax Revenue to City	2010 = \$438,272 2014 = \$425,189 5 year change -3%
Total Sport fishing Anglers (salt + fresh + shore)	2010 = 22,697 2013 = 18,683 (4 year change -17.1%)
Total Sport fishing Days Fished (salt + fresh + shore)	2010 = 65,050 2013 = 57,157 4 year change = -12.1%
# Charter Fishing Vessels Home-ported in Valdez	2010 = 38 2013 = 28 4 year change = -10

Initiative	Increase Arctic and water related training programs
Goal	Build on our location, community skill sets, college and port structures.
Purpose	New jobs, use of existing public and private assets (boats, lands, etc.).
Objective to Accomplish	Make Valdez a premier Arctic training, staging location, and/or homeport. Potential Partners: City, oil companies, private land owners, various training companies.
Milestones / Metrics	Over the next 5-10 years: -Increase # of training activities annually by 20% -Increase # of training participants by 20% -Establish Valdez as homeport/staging location for at least one Arctic “operator”
2016 Timeline	August: Lamar: Re-engage w/ potential training exercise operators via personalized phone calls to assess potential for use of Valdez Port for training and other related activities

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Pilot Project	August: Lamar to start status investigations
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