



Alaska Forums on Jobs and Economic Development

FEBRUARY 15, 2010

PREPARED FOR:

Barack Obama, President of the United States of America

Tom Vilsack, Secretary of the United States Department of Agriculture

BASED ON FORUMS CONDUCTED BY:

Danny Consenstein, State Executive Director, USDA Alaska Farm Service Agency

Jim Nordlund, Alaska State Director, USDA Rural Development



Alaska Forums on Jobs and Economic Development

FEBRUARY 15, 2010 | FINAL REPORT

We express grateful appreciation to all the Alaskans who attended the forums for their participation and candor.

Prepared for

President Barack Obama
Secretary of Agriculture, Tom Vilsack
United States Department of Agriculture
1400 Independence Avenue SW
Washington, DC 20250-0107

Submitted by

Jim Nordlund, Alaska State Director, USDA Rural Development
Danny Consenstein, State Executive Director, USDA Alaska Farm Service Agency
USDA Service Center
800 West Evergreen
Palmer, Alaska 99645

Prepared by

Sylvan Robb, Senior Consultant
Cady Lister, Senior Consultant
Jessica Holden, Consultant
Information Insights, Inc.
212 Front Street, Suite 100
Fairbanks, Alaska 99701
907/ 450-2450 phone
907/ 450-2470 fax
www.iialaska.com

Photo credits: Cover left © 2010 Kevin G. Smith/Alaskastock.com
Cover lower right © 2010 Scott Dickerson/Alaskastock.com



Alaska Forums on Jobs and Economic Development

Table of Contents

- Introduction 4
- Statewide Summary 4
 - Opportunities for growth 4
 - What the federal government can do 6
 - Obstacles/barriers 6
- Individual Meeting Summaries and Notes..... 7
 - Fairbanks..... 7
 - Kotzebue 12
 - Juneau..... 15
 - Anchorage..... 25

Introduction

President Obama delegated the responsibility of asking Americans about how best to create jobs in rural America to Secretary Vilsack at the U.S. Department of Agriculture. Meetings have been held across the nation; Alaska completed a series of four meetings, held in Fairbanks, Kotzebue, Juneau, and Anchorage. In these meetings, area leaders and Alaskans from all walks of life came together to provide input on what works and what does not work when it comes to job creation and retention, especially in rural Alaska.

Alaska is a diverse, unique state. The urban/rural divide sometimes makes it challenging to have a comprehensive conversation about statewide needs, but a dominant theme that consistently emerged from participants in this process was that solutions for rural and urban Alaska are intertwined. Alaskans agreed that the key to creating and sustaining jobs in Alaska is building strong foundations for private sector job growth and encouraging small business development in both urban and rural communities.

The following section of this report will identify and expand upon key themes from all of the meetings. It will highlight ideas and opportunities for job creation and growth and ways the federal government can foster these. Then, it will identify obstacles and barriers, and ideas for what the federal government can do to remove them. Following the comprehensive summary are more detailed accounts of each of the four meetings.

Statewide Summary

Opportunities for growth

Three areas for potential job growth emerged from all four meetings:

- Food Systems
- Renewable energy/energy efficiency
- Rural Infrastructure

It is important to note that resource development and tourism are major drivers in Alaska's economy, though they were not always the focal point of these conversations. Oil development and the gas line are two areas of resource development, but mining and forests are also significant opportunities that should receive attention. To many participants, resource development leading to job creation in Alaska is a given.

Training is another important opportunity that was identified in many conversations in many sectors. Providing vocational and technical training will not only create more jobs in the near future, it will help retain them, promote local hire, and contribute to long-term job growth. In some parts of the state it was noted that lack of jobs is less of a problem than lack of local skilled people to fill them. This is particularly true in some rural communities.

FOOD SYSTEMS

Conversations about where food comes from, how far it travels, and its accessibility have been increasing across the nation recently, and Alaska is no exception. However, the conversation here is

different. Even in Alaska's urban areas, most purchased food has to travel thousands of miles just to reach grocery store shelves. To arrive in Alaska's remote communities, the journey is even farther. Spoilage rates and prices are both high, especially in rural villages. This challenge provides opportunities for innovation in developing methods for growing, processing and transporting food more locally and efficiently. These opportunities tie in directly to energy costs, training, and infrastructure.

When examining food systems and security in Alaska, it is critical to acknowledge the prominence of subsistence in what fills Alaskans' tables and freezers. Rural and urban, Native and non-native Alaskans compose much of their diets with fish, game, and berries they harvest. It is critical that responsibly maintaining this access is part of the food systems conversation in Alaska. While subsistence is not part of the cash economy and is not a job per se, it is an essential piece of community sustainability in rural Alaska and of food security for both rural and urban Alaskans.

RENEWABLE ENERGY/ENERGY EFFICIENCY

Conversations around energy were twofold: renewable energy and energy efficiency. Both have significant opportunities for job growth.

Renewable Energy

With its abundance of natural resources, Alaska is poised to be a leader in renewable energy development. Not only are there opportunities to develop renewable energy jobs, additional jobs could be generated by exporting Alaskans' expertise to other parts of the world. The Alaska state legislature has already appropriated more than \$200 million to support renewable energy projects around the state, and efforts are underway to secure additional funds. Developing renewable resources creates jobs in the development of new generation and transmission systems and has the potential to decrease energy costs in rural areas, increasing economic development opportunities and decreasing cost of living. High energy prices have been identified as the number one problem facing rural communities in Alaska.

It was noted by several meeting participants that there are exciting synergies between renewable energy development and creating local food production, particularly for very small communities.

Energy Efficiency

Alaska's statewide energy efficiency programs (low income weatherization and the home energy rebate program) have already been extremely successful in making Alaskan homes more efficient and putting Alaskans to work. Alaska's weatherization and energy rebate programs employ energy raters, contractors, plumbers and HVAC specialists, etc. This effort could easily be expanded and put even more Alaskans to work. An additional opportunity exists to create a training and employment opportunity for young people through a program modeled after the Civilian Conservation Corps of the 1930's and early '40s. This conservation corps could go to neighborhoods and villages and provide basic weatherization and efficiency retrofits to homes and community buildings. Members of the corps would receive work experience and training in building science.

INFRASTRUCTURE

Transportation

Transportation needs were noted at every meeting. In Kotzebue, high priority transportation items include connecting some villages to a road system and building a deep water port in the region. As

arctic sea ice melts, Kotzebue is on the frontier of emerging global shipping lanes. Both of these transportation projects create immediate construction jobs as well as long term economic development in the region by lowering transportation costs and increasing access to the region. Transportation is a huge issue for all of rural Alaska; lack of affordable access creates barriers to business development and results in extremely high cost of living.

Broadband

Rural Alaskans want what many people in urban areas take for granted: broadband Internet access and the ability to fully participate in commercial and educational activities on the World Wide Web. Alaskans produce a wide range of products, from art to food items, that buyers in the “lower 48” and around the world want. Broadband, in combination with renewable energy development, could also open the door for job creation in placement of server farms and electronic document storage. In order to get them to market, however, Alaskan sellers need access to broadband. Installing the infrastructure needed to bring broadband services to rural communities would also create direct and indirect jobs, increase the sustainability of Alaskan villages, provide educational opportunities that support job growth, and expand telemedicine to rural Alaska.

What the federal government can do

- Provide incentives for rural development and financial investment in rural infrastructure development.
- Create opportunities to develop local food and renewable energy systems together.
- Fund/continue to fund broadband.
- Provide funding opportunities for renewable energy development .
- Design programs that are region specific. The regional lines drawn by the Alaska Native Claims Settlement Act (ANCSA) represent a meaningful and effective way to develop regional economies. Alaska as a whole can be considered an economic region and should have programs and requirements that acknowledge its unique circumstance.

Obstacles/barriers

REGULATIONS

Federal regulations and grant requirements seem to be written for larger users than most Alaska organizations or communities. Two distinct examples:

1. When a community of 160 people receives a federal grant that is allocated based on population, they get a relatively small amount of money (compared to most communities) but have similar reporting requirements to larger communities. Reporting requirements can be so cumbersome as to make participation in some federal grant programs difficult, if not money-losing propositions.
2. Regulations that govern food production and other manufacturing are designed with the large operator in mind and can create costs for small operations that kill the business model.

In Southeast Alaska, federal lands issues are front and center in most conversations about economic development and job creation. Many Southeastern Alaska communities are surrounded by the Tongass National Forest, and local communities are sometimes frustrated by the limitations on what can be done in their backyards.

HIGH ENERGY COSTS

Reliable, affordable electricity was consistently identified as a key to establishing the economic stability necessary to promote job growth in Alaska. Some communities in rural Alaska pay as much as \$10.00 per gallon of fuel oil, and all Alaskans on average pay some of the highest fuel costs in the nation.

Individual Meeting Summaries and Notes

Fairbanks

Date: January 14, 2010

Attendance: 58 people

Cosponsors: Fairbanks Economic Development Corporation
Fairbanks North Star Borough
Tanana Chiefs Conference
University of Alaska Fairbanks

Panel: Mark Begich: United States Senator
Jim Dodson: Executive Director, Fairbanks Economic Development Corporation
Larry Hinzman: Director, International Arctic Research Center, UAF
Gwen Holdmann: Director, Alaska Center for Energy and Power, UAF
Luke Hopkins: Mayor, Fairbanks North Star Borough
Jerry Issac: President, Tanana Chiefs Conference
Brian Rogers: Chancellor, University of Alaska Fairbanks
Steve Smith: Chief Information Technology Offices, University of Alaska
Dan White: Director, INE/Associate Director of Research, CEM, UAF
Susan Willsrud: Farm Director, Calypso Farm and Ecology Center



SUMMARY

The Fairbanks meeting began with an introduction by USDA staff Jim Nordlund and Danny Consenstein. They provided an overview of the purpose and origin of the meeting. Fairbanks North Star Borough Mayor Luke Hopkins made some remarks and then introduced U.S. Senator Mark Begich. Senator Begich offered remarks about rural job creation and how the results of the Alaska forums will be used by President Obama and the Congress to fashion a jobs bill. Mr. Consenstein explained Secretary Vilsack's four pillars of rural job creation and how they would provide the framework for discussion. The meeting then proceeded with each pillar content expert providing approximately ten minutes of background information, which was followed by approximately 20 minutes of discussion with the panelists and audience. The final 30 minutes were open discussion for job creation ideas not covered by the four pillars and closing comments.

MINUTES

Welcome and introductions by Jim Nordlund, USDA, Danny Consenstein, USDA, Mayor Luke Hopkins, Fairbanks North Star Borough, and U.S. Senator Mark Begich.

Topic Discussions

Renewable Energy (Pillar content expert, Gwen Holdmann – UAF)

Ways to build job opportunities around renewable energy development in Alaska:

- Spur economic development around stably priced energy from renewable resources.
- Move toward value-added processing of raw materials
- Rethink Alaska's role in global energy picture – economics and national security
 - New shipping routes – seasonally ice free arctic
 - New mineral discoveries expected in the arctic regions
 - Iceland as an example with bauxite ore refining to make aluminum. Energy intensive industry, looking for long-term energy contracts that can be provided by renewable resources.
- Export knowledge
 - Test emerging energy technologies at the same time reducing cost of delivered energy
 - Make our state attractive for investment in distributed energy technologies, not just renewables, but efficiency improvements and fossil energy as well
 - Alaska can export technologies and expertise to developing countries dealing with the same challenges we are
 - Iceland – 50 years ago no engineering program at their university. Came to US (Boise ID) to learn about geothermal, and today they are the world experts in this technology
- Demand-side conservation alternatives
 - Extend energy retrofits to public buildings
- Cottage industries need off-grid energy sources
 - Magnetic motor generators
 - Need assistance for viability (above-the-stove generators)
- Susitna hydro
- Agriculture needs energy sources
- Natural gas – bringing gas to communities
- Need financing mechanisms for rural development initiatives – incentives
- Rural demographics – need for small-scale projects
- Develop small projects that can serve as pilots
- Flowing fresh water: power generation – current turbines
- Hot springs to generate power for village; for pipeline develop models and share with other small communities
- Attract energy developers from outside with incentives and support

Broadband (Pillar content expert, Steve Smith – UAF)

- Further development of online government services
- Safety and security
- Education and training at local communities via distance technologies
- Health support
- Job creation made feasible with broadband
 - Service centers and help desks
 - Tourism and other small businesses
 - Marketing and advertising
 - Technology professions

- Virtual organizations
 - People dispersed, connected by broadband
- Challenge in Interior Alaska of limitations of broadband
- TCC proposal for connectivity
- New FCC plan coming – should help Alaska
- Microwave – wireless to homes
 - Digital microwave hubs
- Black spots: no or limited communication services (for example Salcha to Delta)
 - Job potential: support for maintaining rural community systems, tech support for users
- Training programs needed for broadband and other communication support techs in rural areas
- Animal health support via distance technologies
- Training for people in communities needs to be incorporated into installation of new systems – broadband, energy, etc.
- Need to get off satellite – too expensive
- Get distance education off telephone delivery mode
- Build national-grade infrastructure to bring cost to subscribers down
- Note generational differences – younger people can teach others how to use new technologies
- Videoconferencing for training limited by access to T1 lines – re-evaluate the infrastructure
- Microwave fiber optic backbone in a village (example of an outside tribe) – opens the door to new jobs, new economic base

Food (Pillar content expert, Susan Willsrud – Calypso Farm and Ecology Center)

- Food and farm products produced, marketed and consumed within a regional-local food system
- Small farming, small dairy
- We can produce wide range of food products
- Small scale can be advantage
- Lack food-sector infrastructure huge potential for entrepreneurs in local, small-scale agriculture
- Need planning and assessment: identify needs and opportunities
- Food Policy Council at community level – Fairbanks, Bethel, etc.
 - Requires some funding
 - Identify food needs and potential for a community
 - Identify resources
 - Comprehensive approach
- School gardens
 - Jobs in summer for kids
 - Building food awareness
- Community garden – prepare for future
 - Minto – larger scale effort desired, maybe grow potatoes and truck to sell in Fairbanks
 - “Grow your own”
- Root cellars – teach how to create and use
- Cooperative Extension Service – train local village agents
- We don’t grow enough in-state to feed us through winter
 - Need processing facility to freeze local produce
- Cooperative Extension Service – need more agents in Alaska
- Local farmers not producing surplus crops
 - Limited by size of farms

- Need larger commercial-scale agriculture
 - Not clear how
- Farmers' co-op traditional way to build agricultural infrastructure
- Processing plants – scale down but design to be expandable
 - Start small
- Hammond Agricultural Plan 1976 – 500,000 acres program scuttled – dust it off and move forward
- Flour mills (Fairbanks had two in 1920)
- A garden in every yard – old Fairbanks photographs
- Seattle milk and veggies are cheaper
- Climate as a limit – can be met: find balance of power
 - Generate power and heat from alternative sources and grow food in greenhouses in Alaska communities
 - Hydroponics
 - Geothermal energy
- Demand – consumer education to buy local food
- Need policies for land use on native corporate lands – farming, industrial energy (wood, alcohol, timber)
- Farm Services Agency exists to support farmers – financing

Climate Change (Pillar content expert, Larry Hinzman – UAF)

- Mitigation – sequestration (bury carbon in permafrost)
 - Use alternate fuels
 - Rich opportunity for bio fuels in Alaska
 - Maintain economy while doing mitigation
- Location energy – wind, tidal, bio-fuel: development requires federal/state support
- Job creation opportunities
- Changes to airports, roads, and buildings from changes – frozen to thawing
 - Expensive, but big job creation
- Agriculture – longer growing seasons, drier soils
- Milder winters may give more root crop opportunities
- Cattle – better conditions and grazing
- Trapping – increases in furbearers
- Trans Arctic shipping – support port services – Barrow and Nome
- Tourism opportunities
- Energy costs/emissions reductions with hydroelectric. Question of scale
- Coal-to-liquids and gas-to-liquids
- Require carbon sequestration
 - Coal-to-liquids
 - Gas-to-liquids
- CO₂ for enhanced oil recovery on North Slope
- No conventional, sustainable energy in Alaska
- Need to bring affordable energy to all of Alaska – as well as transportation and communication
- Gas conversion from oil
 - Focus on trucking now
 - Pipeline long-term

- USDA:
 - Help us solve cost, air quality and employment problems by focusing assistance on gas
- Propane distribution system to villages becomes viable with large-scale gas supply to Interior
- Value added products
 - Grow grapes and produce ice wine in Alaska – need infrastructure
 - Farm-to-market
 - Production facilities
- Village fuel costs \$4+ and up per gallon
 - Reduce use of fossil fuels 50% in 5 years – TCC goal
 - Move to economic independence
 - For example Stevens Village buffalo
 - Convert to gas? Village homes will need to convert heating systems
- Need incentives so U.S. finance community will invest in Alaska rural communities
- Scale projects to existing capacity with design for expansion
- Peonies – orders for 10,000/day from U.K.
 - Peony Growers Association – working collaboratively to expand capacity
 - Need funds – peony refrigeration and packing house
 - Dispersed needs – Delta, Fairbanks, Seward, Anchorage
- Seasonality of agricultural activities – opportunities to share facilities if developed between different types of efforts

Open Topics

- Jobs bill – money to develop skills for jobs, in-demand
- Village agriculture requires change from previous hunting activities but brings cultural benefit of connection to land
- Wood -fired boiler effort for Minto had too much paper burden
- Work ethic development needed
 - Could offset international hiring for tourism jobs in Alaska
- Barriers to production – farming on permafrost prohibited
- 42 villages – schools – energy renovation
- Hire local people
- Get gas to communities
- Refine natural gas and create production industries
- Self-determination – every community will have its own solutions – remember to give them the opportunity to design individual solutions

Kotzebue

Date: January 19, 2010

Attendance: 43 people, plus radio listeners

Cosponsors: Maniilaq Association
NANA Regional Corporation
Northwest Arctic Borough School District
Northwest Arctic Borough



No panel presentation, notable attendees and testifiers:

Martha "Siquarak" Whiting, Mayor,
Northwest Arctic Borough
Marie Greene, CEO/President, NANA Corporation
Walter Sampson, Borough Assembly and NANA Vice President
Margaret Hanson, President, Kotzebue IRA Traditional Council
Eugene Smith, Mayor, City of Kotzebue
Dr. Norman Eck, Superintendent, Northwest Arctic Borough School District
Deanne Hamilton, NWA Borough School District
Sandy Shroyer Beaver, President, NWA Borough School Board
Cole Shaeffer, Native Village of Kotzebue
Cheryl Edenshaw, Director, Alaska Technical Center
Brad Reeve, General Manager/CEO, Kotzebue Electric Association

SUMMARY

In Kotzebue, it was minus 32 degrees outside, but there was a warm reception inside the local Tech Center. This forum, the only one in the United States held above the Arctic Circle, was broadcast region-wide by KOTZ radio and was moderated by National Native News pioneer Nellie Moore. Kotzebue is a coastal community and on the leading edge of the effects of climate change. While melting arctic sea ice is a major concern, the community sees opportunities as global shipping lanes open before their eyes. Discussion in Kotzebue kept returning to the difficult challenge posed by the high cost of living, especially for energy and food. Respondents noted that there are jobs in the area, but local residents are not qualified for many of them in education, healthcare and mining. The region is forced to import teachers, doctors, nurses and high skilled mine workers. Improved job training around those three issues would allow local residents to take advantage of existing jobs in the region.

MINUTES

The forum opened with a prayer then moderator Nellie Moore welcomed the in-person and radio audiences and introduced Jim Nordlund. Jim introduced the video message by USDA Deputy Secretary Kathleen Merrigan and then introduced Danny Consenstein. Marie Greene of NANA and Mayor Whiting of the Borough offered their greetings. The format of the forum was built around three discussion points: 1 – Creating jobs by building Alaska's infrastructure; 2- Preparing and training workers; and 3- exploring ways to rejuvenate and support local business

What are the opportunities for growth in Alaska? What business and sectors seem poised to rebound? What do you see as the “jobs of the future”?

- Local involvement in facility and infrastructure design and construction to prevent future problems. Projects in the past were designed by people from outside who did not understand the Alaska environment and so they are failing (i.e. water and sewer systems and roads built on permafrost).
- Full funding for projects.
- Flexible infrastructure to be able to move with the community in cases of severe coastal erosion.
- Permit approval for Red Dog Mine expansion to allow the mine to operate through 2031 will save more than 500 jobs in the region.
- Upper Kobuk – partnering with Nova gold to develop bornite mineral find known as the Arctic Deposit.
- Relaxing some regulatory requirements would help with job creation.
- The North West Arctic Leadership Team (NWALT) is focused on job creation and training in the region.
- Data on the wind resources in being compiled for all villages in the NANA region to assess the viability of wind energy generation.
- Selawik general store has constructions plans and needs a source of financing. It would provide a new source of commerce in the community.
- USDA/Rural Development interested in opening a satellite office in Kotzebue. Looking for office space to rent.
- Knowledge exchange – exporting cold weather expertise (Climate Change)
- Promote incentives for food stamp recipient parents to ensure their children have good school attendance records.
- Promote energy efficiency in building construction and renovation.
- Federal revenue sharing.
- Expand the Alaska Technical Center so more students can receive training in the fields of health care, education and resource development. Build a dormitory so more students can attend ATC on a residential basis.
- Offer a weatherization training and certification program at the Alaska Technical Center.
- Gap financing – work with state and federal administrators to remove the barriers to efficient weatherization funding.
- Develop the proposed Cape Blossom deep water port as a means to more efficiently ship and distribute supplies within the region.
- Promote summer jobs for youth. Use agriculture as a possibility through high school gardening/food projects.
- Federal agencies will follow-through on tribal consultations. Have everyone at the table and continue to partner with tribes.
- Promote and build markets for in-home manufacturing of crafts and skin sewing.
- Allow the renting and renovation of older federally funded housing. (Sandy Shroyer Beaver)
- Finish the construction of the Elder Care Facility in Kotzebue.
- Encourage part-time employment as a better fit for the rural lifestyle.
- Allow hunters to pool their resources and distribute the game they take to people in need of sustenance. Provide funds for wildlife hunting and processing equipment.
- Adjust regulations and procedures to encourage the hiring of local contractors on government-funded projects.

- Hold a greenhouse roundtable to identify markets and technology for produce grown in the Arctic.
- If somehow USDA could support food gathering there is a lot of local skill in food gathering.
- Provide more programs for youth to occupy time and develop skills.

What are the obstacles to job creation in Alaska? What could make local businesses more likely to start hiring?

- A lot of the region's infrastructure has reached a certain age and needs to be replaced.
- Local people need to be involved in project design to build facilities suitable for Arctic conditions. Designs and construction techniques can be more relevant to the culture and the region.
- Weatherization – Costs and timelines are prohibitive. After the cost of the energy audit and construction materials, no funds left for hiring workers.
- Region is underserved by broadband technology.
- Power Cost Equalization doesn't cover commercial energy users, only residential.
- Unstable ground from melting permafrost (climate change impact).
- Silo effect – Multiple agencies may work on the same projects and need to do a better job coordinating actions with each other.
- Transportation – Need for more physical access between communities and resources in the region. The long length of time required to secure permits for transportation projects can be a hindrance.
- Villages often lack the capital necessary for the local match portion that federal grants require.
- Energy costs in the Arctic are high due to transportation and delivery costs.
- Cost of living in Kotzebue is more than 60 percent higher than Anchorage.
- Local energy capacity suffers when utility expenses are not billed and collected.
- More grant writers are needed to write applications for available funds, but not enough administrative overhead is allowed to pay for them. (One example is that the BIA needs to approve a higher indirect rate.)
- Region does not have a shortage of jobs, but a shortage of training. Organizations (school district, nonprofits, Red Dog) need to import 50 to 60 percent of their employees in order to have a workforce with the required skills.
- Income qualifications and limits are too high. People who need help are disqualified from assistance.
- Local businesses have difficulty competing with businesses from Alaska's urban areas for work on projects within the region.

Juneau

Date: January 26, 2010

Attendance: 44 people

Cosponsors: Juneau Economic Development Council
Southeast Conference
Sealaska Corporation
Central Council of Tlingit and Haida Tribes of Alaska
University of Alaska Southeast

Panel: Rick Harris: Executive Vice President, Sealaska Corporation

Brian Holst: Executive Director, Juneau Economic Development Council

Charles Peele: Central Council of Tlingit and Haida Indian Tribes of Alaska

John Pugh: Chancellor, University of Alaska Southeast

Shelly Wright: Executive Director, Southeast Conference



SUMMARY

Panelists at the Juneau meeting provided information and ideas about job growth opportunities in Southeast Alaska. Panelists spoke to development opportunities in the region and specifically what their organizations were doing to help create jobs in the region. After the panelists spoke, attendees were given the opportunity to add additional ideas. A list of sectors offering development opportunities was generated and then discussed. Attendees and panelists identified opportunities and challenges. Common themes were the challenges of government land ownership and regulations, small business development, mariculture, mining, health care, and tourism. The issue of the need for sustainable jobs was raised. Speakers' remarks are summarized in the order they were made since they built on each other's remarks.

MINUTES

Welcome by Jim Nordlund and introduction of video the message by USDA Deputy Secretary Kathleen Merrigan. Danny Consenstein discussed Secretary Vilsack's four pillars and then introduced the panel who were prepared to answer the following two questions: "What are the opportunities for growth in Southeast Alaska?" and "What do you see as the jobs of the future for Southeast Alaska?"

Panel Comments

Rick Harris – Sealaska Corporation

Mr. Harris offered the perspective from Sealaska Corporation. He highlighted that communities in Southeast Alaska are losing population to outmigration; school enrollments are declining. He said Sealaska Corporation was working to develop a sustainable strategic plan, not just something that was the 'flavor of the month'. Mr. Harris stated that the issues to focus on are what the goals of development are and the impediments to it, both external and artificial. He also noted the need for goals and progress to be measurable. He highlighted opportunities and challenges in a number of economic sections.

Workforce--3 sectors

- Industrial/manufacturing

- Technology/information transfer
 - incubator development
- Tourism
 - Need a season that is longer than 90 days
 - Not for every town
 - Need to cultivate new types of visitors

Alternative energy

- Lots of wood residue in forest and mills
- Need to use that existing resource
- Not big market in SE for pellets right now
- The potential demand in Southeast is 10,000 tons
- No one wants to be first to convert
 - Sealaska is converting its headquarters building in Juneau to be 100% pellet fueled, starting with imported pellets
- Viking serious about pellet plant

Forestry/Silviculture

- ARRA funding is available for forestry/silviculture
- Huge forests in the region, lots of opportunities for wealth creation
- Potential links to manufacturing, renewable energy

Mariculture

- Working with Kake developer on incubator for oysters
- Currently it's an impediment to entering oyster business
- Worked with Central Council – hired two people
- After 1 year people qualify for USDA farm program funding
- Then they hope those two workers start their own farm
- In small communities creating several new jobs is important

Other opportunities

- Berries picking on government land or corporation land

In order to move the region forward

- It must be a targeted, focus effort
- ALL parties must agree, move together for SE
- New visitors in other seasons
- Pick goals
 - Common goals
 - Find impediments (example oyster farm need for start-up funding)
 - British Columbia started small oyster farm, now huge, received government support

Shelly Wright – Southeast Conference

Ms. Wright briefly described the Southeast Conference. She noted it is a membership organization with all types of agencies and organizations as members. She focused her remarks on how to help people in Southeast communities.

Fisheries

- Do value added work and keep money in Alaska
 - Processing
 - Fish oil
 - Mariculture

New technology/research

- Lots of people doing research
- Requires broadband
- Training – college and vocational

Mining

- Mineral Development
 - Mining on Prince of Wales Island has approximately 200-300 jobs of all types

Workforce Development—the people of Southeast are an enormous resource

Manufacturing

- Shipyard in Ketchikan
- Sawmills/pellet plants – requires timber industry
- Timber important – vital even at smaller level

Tourism

- Kayak, hike, trails
- Eco tourism for smaller communities

Training opportunities

- Construction
- Refrigeration

Social Services

- Hospitals
- Clinics – heart of small communities

Need plan with regional priorities to address

- Energy
- Broadband

John Pugh—University of Alaska Southeast

Chancellor Pugh noted that training and opportunities are important. He also noted that Southeast Alaska has a government-centered economy. He stated that while new job creation is vital, the region also needs to take care of existing jobs and that means having locals with the training to take available jobs.

Mining

- Have mines w/ 200+ jobs, good community member
- New mines opening
- Partnership with UAS/Department of Labor/mines to open training for mine workers (for underground mines too)
- Classes are creating workers from area for jobs (must have safety training)

Energy Production

- Alternative and traditional
- Hydro should be considered renewable by federal government
- Small tidal projects/wind
- Need specialty training
- Energy efficiency – weatherization (can do this already through UAS construction focused on providing energy audits and then doing the work)

Health Care and Social Services

- Needs will grow (more retirees)

- Need broadband – allows data to be passed, expands medical opportunities in smaller communities
- Recently added educational opportunities to train in Southeast
 - Nursing
 - Radiology
 - Could be more, growing industry (2nd largest in SE)

Leisure/hospitality industry

- Must be longer term jobs
- Sustainable
- UAS not a partner, want to be

Construction

- Will continue to be strong 2000+ jobs in SE now
- Existing training academies
- Governor’s budget includes support for deferred maintenance – will be local contractors, must keep local

Small Business

- UAS currently provides support through the small business center

Charles Peele – Central Council of Tlingit and Haida Indian Tribes of Alaska

Mr. Peele noted that the previous speakers had already addressed many of the areas the Central Council feels to be important so he would keep his remarks brief to allow more time for discussion.

Workforce Development

- Have training sites, working in areas with high unemployment rates
 - Angoon and other communities
 - Work with local and state agencies – partnerships key
 - Sealaska provided interns, outside marketing
- 365 individuals served
 - 75% retention among people who attended more than one training
- 4000+ hours of one-on-one training provided
- 25+ new businesses
 - Hydaburg
- Outlined what they want to see

Responsible tourism

- Arts and culture
- Mariculture (value added/processing)

Barriers

- Energy costs
- Need alternative energy – working with Cold Climate Housing Research Center

Success stories on handouts

- Not immediate, but progress

Brian Holst – Juneau Economic Development Council

Mr. Holst noted that many speakers had already covered a lot of what he planned to discuss. He highlighted the most important portions.

- Cooperating as a region – very important
- Economies grow in regions, must collaborate
- Last year largest decline in SE jobs in 35 years
- Jobs leaving the area is a problem
- Are still available jobs – but not better paying positions
- Not job quantity but quality matters

High quality jobs

- Mariculture – 25% of SE economy somehow related
- A lot of value leaves SE and a lot of money along with it
- Have vibrant industry, need to keep resources

Energy

- Villages struggle, hard to run business with high energy costs
- Cheaper energy allows for job creation
- Energy hard to export, need to use it here
- Electric cars might be viable
- Data warehousing/cloud computing
 - Need lots of energy, cool temps, educated workers—the region is perfect

Healthcare

- “Seniorification” of the region as more people stay into retirement
- Some of largest employers in the region are health related
 - SEARHC
 - Ketchikan General and Juneau Bartlett hospitals
- Assisted living facilities needed

Research

- Can do more with UAS, need to research resources
- University system is foundation of successful regional economy
- Not Juneau vs. Hoonah – SE needs to stick together
- Collaborate to deal with barriers, especially for infrastructure
- New technologies needed
- Innovation driven by basic educational skills
 - US falling relative to rest of world
 - AK 25th among states
- Education is local responsibility
 - Raise the bar – help kids get needed skills in science and technology

Group discussion

Health Care

Need assisted living and broader healthcare

Why are seniors leaving?

- Lack of specialty doctor, cardiologists, endocrinologists, etc.

- Need to add specialties to keep people
- Need plan
- Senior citizens tax exempt
- Shifting demographics – lots more seniors
 - Wasn't need, demand is growing
- Import surgery – could compete with India
- Transportation to keep
- Nursing program is great
 - Meets needs, needs to be more consistent (classes not always offered)

Construction

An ongoing opportunity in the region, especially if other areas grow

Energy

Federal definition of renewable (not hydro)

SE hydro is high alpine

Education

Youth development training—keep youth in the region

Educated workforce

Workforce Development

- Food production
- Mariculture
- Horticulture
- Training energy raters – include accessibility issues

Hood Bay produces 8% of potatoes eaten in AK

- Plenty of similar areas to develop other food
- Federal land managers – impediment
- State and local land managers are too
- Change can occur

Rural job creation – worried about sea otters, clams

- Barriers – too much bureaucracy
- Forest Service stopping development in Angoon
- 18 months to get permit to do another on federal land
- Acres of farming, ranching, grazing
- Small business – credit

Tourism

Help tourist facilities become more accessible – ADA compliance, help seniors and older tourists

Tourism – jobs created need to be living wage

- Need to be longer than a couple months
- Need to be life style compatible (allow for subsistence activities)
- Need flexibility to work two positions in shoulder season
- Not good paying job for workers
- Can offer USDA business loans to make ADA improvements
- USDA also helps communities

- Skagway small business wanted to expand, but then need ADA approved restroom, seen as impediment, could increase market share

Mining

SE full of minerals (gold, valuable metals)

- Permitting/access (transportation) is huge barrier
- Kensington spent several hundred million to get started

UAS ready to provide training

- Big opportunities
- Big opposition from environmentalists

Need transportation infrastructure

Lawsuits hold up – stops capital

- Need to stop lawsuits, it stops businesses

Forestry

Federal government is huge land owner in SE; is hard to do things without involving them.

If high ranking people were here – dialogue could be opened.

Research/Information technology

Data warehousing

Attracting research

Broadband – broadcast meetings

- Saves money, greener
- Need “gross village product” to measure it
- \$88 million for SW AK – USDA award GCI for broadband, funding expansion into rural AK

Need technology infrastructure for small business

- Need transportation
- Need affordable energy
- Need good telecommunications

Need energy infrastructure here

Need connectivity – huge investments

Data warehousing – is robust even in poor economy

- Could happen in Angoon
- But need 100% reliable electricity
- Need fiber optic trunks that are multiple and redundant

Angoon

Fishing industry has dwindled

- Out-migration is issue
- Educated people can't go back to village
- Couldn't make enough there to pay back student loans

- State workers need cultural training – know culture is different

Barrier is Forest Service

Angoon tried cultural and ecotourism

- Environmental groups stopped
- Was lots of support
- Chronic high unemployment – out flux of highly educated people
- Variety of work types
- No technical support – need small business workshops
- Need infrastructure
- Need training

Angoon Mayor – Howard

- One project, saved city on electricity cost
- Support project to help cost be reduced
- Have permits for electricity
- Need lower costs
- Thayer Creek Project

Ketchikan

Ignores Tongass

- Mariculture best option
- State government impediments to geoduck farms
- Lack of infrastructure – need to get nursery/hatchery
 - Have some capital but 7-8 years from start before 1st crop of geoducks
 - Supply and seed – need it for industry

Ketchikan Gateway Borough received USDA funds to help

- Mariculture needs long term leases for uplands, can't even anchor to trees, even in areas with no other purpose
- Sealaska has some uplands, Costco works with indigenous people in Mexico, could work here

Absentee landlords – have that here

Working to convert natural berries to trees – keep berries

- Lease to individuals, wild berry crop high in antioxidants
- People can make money on berries – but need facility to dry berries

Blueberries – wild harvest

Mushrooms – wild harvest \$15-\$40/lb

- Millions of dollars rotting in forests
- Company has trouble hiring harvesters, berries too
 - Opportunity for rural jobs
 - Need forest access

USDA farm service – target individual farmers, help with financing

SE has history of agriculture – is diminished, all imported

- There is a demand for local food
- Need to make connection between food and demand
- Can make 'hoop houses' to lengthen growing time
- CSA (Community Supported Agriculture) – Full Circle Farms from Washington state is some local, greenhouses can be exporting agriculture
- Peonies in AK has good market; late blooming here versus other areas
- Infrastructure and training are barriers

Federal programs

Federal programs are difficult – don't know what one is good for specific need

Need help to connect people with programs, need strategy

Need to have meeting about oysters, berries, etc., to help people

- Oyster farmers started organization
- Rural communities need lifestyle compatible jobs
- Need to be able to mix subsistence with jobs
- Need to ask what people want

Farming oysters – get partial income after several years

- Working to get oysters in a couple years

Mariculture is green, sustainable business

- Can make money as mom/pop operation by 2nd year; with 250,000 oysters make \$35K income
- Oysters easier to be profitable with because of technology
- Need start up money
- Sustainable jobs – oysters all sold in Alaska for the next three years

Getting started, take \$50,000-100,000 to start shellfish farm

USDA can help with startup loans

Need clear goals – and plan to get there

Danny commits his agency to work with communities

- Can try to bring in Forest Service, work with SE Conference

Secretary Agriculture came to Alaska last summer

- 40 programs – need to mix and match agency needs to be responsive
- Intent is to help
- *Jim commits to talk to Secretary re: upland land use and forest service land set aside for berries*

Forest Service rules hinder development; part of agency with USDA

Major problem is communities totally surrounded by Tongass, just assist with sustainable development

One of the key drivers is energy

Alternative fuels, better communication

Community education – drives economy

Forest Service – so much power

- Alaska Natives are the biggest private land owner in SE
- Have special place and have special responsibility
- Too much planning in region – so many plans, over planning, need help with implementation
- Switch to implementation team

Dept of Agriculture

- All broken up, structure hinders division with the department from working together to help
- Tongass should be priority
- Can create jobs in region – government need to work with region
- If doing rural development, hold meeting in rural area
- Federal government is big brother giving out money
- Invitation to panel from rural community
- Not all rural communities even in Southeast Alaska have the same problems
- The lack of information that gets to rural Alaska is hard—many communities probably didn't hear about this meeting
- Need more information

Goals – treat seafood as food within the USDA

- Trend – hard for young people to get into industry
- Direct market segment

Who are players?

- SE Conference
- Sealaska – largest private land holder in SE

Where going, how to develop

Need implementation

Small communities

Secretary of Interior – allows expertise to come right to tribe, no middle man

USDA didn't learned of forums until December 15th

- Supposed to be done 1/6/2010
- Would have liked to be in rural area but no time
- Agree should have meetings in rural communities
- Required to do tribal consultations – not sure how to do that with 238 tribes in Alaska

Anchorage

Date: February 1, 2010

Attendance: 57 people

Cosponsors: AFL- CIO

Association of ANCSA Regional Corporation

Presidents/CEOs Inc.

Denali Commission

State of Alaska

Panel: Vince Beltrami, AFL-CIO

Mark Allred, Denali Commission and ANCSA CEOs

Curtis Thayer, Deputy Commissioner, AK Dept. of

Commerce, Community and Economic Development

Brynn Keith, Senior Economist, Alaska Department of Labor

Greg Cashen, Executive Director, Alaska Workforce Investment Board, AK. Dept of Labor

Wes Lannen, General Field Representative, USDA-RD Rural Utilities Service

Chris Rose, Executive Director, Renewable Energy Alaska Project (REAP)

Arthur Keyes, Owner, Glacier Valley Farms



SUMMARY

Panelists at the Anchorage meeting provided information and ideas about job growth opportunities in the state that echoed themes from the other meetings. Attendees were given the opportunity to add additional ideas, and then the whole group prioritized them with the following four areas for job creation rising to the top:

- Manufacturing
- Small Business Development
- Broadband
- Renewable Energy

Breakout groups identified opportunities and challenges in each of these areas. Common themes were small business development, challenges of regulations, statewide benefits of rural development, and Alaska as a regional economy. It should be noted that food systems and food security was a topic of conversation in all of the small workgroups with the exception of broadband.

MINUTES

Welcome and introductions by Jim Nordlund and Danny Consenstein.

Brynn Keith provided an overview of Alaska's economy, highlighting changes in the past year and comparing findings to national trends. Overall, Alaska has fared better than the rest of the nation in the recession.

Greg Cashen – Alaska Workforce Investment Board

- AWIB's job training program encompasses four broad strategies: Public awareness campaign, statewide career and technical education, developing and expanding regular apprenticeship, and trainings certifications in preparation for gasline.
- Many of their efforts are related to gas pipeline training plan. Recently received 3.6 million to train Alaskans in renewable energy jobs. Partners: Denali Commission, Alaska Housing Finance Corporation, DOTPF, AFLCIO - working together to develop a state energy sector training plan.

- Healthcare industry- they submitted a grant application through ARRA, not sure if it was funded.
- Working with regional training centers throughout the state (rural locations).
- AWIB has Job Centers in rural AK.
- Green energy – received grant to identify occupations in green energy sector

Mark Allred – Denali Commission and ANCSA CEOs

- Here representing ANCSA regional association, Denali Commission
- Commission’s focus has been on building infrastructure in rural AK – improve quality of life, other entities will bring jobs.
- Native Corporations – employ more than 30,000 people, half in of whom live in Alaska. The Model for AK has mostly been a resource extraction, Native corps are trying to employ people all over the globe and bring profits to AK – multiplier effect very important.
- Key priority for Native Corporations – raise quality of life for shareholders (through dividends, education, training opportunities, scholarships, employment opportunities).
- Denali Commission – 3 areas receive 80% of funding: Energy, Health, and Transportation
- Training, healthcare dovetail with these three. Mark has report available to share.
- There is a match requirement for most funding – impact of 2\$ billion.
- Training had budget cuts. Commissioners are meeting today in Juneau – looking for funds elsewhere. Focus is to train rural Alaskans for projects specific to DC jobs so they hire locally. Large challenge for commission – loss of funding. Work will be posted on web, will have 30 days to comment.

Curtis Thayer – Alaska Department of Commerce

- Governor Parnell believes the best thing government can do is to know when to lend a hand, and know when to get out of way. Improve quality of life, sustainability. Transportation, workforce development, Alaska energy and other resources, removing barriers that inhibit growth. Believes in small business.
- Governor Parnell has met with industry sectors all over the state. Public/private partnerships can work together.
- Working to ensure State’s resources are favorable to development – road extensions. Beluga whale position – requesting extension on comment period. He interested in hearing about internal barriers. The State has found that the State is their greatest adversary...
- Must invest, with guiding principles. Create opportunities – find highest and best use for natural resources. State allows money to leave the state.

Vince Beltrami – AFL-CIO

- 60,000 union members in Alaska, the second highest union density in the country – 25% unionization rate. 85% of labor in Alaska is done by people represented in union.
- AFLCIO raises the standard of labor for their members. Rising tide floats all boats – they also fight for legislation that affects not just unions.
- Have provided apprenticeship training for over 50 years, mostly without government assistance.
- Building trades program generates \$10 billion per year.
- Electrical workers program largest in State.
- A lot they do in their training programs that serve as a model. GIA Identifies 113 occupations for gasline – AFLCIO asks what are the other 103?
- AFLCIO programs can contract and expand as needed w/fluctuating economy. Can gear up for new projects (roads, gasline, construction).
- Tons of new opportunities. Renewable Energy commission – looking at lots of options.

- Would tell Obama – Alaska holds the key – we can be an example for rest of the country. We have more renewable energy potential than the rest of the country.
- Also sits on Denali commission – funding cuts have been tough. They have invested in spending money wisely on infrastructure. No better way to help rural Alaska than work of Denali Commission.
- Unions aren't part of the problem, they're part of the solution. Willing to partner with anyone to get projects moving.

Arthur Keyes – Glacier Valley Farms

- Alaska has huge opportunities to produce more food – we currently produce 3% of purchased food.
- Every dollar spent in a local farm rolls around a community 7 times before leaving.

Chris Rose – REAP

- Chris highlighted current renewable energy efforts in Alaska and opportunities for new endeavors.
- Design and construction jobs will be created to build renewable energy generation.
- Operation and maintenance jobs will be created to run new renewable energy generation
- Construction jobs will be created to weatherize and retrofit buildings.
- Research, development and deployment jobs will be created to optimize small, village-scale distributed generation systems including wind-diesel hybrid, river hydrokinetic, biomass gasification, and tidal and wave energy systems.
- Consulting jobs will be created to transfer technology associated with small, village-scale distributed energy systems to people who live in remote developing communities around the world.
- Manufacturing jobs will be created when large-scale, stranded renewable energy resources are exploited in the Aleutian Islands to run manufacturing and processing facilities.
- Alaska has abundant renewable energy resources; geothermal, hydro, wind and biomass.
- Alaska has some of the highest energy prices in the country, even with oil prices down from the peak in summer of 2008, many villages struggle to fuel.
- Southeast Alaska has some a few communities in the unique position of having excess hydro power and a small amount of road system. These communities could be some of the first in the nation to go entirely to renewable energy, even for their transportation needs.
- Alaska can help develop small systems that work in rural areas and can export our experience and the knowledge and expertise we gain.

Wes Lannen – USDA-RD Rural Utilities Service

- Broadband deployment – people focus on ARRA funding – BIP applications. All loans they issue have to be capable of providing broadband service.
- \$11-12 billion portfolio, Alaska received 7 billion.
- Invested over \$400 million in traditional telephone program. People building infrastructure are the ones actually investing.
- \$40 on telemedicine
- \$3.6 mill community connect (7 communities)
- \$3.2 community TV
- \$.8 million for dialup
- BI program \$113 million(?)
- Since 1996- funds have been capable of providing broadband.

- Alaska has unique issues in deploying broadband.
- After 1966, tel. loans have amounted in over \$71 Million
- Job creation for broadband– couldn't calculate a number. White House not allowed to use an algorithm, cautioned against doing that.
- In their reporting – using numbers from applicants: Direct jobs = 165, doesn't include indirect jobs (jobs that follow the broadband).

Other job creation ideas to add – raised by participants

- Meat farming
- Park improvements, youth employment – similar to CCC
- Paul Kendall's blog: <http://h2omf.blogspot.com> (spoke of ideas presented here)

Participants voted on ideas presented by panelists and attendees and prioritized them as follows:

- Small business development – 10
- Renewable Energy – 7
- Rural infrastructure – 7
- Training – 6
- Manufacturing – 6
- Green Energy – 5
- Broadband – 5
- Food Systems/Local Food – 4
- Transportation – 3
- Deregulation – 3
- Energy Efficiency – 2
- Venture Capital -2
- Climate Change - 0
- Oil - 0
- Gas line - 0
- Healthcare - 0
- Construction - 0
- Government - 0

Participants broke into discussion groups to answer the following questions on the top four ideas:

What are the opportunities for growth in Alaska? What business and sectors seem poised to rebound?

What do you see as the “jobs of the future”?

Report Outs from discussion groups:

Manufacturing:

What are the opportunities for growth in Alaska? What business and sectors seem poised to rebound?

What do you see as the “jobs of the future”?

- Import substitution
 - Food canneries
 - Meat production
 - Agriculture products – grains and produce
- Wood pellets (shift to biomass): Both wood pellet production and other types of biomass applications create local sustainable jobs.
- Biomass, combi heat/power systems
- Alaska based bakery

- Tie energy generation and food production together – waste heat → greenhouses
 - food storage – getting research out to local people
 - technology transfer
 - energy/local food systems planning

What are the obstacles to job creation in Alaska? What could make local businesses more likely to start hiring?

Major theme – system planning is essential to success of any ventures in both small communities, (because of small market size) and the state as a whole (because of distance to market.) System planning in terms of supply to market management as well as community systems such as connecting energy generation waste heat with food production. There is a lot of interest in creating jobs in local food production and recognition that high energy prices are the biggest barrier to local food production in many rural communities.

- Obstacles
 - Cost of energy
 - Infrastructure
 - Markets too small
 - Food storage is expensive with high energy costs
 - Shipping costs make is hard to compete
 - 40% spoilage rate produce going from Anchorage to rural communities
 - Regulations designed for large producers
 - Access to capital is a major barrier for rural residents who lack assets and income needed to obtain loans
 - The supply chain is not addressed in the planning process for big capital projects in Alaska. Supply to market follow through is needed.
- Lack of system thinking/planning is an obstacle to success
 - Should the requirements for \$ w/ holistic planning and follow through
 - Food and energy generation systems should be interrelated
- Regional specific requirements on federal programs
- Food security is big issue

Small Business Development:

Major theme - getting small business added into the value-added category. Encourage youth involvement – how to support them in entrepreneurship. Individual development accounts – asset development accounts.

What are the opportunities for growth in Alaska? What business and sectors seem poised to rebound? What do you see as the “jobs of the future”?

- Tourism –
 - Encouraging cultural and ecotourism
 - Local management and training
 - Expansion to rural Alaska
 - Exposure of rural Alaska tour opportunity
 - Networking
- Rural training/network
 - Infrastructure (biz opp. Restaurant, lodges)
 - Cultural tourism resource
- Encourage year round activities (xc skiing)

- Fishing, timber, mineral – actual ways for small business to participate
- Keeping industry for tourism
- Industry in community in community and developing
- Bug bites – products for youth (jr. achievement)
- Youth programs to support entrepreneurship
- Value added on small business level (easing or access for rural for food processing)
- Encouraging business development with IDA acct's

What are the obstacles to job creation in Alaska? What could make local businesses more likely to start hiring?

- Employment and business tax policy for rural biz needs to be considered /subsidized or tax credits for rural communities road vs. non-road
- Specific financial resources for small business development in cultural tourism, loans, grants.
- Rural business don't always qualify for resources (grants mgmt, mgmt capacity building)
- Access to training for financial mgmt tools
- Seasonal opportunities for rural exits
- Microlending
- Small business loans for whole state.
- Tax considerations doable tax under social security temporarily for hub zone.

Broadband:

What started as an Alaskan project turned international. AK would generate 6000 national, 100 instate. Benefits people of AK, serves people of the country, provides rural infrastructure and development. Allows information sharing – food systems, training, funding. Looking for marketing to create demand in rural areas, vice versa. Local communities- local hire, need to prioritize training. Share success stories in rural Alaska.

What are the opportunities for growth in Alaska? What business and sectors seem poised to rebound? What do you see as the "jobs of the future"?

- High speed fiber optic lines – affordable, reliable, accessible
- Benefits to AK
 - Enables climate change research
 - Facilitates development
 - Important piece of national def.
 - Reduce dependence on subsidies
 - Improved education and health care
 - Critical to sustainability of villages and traditional ways of life
 - Keeps Alaska competing in 21st century
- Job creation – 6,000 jobs w/northern Fiber Optic Link

What are the obstacles to job creation in Alaska? What could make local businesses more likely to start hiring?

- Obstacles – stimulus money is too slow getting here, decision making process not transparent.

Renewable Energy

Retrofitting for energy efficiency – similar to CCC to go through communities and retrofit buildings. Renewable energy manufacturing – need more demand here, identify markets in Asia, other places. Export our expertise – huge opportunity because so many places in the world that are similar to rural Alaska. Capacity of University – people trained as professors, idea of more training in general – train the

trainers. Develop specific niches – electric transportation. Small scale manufacturing – move industry to place where the energy is. Designing energy efficient buildings. Retrofitting – connect with accessibility for people with disabilities. More of a citizen based approach to renewable energy.

What are the opportunities for growth in Alaska? What business and sectors seem poised to rebound? What do you see as the “jobs of the future”?

- CCC – civilian conservation corps providing weatherization and efficiency retrofits
- Accessibility and home modification
- Training the trainer
- Renewable energy manufacturing (e.g. wind)
- Knowledge Based (e.g. Terra Sound)
- Research and Development – emerging technologies invest in higher ed
- Small Southeast communities in Alaska (e.g. Sitka) with a small number of road miles and an excess of renewable energy (mostly hydro) have the opportunity to be the first communities in the nation to convert to electric vehicles
- Renewable energy for growing food
- Renewable energy for manufacturing
- Server farm
- Residential energy committee

What are the obstacles to job creation in Alaska? What could make local businesses more likely to start hiring?

Very high development costs for renewable energy projects: traditionally used diesel generation units have lower initial start-up capital costs.

Rural Infrastructure

What are the opportunities for growth in Alaska? What business and sectors seem poised to rebound? What do you see as the “jobs of the future”?

- Marketing – more consumer demand
 - Farmer’s markets
 - TV/radio
 - Consumer education
- Processing facilities for high value-added
- Training
 - Butcher/sausage
 - Capacity building
- Improve quality
- Statewide summit to discuss opportunities
- Local hire (particularly in rural areas)
- Collaborate- particularly on training
 - w/in fed system
 - w/state and local
 - w/private industry
 - w/unions
 - Share success stories – What’s working
- Funding for renewable energy projects at school
- Composting
- Waste management

- Use fish waste
- Innovative Building
- R&D funds for renewable energy for local businesses and schools

What are the obstacles to job creation in Alaska? What could make local businesses more likely to start hiring?

- High costs
- Information to producers, consumers, public
- Money - financing (credit) – use university
- Government loans/grants – ranking system should recognize AK rural
- Private Banks
- Cut red tape
- Put resources at permitting agencies (staff)
- Streamline/simplify procedures
- Transportation costs
- Reduce fuel surcharge
- Airport improvements
 - Lighting
 - Extension
- Dock/harbor improvements
- Bridges

END OF REPORT