CEDS 101: What You Need to Know Right Now about the Comprehensive Economic Development Strategy

March 9, 2021

CEDS, Recovery, and Resilience Webinar Series

STRONGER CEDS
STRONGER REGIONS
A NADO Research Foundation Program

NADO
NATIONAL ASSOCIATION OF DEVELOPMENT ORGANIZATIONS
RESEARCH FOUNDATION

Many thanks!

EDA
U.S. ECONOMIC DEVELOPMENT ADMINISTRATION

Thanks for Joining the Webinar!

- Questions or comments can be submitted via the questions box on the right side of your screen in drop down menu
- A recording of the webinar will be made available soon at www.nado.org & www.CEDSCentral.com
- Next webinar in the series:
  - **March 23** – Rural Resilience and Economic Development
- Please contact Brett Schwartz at bschwartz@nado.org if you have any general questions about NADO RF or the *Stronger CEDS, Stronger Regions* program

STRONGER CEDS STRONGER REGIONS
A NADO Research Foundation Program

Today’s Presenters

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U.S. Economic Development Administration (DC)

Brett Schwartz, Associate Director
NADO Research Foundation (DC)

Meilani Schijvens, Owner & Director
Rain Coast Data (AK)

In a nutshell…

The **Comprehensive Economic Development Strategy (CEDS)** is a locally-based, regionally-driven economic development planning process and document that creates the space for your region to identify its strengths and weaknesses and brings together a diverse set of partners to create good jobs, diversify the economy, and spur economic growth.

The technical stuff:

- Required for EDA designation as an Economic Development District
- Updated every five years with annual reports
- Submitted to EDA regional office for approval
- A CEDS Committee should be organized that "must represent the main economic interests of the Region"
- Requirement for various EDA funding including EDA's Public Works and Economic Adjustment Assistance programs & CARES Act funding

The CEDS is a Conduit for Resources to Your Region…

We are in a Golden Age for the CEDS

Rawpixels.com

CEDS Content Guidelines: Make it Your Best Friend!

US Economic Development Administration - 030916

Comprehensive Economic Development Strategy (CEDS) Content Guidelines:

Recommendations for Creating an Impactful CEDS

Contents

1. Overview ... 2
2. Content ... 4
   A. Summary Background: A summary background of the economic development conditions of the region ... 4
   B. SWOT Analysis: An in-depth analysis of regional strengths, weaknesses, opportunities and threats ... 6
   C. Strategic Direction/Action Plan: Strategic direction and an action plan (flowing from the SWOT analysis), which should be consistent with other relevant state/regional/local plans. ... 11
      - Strategic Direction: Vision Statement and Goals/Objectives ... 11
      - Action Plan: Implementation ... 12
   D. Evaluation Framework: Performance measures used to evaluate the organization's implementation of the CEDS and its impact on the regional economy. ... 14
   E. Economic Resilience: ... 15
      - Planning for and Implementing Resilience ... 17
      - Establishing Information Networks ... 18
      - Pre-Disaster Recovery Planning ... 20
      - Measuring Resilience ... 21
3. Format ... 22
4. Preparation ... 23
5. Equivalent/Alternative Plans ... 25

- Provides guidance on the required sections of the CEDS
  - Summary Background
  - SWOT
  - Strategic Direction/Action Plan
  - Evaluation Framework
  - Economic Resilience
- Best practices, case studies, and links

www.eda.gov/CEDS

What's in Each Section? A Quick Overview

- **Summary Background:** A background summary of the region should answer the question, "What have we done?", and present a clear understanding of the local economic situation, supported by current, relevant data.

- **SWOT:** A SWOT analysis of the regional economy should answer the question, "Where are we now?" by using the relevant data and background information to help identify the critical internal and external factors that speak to the region's unique assets and competitive positioning.

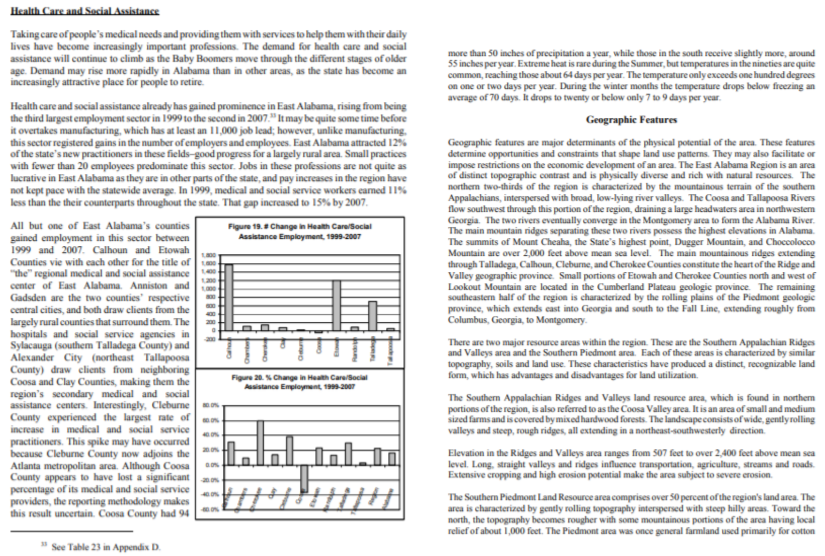
- **Strategic Direction/Action Plan:** The strategic direction and corresponding action plan contained within the CEDS are the heart and soul of the document. They should answer the questions "Where do we want to go?" and "How are we going to get there?" by leveraging the analysis undertaken in the SWOT.

- **Evaluation Framework:** The evaluation framework serves as a mechanism to gauge progress on the successful implementation of the overall CEDS while providing information for the CEDS Annual Performance Report.

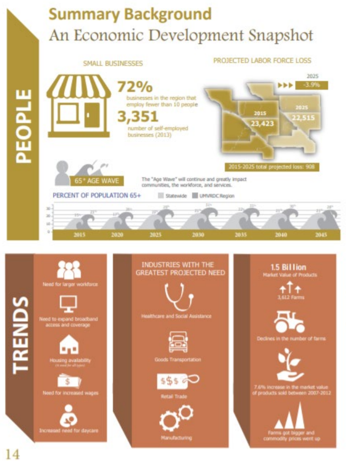
- **Economic Resilience:** In building economic resilience, it is critical that economic development organizations consider their role in the pre- and post-incident environment to include steady-state and responsive initiatives.

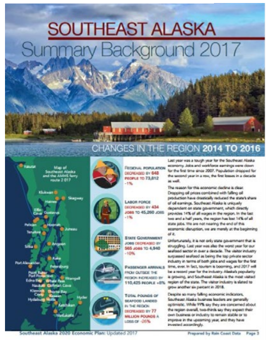
A New Era for the CEDS

From this…



…to this…





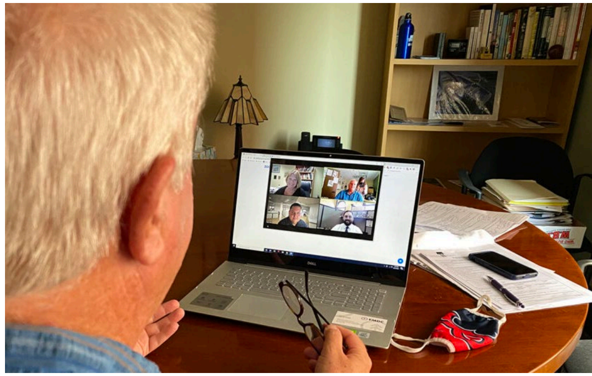
…and this!

A New Era for the CEDS

From this...

Credit: Everyday Health

...to this!



A New Era for the CEDS

From this…

…to this!

COUNTING JOBS

JOB

Credit: countingjobs.com.au

The eight capitals

The capital	The definition
Individual	The existing stock of skills, understanding, physical health and mental wellness in a region's people.
Intellectual	The existing stock of knowledge, resourcefulness, creativity and innovation in a region's people, institutions, organizations and sectors.
Social	The existing stock of trust, relationships and networks in a region's population.
Cultural	The existing stock of traditions, customs, ways of doing, and world views in a region's population.
Natural	The existing stock of natural resources—for example, water, land, air, plants and animals—in a region's places.
Built	The existing stock of constructed infrastructure—for example, buildings, sewer systems, broadband, roads—in a region's places.
Political	The existing stock of goodwill, influence and power that people, organizations and institutions in the region can exercise in decision-making.
Financial	The existing stock of monetary resources available in the region for investment in the region.

Credit: Wealthworks.org

A New Era for the CEDS

From this…

…to this!

Credit: Industry Week

Resilience: The ability of a region or community to anticipate, withstand, and bounce back from shocks, disruptions, and stresses including:

- ❑ Weather-related disasters or hazards / Impacts of climate change
- ❑ The closure of a large employer or military base
- ❑ The decline of an important industry
- ❑ Changes in workforce / effects of automation
- ❑ COVID-19 response & recovery
- ❑ Much more…

Economic Resilience: What Do the CEDS Content Guidelines Say?

Economic resilience becomes inclusive of three primary attributes: **the ability to recover quickly from a shock, the ability to withstand a shock, and the ability to avoid the shock altogether**.

Steady-state initiatives tend to be long-term efforts that seek to bolster the community or region's ability to withstand or avoid a shock.

Responsive initiatives can include establishing capabilities for the economic development organization to be responsive to the region's recovery needs following an incident.

Visit: www.eda.gov/CEDS

Why **Regional** Resilience?

- Nearby communities often share similar risks/hazards
- Disaster impacts cross jurisdictional boundaries
- Communities are interdependent
  - Vulnerabilities in one community could impact another.
  - Mitigation investments in one community could impact another (positively or negatively).
- Economies are regional in nature
- Communities can accomplish more when they work together

Region Nine Development Commission (MN)

Regionalism Works

Regionalism is a committed effort to improve communities through increased coordination and collaboration, maximizing efficiency through united approaches while preserving individual aspirations.

Steve Etcher, Former Executive Director, Boonslick Regional Planning Commission (MO)

U.S. Department of Commerce
Economic Development Administration (EDA)

Coronavirus Aid, Relief, and Economic Security Act

https://eda.gov/coronavirus/

Greater Portland

ECONOMIC RECOVERY PLAN

GREATER PORTLAND

Metro

1 HELP SMALL BUSINESSES RECOVER & GROW

2 ADVANCE ECONOMIC MOBILITY FOR INDIVIDUALS

3 SUPPORT FAMILIES & CHILDREN

AN ACTION-FOCUSED ADAPTABLE FRAMEWORK TO ADDRESS SMALL BUSINESS RECOVERY AND UNEMPLOYMENT IN RESPONSE TO COVID-19

ACTION MATRIX

This matrix is intended to guide staff and stakeholders toward immediate action. It is a "living document" that can respond to new opportunities that may emerge over the next 24 months. The Lead Organizations noted below are recommended champions or key points of contact for the actions. However, they are not solely responsible for implementation and will need further support.

HELP SMALL BUSINESSES RECOVER & GROW

PRIORITY 1

Tailor interventions for local consumer-oriented industries that have been hardest hit by COVID-19 and economic downturn

Outcome/metric: Number of BIPOC and total consumer-oriented businesses supported

Action	Recommended Lead Organization	Recommended Partners to Engage
Provide technical services to renegotiate lease terms with landlord. Fund a grant match program specifically to finance renegotiated lease terms.	SBLC	Law Firms, Commercial Brokers
Develop regional policy to waive or reduce fees for consumer-based businesses (e.g. farmers markets, restaurants, child care)	GPI	Regional EDP
Develop regional standards to expedite TI permits related to COVID and potential grants to fund improvements. Potentially include cost of heaters and awnings to allow for outdoor seating in winter, which may be more acceptable to customers.	GPI	Regional EDP
Develop a regional policy for cities/counties to hire special inspectors or 3rd party inspectors to aid construction review in the field, per state building code regulation. Prioritize hiring BIPOC 3rd party inspector.	GPI	Regional EDP
Provide regional training for cities/counties regarding cultural competency when delivering technical services for BIPOC businesses accessing financial institutions, business development services	GPI	Regional EDP
Explore advocating for regulations that protect public health, while also promoting economic recovery to help businesses in crisis. For example, some local economic development practitioners continue to hear that having the Oregon Liquor Control Commission allow restaurants to sell take-out spirits or stay open until 11:00pm could be the difference-maker in survival.	GPI	

The noted Lead Organization is the recommended champion and key point of contact for implementation. However, the Lead Organization is not solely responsible for implementation; it will need other funding and partners to implement the work which Metro and GPEDD staff will help secure.

PRIORITY 2

Priority 2: Identify forward looking interventions for 13 industries that are at highest risk of disruption from COVID-19 and recessionary forces, focusing on traded sector to drive growth

Outcome/metric: Number of BIPOC and total businesses that are at highest risk of disruption supported

Action	Recommended Lead Organization	Recommended Partners to Engage
Enhance grant funding through Oregon Made Creative Foundation for Film and Recording industry tied to DEI efforts. Prior grant award example: "Pedal Through", a film about three young black women taking on a week-long bike packing adventure full of joy, healing, and mentorship with mother nature in Oregon's backcountry.	Oregon Film	
Technical and advisory services for business financials and understanding, marketing and sales pipeline strategy, and growth services.	OMEP	Impact WA
Connect manufacturers with business expansion opportunities through exporting and supplying to the DOD. Conduct custom supplier matching and supplier scouting to shorten supply chains and reduce risk.	OMEP	Impact WA, Business Oregon, PNDC, MEP National Network
For the manufacturing sector, provide or distribute grants for COVID education, operational excellence and workforce training / retention, food processing safety advice. (Also tied to Priority 3.1)	OMEP	Impact WA, Prosper Portland, Business Oregon, PNDC
Help businesses adopt and finance new technology to enhance jobs and skills, including gaining the tools to move from paper to cloud based services	OMEP	OMIC –Factory of Tomorrow, Impact WA

PRIORITY 3

Priority 3: All small businesses are important, but focus interventions on what is needed to stabilize and reopen businesses with 11-50 employees

Outcome/metric: Number of BIPOC and total businesses with 11-50 employees supported

Action	Recommended Lead Organization	Recommended Partners to Engage
Technical assistance and grants focused on acquisition of software and technical training to scale construction and manufacturing businesses (improve office operations). Consulting services for succession planning. Provide consistent funding for staff.	OMEP, PDBG	SBDC, Oregon State (Austin Family BC)
Mobilize Construction Career Pathways on publicly funded construction projects across the region to create career pathways for women and people of color and advance unified procurement processes that support the growth and participation of women and minority owned firms.	Metro	Construction Career Pathways (C2P2)
Implement regional program to enforce jobsite culture training on publicly funded construction projects to address hostility and bullying so firms can retain and advance BIPOC employees.	CWWC	Oregon Tradeswomen

The noted Lead Organization is the recommended champion and key point of contact for implementation. However, the Lead Organization is not solely responsible for implementation; it will need other funding and partners to implement the work which Metro and GPEDD staff will help secure.

SOUTHEAST CONFERENCE

Getting to 2022 Short-Term Southeast Alaska Resilience Plan

Southeast Conference is working in various ways to support the regional economy. In addition to the development of a five-year economic plan for growth and resilience in the region, Southeast Conference is concurrently crafting a short-term resilience plan to immediately shore up the regional economy, protect it from additional decline, and provide a caretaking role for our institutions to ensure the fundamentals of our economy will be in place by 2022, once the COVID-19 healthcare crisis has passed.

Top 10 Actions to Reinvigorate the Southeast Economy

1. Economic Disaster Declaration Request
2. Support Expedited Vaccine Distribution Planning
3. Work to Ensure Short-term Viability of the Seafood Sector
4. Plan for a post COVID-19 Southeast Alaska Economy and Health Care System
5. Plan to Regrow the Visitor Industry Post-Pandemic
6. Keep Southeast Alaskans in their Homes
7. Revitalization of Air, Ferry, Cruise, and Freight Transportation Services
8. Advocate for Childcare Prioritization in an Effort to Restart the Economy
9. Support Expedited Resolution to Solid Waste Shipping
10. Request Tariff Relief

The Most Effective CEDS Are:

Creative

Engaging

Driven by data

Storytellers

STATSAMERICA Your Portal to U.S. Data

Home About Feedback Contact

Supported by the E·D·A U.S. ECONOMIC DEVELOPMENT ADMINISTRATION

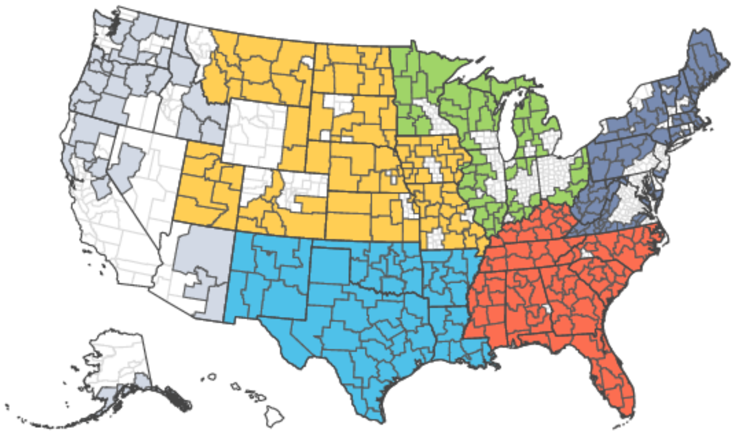
CEDS Resource Library

Comprehensive Economic Development Strategies (CEDS) contribute significantly to effective economic development across the United States. This great volume of information has previously been difficult to locate. It tended to be dispersed across countless websites, too often in formats that didn't let users search conveniently for the kinds of information they needed. Now, all CEDS are in a database with sufficient metadata to allow searching based on up to 50 different variables.

Quick Search

Type in an economic development district

Or click on an economic development district in the map:



Guided Approach to Examining CEDS

Report analysis, content and design

We've created 7 key categories and have identified what we are calling "exemplars" of the CEDS within each EDA region. Explore each of the categories and the CEDS exemplars for each–then click on the CEDS to see for yourself!

Explore by category »

Strategy development

Look up analysis conducted by regions similar to your own based on PCPI, demographics or other key characteristics. Note their strategies since peer regions likely share similar challenges and opportunities.

Find peers »

Strategic blueprint

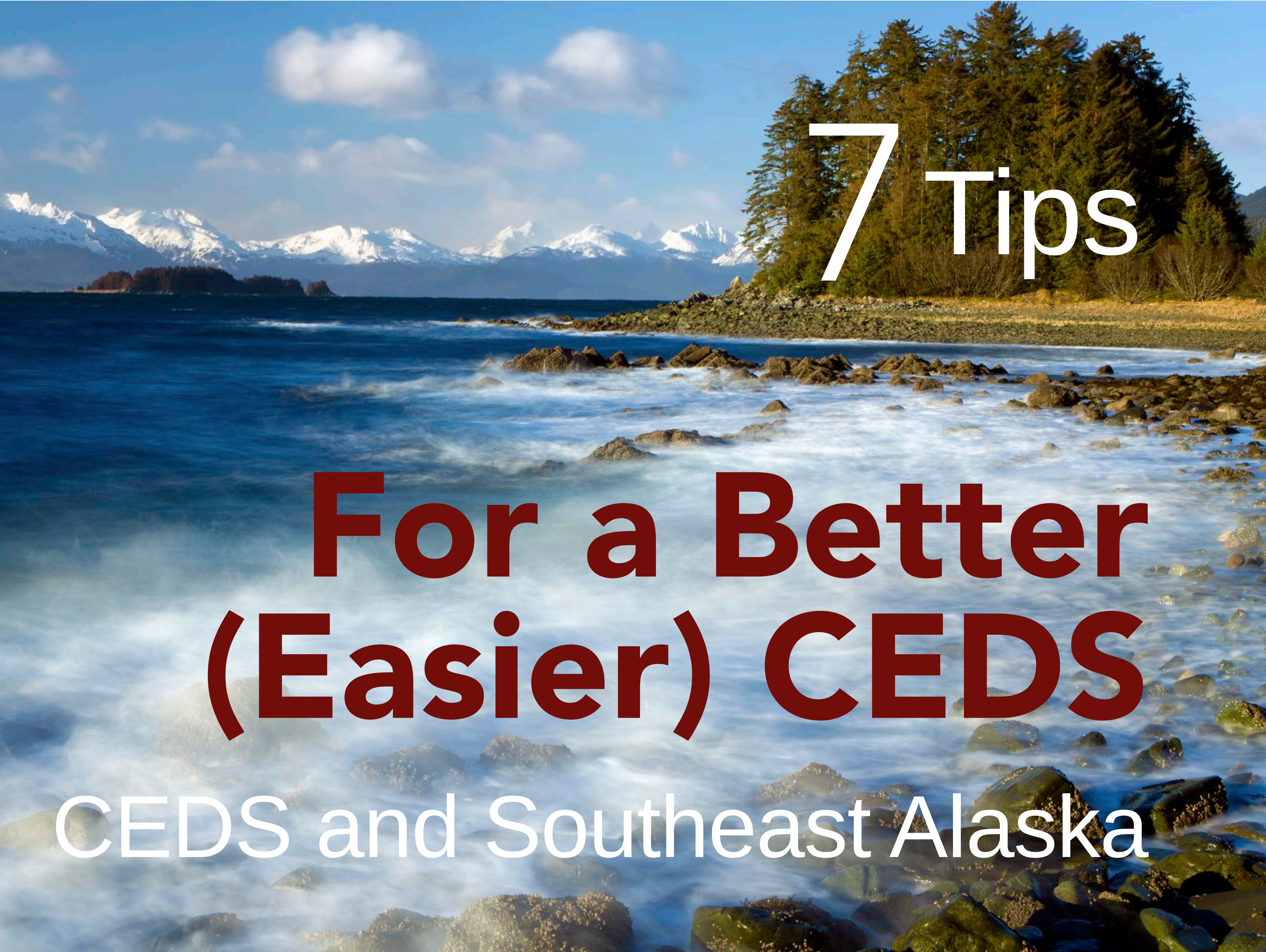
What are the best practices to help turn the goals outlined in the CEDS into reality?

http://www.statsamerica.org/ceds/

CEDS CENTRAL Home CEDS 101 Training Resilience Case Studies About/Contact

www.CEDSCentral.com

Celebrate your victories!

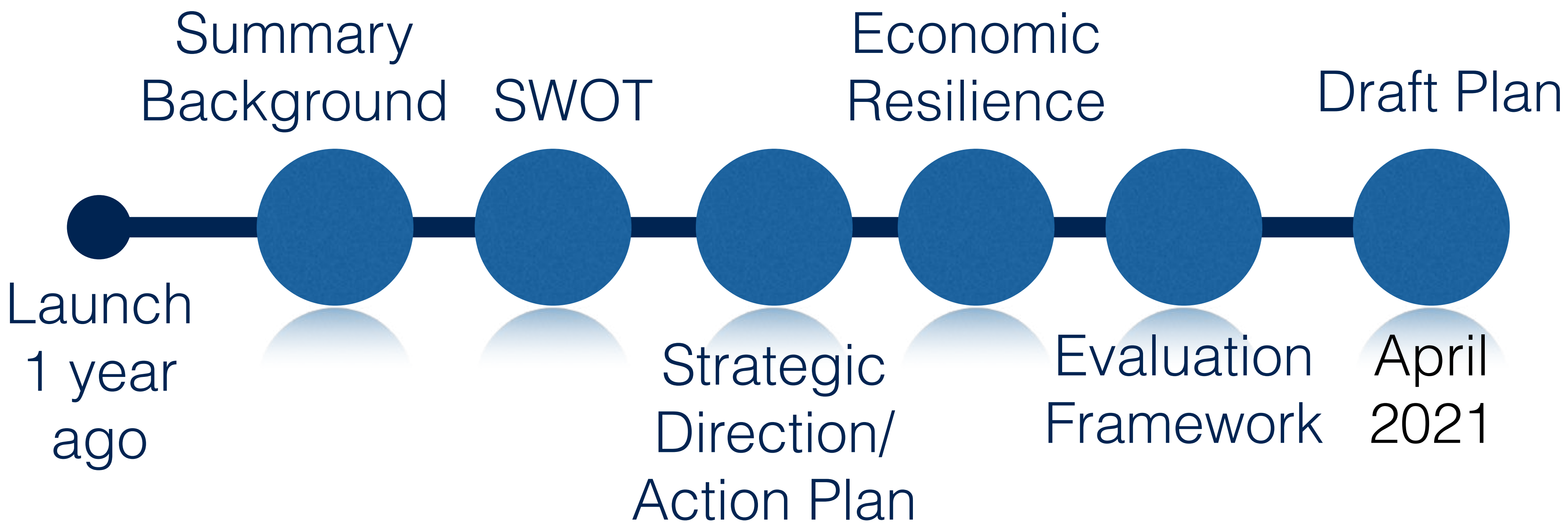

7 Tips
For a Better
(Easier) CEDS
CEDS and Southeast Alaska

What I think a CEDS is…

Tip #1 - the CEDS is just a big jigsaw puzzle

Timeline: Where are we in process?

www.seconference.org/strategy



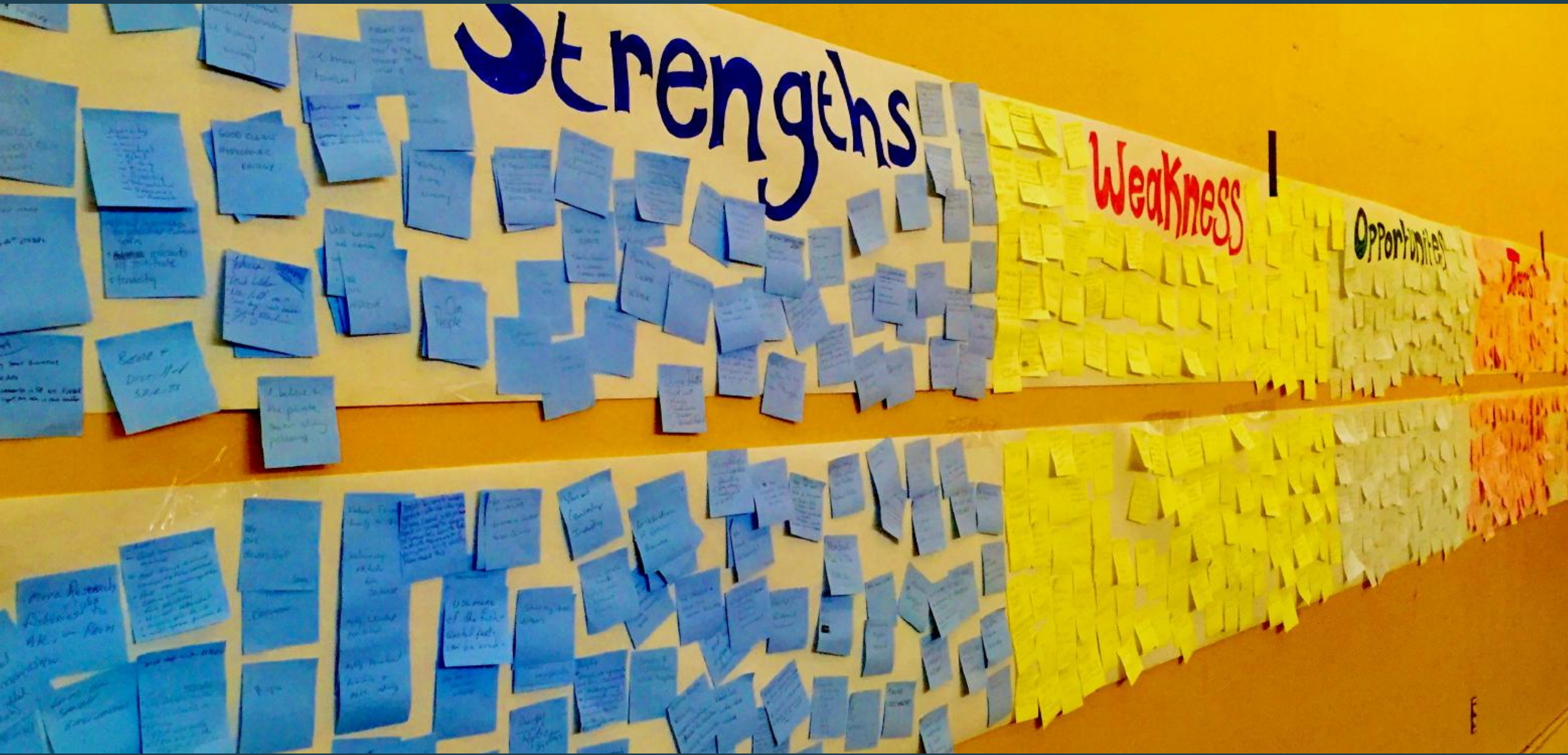
Tip #2 - The longer the process, the better


TRANSPORTATION
ECONOMIC DEVELOPMENT
HEALTH CARE
ENERGY
CEDS
Committees
9
MINING
TOURISM
Tip #3 - Use committees
SEAFOOD
SOLID WASTE
TIMBER

Southeast Alaska Comprehensive Economic Development Strategy Meeting Schedule

Month	Transportation	Energy	Timber	Seafood	Health Care	Tourism	Mining	Econ Devel.	Solid Waste
Jan/Feb 2020									
April/May 2020									
June/July/Aug 2020									
September 2020									
Oct/Nov/Dec 2020									
Jan/Feb 2021									

CEDS SWOT Analyses



Tip #4 - Sticky notes and survey tools

SWOT Survey

Southeast Alaska Energy SWOT Analysis

Southeast Alaska Energy Strengths

What does the energy sector in Southeast Alaska do well? What unique resources does it draw on? What are the benefits energy provides to the Southeast Alaska region? What is the Southeast Alaska energy sector "known for"? Brief responses are fine.

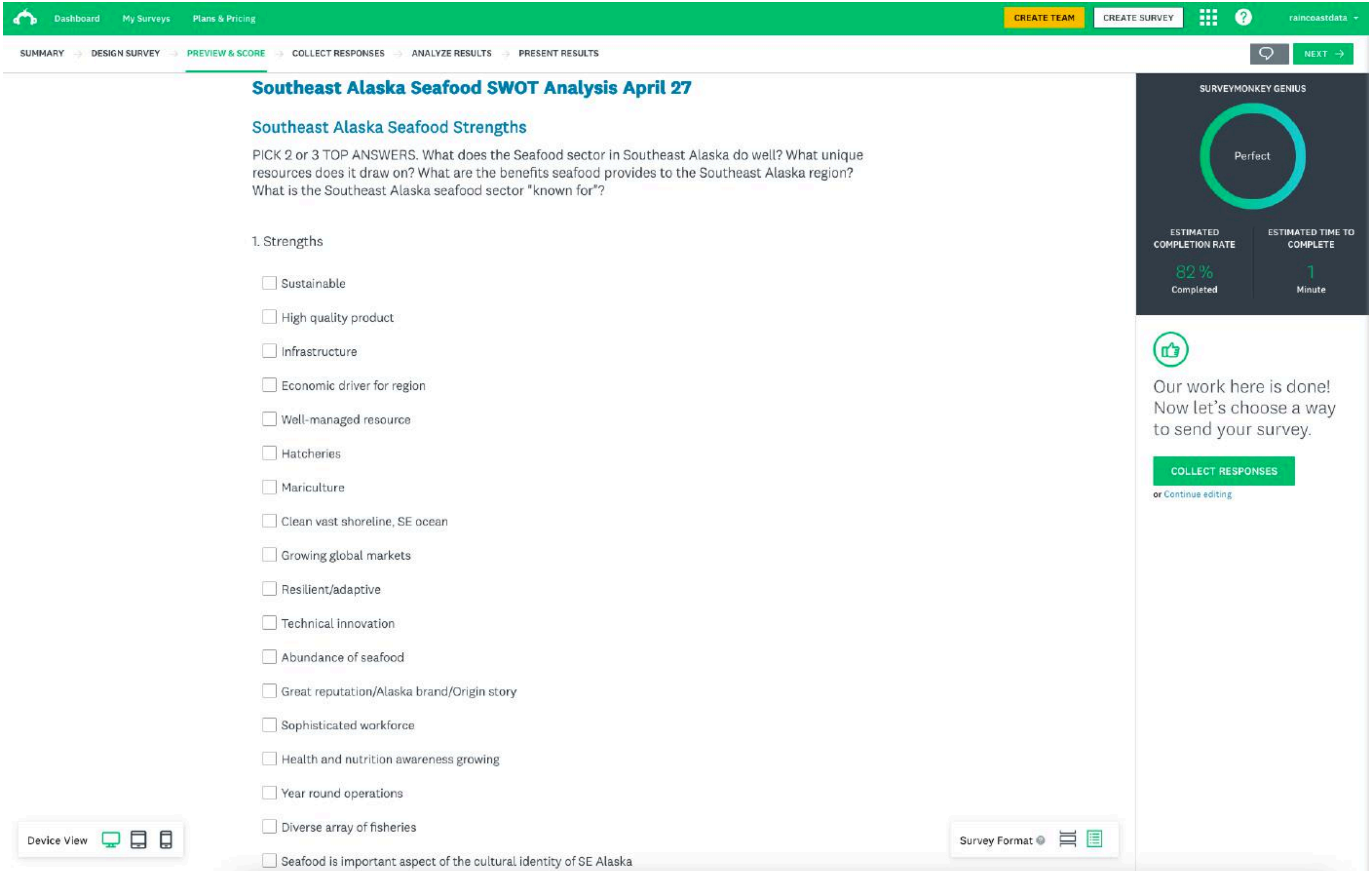
2. Strengths

Strength 1

Strength 2

Strength 3

Prev Next



SWOT prioritization

Economic initiative prioritization

Toursim Prioritization for 2025 Southeast Alaska Economic Plan

Greetings Southeast Conference Tourism Committee. In May and January you participated in strategic planning sessions to develop tourism initiatives for the region. Please use the tool below to prioritize this work effort.

1. Prioritize the Tourism Initiatives for the 2025 Southeast Alaska Economic Plan

- Market Southeast Alaska to Attract More Visitor Spending and Opportunities
- Grow Cultural and Arts Tourism Opportunities
- Increase Yacht and Small Cruise Ship Visitation
- Increase Access to Public Lands and Expand Southeast Alaska Trail Network

SWOT

At Southeast Conference's February 2020 Mid Session Summit, nearly 300 people representing small businesses, tribes, native corporations, municipalities and community organizations participated in two types on SWOT analyses: one for the region overall, and sector specific SWOTs within the Southeast Conference committee areas. Follow up work occurred between March through October in Zoom meetings and through surveys to improve and prioritize the sector-specific SWOTs. **This document is a summary of each of these Southeast Alaska SWOT analyses.**

A SWOT analysis is an in-depth analysis of strengths, weaknesses, opportunities, and threats. These regional SWOT analyses identify the region's competitive advantages along with internal or external factors that keep us from realizing our potential. It helps answer the question, "Where are we now?" by identifying critical internal and external factors that speak to the region's unique assets that we can leverage to maximize the economic potential of Southeast Alaska.

The sectors that received their own SWOTs include seafood, mining, energy, transportation, health care, tourism, and timber.

Conducting a SWOT analysis was the first step in a year long planning effort to develop the Southeast 2025 Economic Plan: A five-year economic development strategy that will act as a blueprint for regional collaboration and growth. In order to develop the elements of this plan—a clearly defined vision with prioritized goals & measurable objectives and a strategy-driven Southeast Alaska action plan—it was critical that an analysis of the region's competitive strengths and weaknesses were assessed so that the foundation of the plan could be built upon a common understanding and set of goals.

The first step for each SWOT was asking participants to write down their thoughts. and in doing so generated more than **2,500 individual written comments** that became part of this analysis. Once categories were solidified, Southeast Conference members participated in a series of prioritization exercises to determine the most significant components of the SWOT.

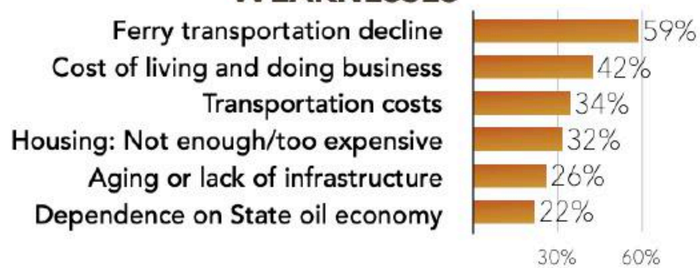
A full analysis of all 2,500 comments was conducted, and is presented on the following pages. A radical decline in ferry service drove three of the four top responses for each overall regional category:

- **Top Strength: Beauty and Recreation Opportunities**
- **Top Weakness: Decline of the Ferry Transportation**
- **Top Opportunity: Strengthening Ferry Connectivity**
- **Top Threat: Loss of Ferry Service**

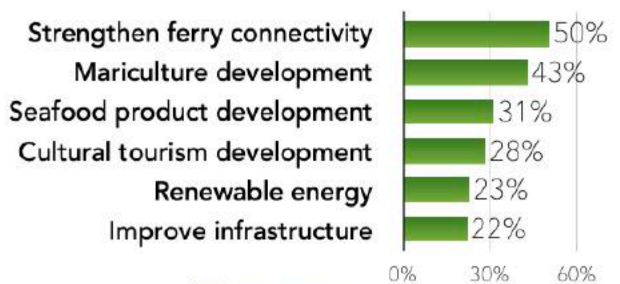
Southeast Alaska's Strengths Weaknesses Opportunities Threats

Strengths

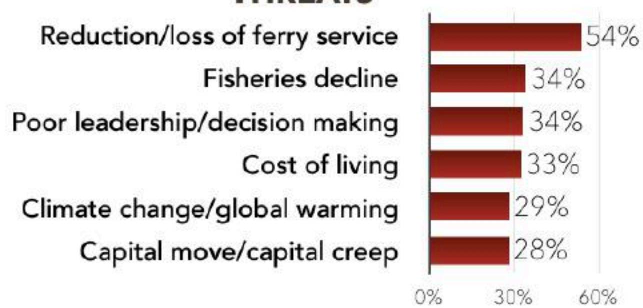
Weaknesses



Opportunities



Threats



Regional SWOT Summary

This page provides a summary of the full SWOT process, both for the overall SWOT of the Southeast Alaska economy, as well as for the sector specific SWOTs for seven regional industries.

Seafood

- *Top Strength:* High quality product
- *Top Weakness:* Changing ocean conditions
- *Top Opportunity:* Increase value added processing
- *Top Threat:* Ocean acidification & changing conditions

Health Care

- *Top Strength:* Personalized care delivery
- *Top Weakness:* State budget cuts reduce workforce development options
- *Top Opportunity:* Development of health care courses at the university
- *Top Threat:* Growing health care costs

Visitor Industry

- *Top Strength:* Natural beauty of region
- *Top Weakness:* Community communications
- *Top Opportunity:* Collaborate with Alaska Native entities on cultural tourism
- *Top Threat:* COVID 19

Mining

- *Top Strength:* Provides high paying jobs
- *Top Weakness:* Extreme opposition by environmental groups
- *Top Opportunity:* Explore and develop new mineral deposits and expand existing mines
- *Top Threat:* Environmental groups/lawsuits

Timber

- *Top Strength:* High quality wood
- *Top Weakness:* Frequency of litigation
- *Top Opportunity:* Increased state and private lands
- *Top Threat:* Environmental litigation

Transportation

- *Top Strength:* Strong reliable airline services
- *Top Weakness:* AMHS service reductions
- *Top Opportunity:* Improve ferry service
- *Top Threat:* The demise of ferries

Energy

- *Top Strength:* Abundant hydropower
- *Top Weakness:* High costs of infrastructure
- *Top Opportunity:* Expand regional intertie
- *Top Threat:* An economic downturn

Summary Background

Tip #5 - The summary background can be a really useful short annual economic publication.

SOUTHEAST CONFERENCE

Tlingit & Haida

SOUTHEAST ALASKA
By the Numbers 2020

VISITORS PAGE 6 · SEAFOOD PAGE 7 · TIMBER, MINING PAGE 8 · CONSTRUCTION, HEALTH PAGE 9 · GOVERNMENT PAGE 10 · DEMOGRAPHICS PAGE 12 · BUSINESS SURVEY PAGE 14 · SWOT ANALYSIS PAGE 15

CHANGES **2018 TO 2019** — SOUTHEAST ALASKA'S **ECONOMY**

REGIONAL **POPULATION** DECREASED BY **284 PEOPLE** TO **72,373**

LABOR FORCE INCREASED BY **455 JOBS** TO **46,097** JOBS.
TOTAL WAGES GREW BY **$63 MILLION** OR **3%**

CRUISE **PASSENGERS** INCREASED BY **14%** TO **1.33 MILLION**

TOTAL GOVERNMENT PAYROLL INCREASED BY **$4 MILLION OR** 0.5%

K-12 ENROLLMENT INCREASED FOR THE 3RD TIME IN 23 YEARS, BY 10 STUDENTS

TIMBER JOBS IN THE REGION INCREASED BY **10%**, A GAIN OF 35 JOBS

2019 The Southeast Alaska summer of 2019 was filled with record-high temperatures and a historic number of visitors coming to Southeast Alaska.

In many ways 2019 should have marked the region's return to a more prosperous and growing economy. Total jobs were up, along with overall wages. Tourism, seafood, mining, and health care jobs were all up, and timber jobs were up by 10%. Nearly every community in the region posted job gains. The number of school children in the region increased for just the 3rd time in 23 years.

The number of cruise ship passengers that visited the region in 2019 increased by 14% over the year before as 1.33 million passengers sailed up the inside passage to spend their summer dollars across the region's larger port communities.

State government continued to shed jobs in 2019, but the region had become more diversified. While the State remains the largest wage provider in the region, the continued loss of government jobs was being offset by increases in other sectors, allowing the overall regional economy to return to a positive trajectory.

By March of 2020, the region was still on track to harness the gains of 2019 and continue to grow. The region had added 200 jobs in the first three months of the year and was gearing up for 1.5 million cruise visitors in 2021.

2020 On March 13th, schools across Alaska were closed until further notice, a clear signal that the COVID-19 epidemic had arrived in Southeast. The virus would soon take the regional economy down with it. While many hoped that the tourism season could continue in a modified format, Canada's prohibition of cruise ships effectively ended the regional tourism season before it began.

From April through July the region lost nearly 7,000 jobs across every sector, but tourism was particularly devastated. The region has lost 17% of its jobs due to the pandemic so far, and is the most economically impacted area in Alaska. Regional unemployment rocketed to 11.3% in July, and in tourism-dependent Skagway it was 19.1%.

On top of COVID-19, Southeast Alaska is currently experiencing one of its worst fishing seasons on record. Dismal harvest levels are compounded by reduced prices, as the pandemic has limited global seafood demand.

There is tremendous uncertainty moving forward. But there is an eventual light at the end of the tunnel. The resources of Southeast Alaska remain strong. It still has beautiful vistas and recreational opportunities, healthy timber stands, a productive ocean, valuable minerals, and its most important resource—the resiliency of Southeast Alaskans themselves.

SEPTEMBER 2020 — A **SOUTHEAST CONFERENCE** PUBLICATION BY RAIN COAST DATA

www.seconference.org/southeast-alaska-by-the-numbers/

Four Years of Change: 2014 to 2018

Table tracks key Southeast indicators over the past 4 years, along with associated changes.

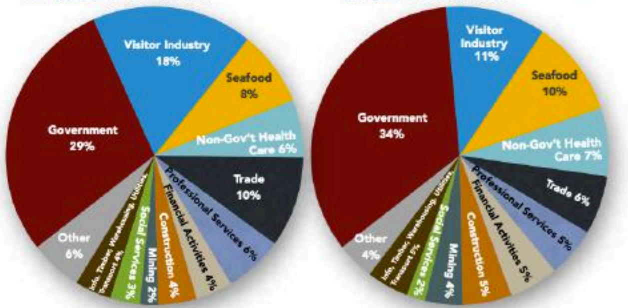
Demographics	2014	2018	% Change 2014-2018	Change 2014-2018
Population[1]	74,432	72,872	-2%	-1,556
Ages 65 and older[2]	9,243	11,089	20%	1,846
Under Age Five[2]	4,622	4,146	-10%	-476
Twenty somethings[2]	9,398	8,447	-10%	-951
K-12 School District Enrollment[3]	11,804	11,334	-4%	-470
General Economic Conditions				
Total Labor Force (jobs, includes self-employed & USCG)[1,5,6]	45,694	45,642	0%	-52
Total Job Earnings[1,5,6]	$2.17 billion	$2.28 billion	5%	+$109 million
Total Private Sector Payroll[1,4]	$1.41 billion	$1.51 billion	7%	+$97 million
Average Annual Wage[1]	$47,593	$50,023	5%	$2,430
Annual Unemployment Rate[1]	7.1%	6.0%	-1.1%	-1.1%
Top Economic Sectors	**2014**	**2018**	**% Change**	**Change**
Government — Public Sector: 35% of all employment earnings				
Total Government Employment[1,5]	13,602	13,148	-3%	-454
Federal Employment[1,5] (8% of all employment earnings)	2,110	2,111	0%	1
State Employment[1] (14% of all job earnings)	5,504	4,771	-13%	-733
City and Tribal Employment[1] (14% of all job earnings)	5,988	6,266	5%	278
Total Government Payroll (includes USCG)[1,5]	$765.8 million	$776.9 million	1%	+$11 million
Total State of Alaska Payroll	$311.3 million	$283.3 million	-9%	-$28 million
Visitor Industry — Key Industry: 11% of all employment earnings				
Total Visitor Industry Employment[1,6]	6,923	8,004	16%	1,081
Total Visitor Industry Wages/Earnings[1,6]	$188.5 million	$249.3 million	32%	+$60.8 million
Total Southeast Alaska Passenger Arrivals	1,359,897	1,618,311	19%	258,414
Cruise Passengers[10]	967,500	1,169,000	21%	201,500
Total Air Passenger Arrivals from Outside SE[11]	372,197	435,476	17%	63,279
Total AMHS Passengers from Outside SE[12]	20,200	13,835	-32%	-6,365
Commercial Fishing & Seafood Industry — Key Industry: 10% of all employment earnings				
Total Seafood Employment (includes fishermen)[1,6]	4,372	3,711	-15%	-661
Total Seafood Employment Earnings[1,6]	$259.0 million	$237.4 million	-8%	-$21.6 million
Pounds of Seafood Processed[7]	232.9 million	132.7 million	-42%	-97.8 million
Pounds Landed (commercial seafood whole pounds by SE residents)[8]	300.0 million	185.2 million	-38%	-114.8 million
Estimated Gross Earnings (ex-vessel value of pounds landed)[8]	$277.1 million	$246.9 million	-11%	$30.2 million
Shared Fish Taxes[13]	$5.8 million	$4.5 million	-22%	-$1.2 million
Health Care Industry (Public & Private Health) — Key Industry: 11% of all employment earnings				
Health Care Employment[1,6]	3,523	3,990	13%	467
Health Care Wages[1,6]	$194.8 million	$243.3 million	25%	+$48.5 million
Maritime Economy (includes employment from all industries) — Top Sector: 27% of private sector employment earnings				
Private Maritime plus USCG Employment[1,5,6]	6,768	6,273	-7%	-495
Private Maritime plus USCG Wages[1,5,6]	$395.5 million	$396.8 million	0%	+$1.3 million
Other Selected Statistics	**2014**	**2018**	**% Change**	**Change**
Construction Employment[1,6] (6% all employment earnings)	2,168	1,909	-12%	-259
Mining Employment[1] (4% of all employment earnings)	783	889	14%	106
Price of Gold[7]	$1,266	$1,268	0%	$2
Total Southeast AMHS Ridership[12]	242,648	179,312	-26%	-63,336
Cost of Living: Consumer Price Index[1]	215.8	225.5	5%	9.7
Housing Starts: Housing Permitted /Completed[4,1]	321	188	-41%	-133
Avg. Daily Volume ANS Oil Production (mbbls/day)[14]	512,810	508,601	-1%	-4,209
Annual Avg. Domestic Crude WTI Oil Prices (in $/Barrel)[14]	$97.88	$71.71	-27%	-$26

The Whole Southeast Alaska Economy 2018

In 2018, Southeast Alaska gained 380 year-round equivalent jobs and $17 million in workforce earnings over 2017. Approximately a quarter (26.1%) of regional workers are non-residents.

Annual Average Jobs
45,642 Jobs
Up 2 Jobs in 2018 +0%

Employment Earnings
$2.3 Billion Workforce Earnings
Up $86 Million +4%

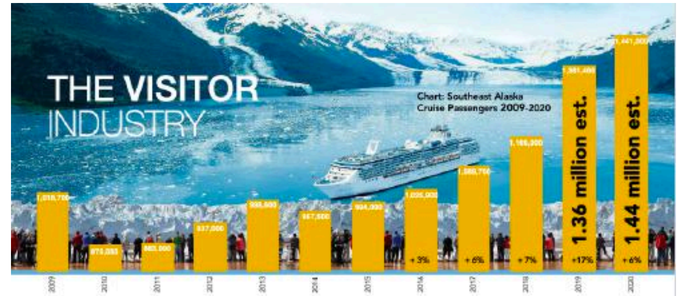


2018 Southeast Alaska Employment Earnings

	Employment Related Earnings			Employment Numbers		
	Wages (2018)	Self-Employment Earnings (2017)	Total Earnings	Annual Average Employment (2018)	Self-Employed (2017)	Total Employment
Government (includes Coast Guard)	$721,459,750	$55,467,580 CG*	$776,927,330	12,486	662 CG*	13,148
Visitor Industry	$216,101,975	$33,241,000	$249,342,975	7,037	967	8,004
Seafood Industry	$61,983,458	$175,459,000	$237,442,458	1,458	2,253	3,711
Trade: Retail and Wholesale	$120,405,013	$24,666,000	$145,071,013	3,903	587	4,490
Health Care Industry (private only)	$154,278,150	$14,330,000	$168,608,150	2,615	237	2,852
Construction Industry	$88,673,702	$32,972,000	$121,645,702	1,331	578	1,909
Financial Activities	$52,935,761	$69,216,000	$122,151,761	1073	757	1,830
Professional and Business Services	$78,756,495	$44,242,000	$122,998,495	1,606	1,304	2,910
Mining Industry	$92,753,768	$274,000	$93,027,768	879	10	889
Social Services	$42,218,089	$4,224,000	$46,442,089	1,289	187	1,476
Information (publishing, broadcasting, telecomm.)	$22,074,083	$1,474,000	$23,548,083	483	58	541
Timber Industry	$16,739,683	$2,025,000	$18,764,683	280	57	337
Warehousing, Utilities, & Non-Visitor Transport	$46,340,395	$15,414,000	$61,754,395	777	166	943
Other	$66,819,751	$27,657,000	$94,476,751	1,677	925	2,602
Total	**$1,781,540,073**	**$500,661,580**	**$2,282,201,653**	**36,894**	**8,748**	**45,642**

Sources: Alaska Department of Labor 2018 Employment & Wage data; 2017 (latest available) US Census Nonemployer (self-employment) Statistics; Active Duty Military Population by 2018, ADOL. *These cells in Government refer to 2018 active duty Coast Guard personnel employment and wages, and not self-employment data.
Notes: Seafood Industry includes animal aquaculture, fishing & seafood product preparation, and Southeast Alaska resident commercial fishermen (nonresident fishermen & crew who did not report income are excluded). **Visitor Industry** includes leisure & hospitality, and visitor transportation (air, water, scenic). **Timber** includes forestry and logging support activities for forestry, and wood product manufacturing.

The Visitor Industry



Visitor Industry
8,004 Annualized Jobs
Up 265 Jobs in 2018 +3%
Wages up 8%

The visitor industry is the largest private sector industry in Southeast, both in jobs and, since 2016, in total workforce earnings (see chart on page 5). Indeed, if the industry continues to grow it is set to eclipse both the municipal and state government sectors in total wages (it is already larger than both in terms of employment) and become the region's largest sector overall. The visitor industry accounted for 18% of regional employment (8,004 annual average jobs) and a quarter of all private sector employment.

Since 2011, tourism has added more than 2,000 year-round equivalent jobs to the Southeast economy. Those working in the visitor industry earned $249 million in 2018—or 11 percent of all regional employment income. The average annualized wage in the visitor industry is $31,152, significantly lower than the average regional wage of $50,002, but it is a figure that has been steadily increasing over time.

In 2018, 1.6 million air, ferry, and cruise passengers came to Southeast Alaska from outside the region, a 19% increase over 2014. Airline passenger traffic from outside the region grew 17%, and cruise passenger traffic to the region increased by 13%. However, ferry arrivals from outside the region fell by 32% due to decreases in funding and service.

Cruise Ship Traffic

Most passengers arriving in the region come by cruise ship than any other mode. When tourists only are considered, that figure will be 90% by 2020. Cruise passenger traffic has seen massive increases in recent years. Between 2010 and 2020, the number of cruise passengers arriving in the region is projected to increase by a staggering 65%, including two-year growth of 23% expected between 2018 and 2020. Southeast Alaska will receive 5% of all global cruise ship passengers in 2019.

In 2019, 40 cruise ships are scheduled to visit the region, carrying 1.36 million passengers on 577 voyages. In 2020, ten new ships and 29 additional port calls are expected to be added, while 7 ships will be phased out of the region. Lines with new ships will include Carnival, Princess, Royal Caribbean, Norwegian, and Oceania. Lines that plan to reduce their Alaska fleet include Holland America, Crystal, and Azamara, which has no ships scheduled to visit Alaska in 2020.

Key Economic Driver

Southeast Alaska is the most visited part of the state, with two-thirds of all tourists coming to the region. One-third of all Alaska visitor spending occurs in Southeast, where visitors are expected to spend nearly $800 million in 2020.

Increased Jet Service

For the fourth year in a row, in 2018 Southeast Alaska saw a record-breaking number of airline passengers from outside the region, with 435,476 arrivals. However, in 2019 air passenger numbers declined. As of July 2019, airline passenger arrivals were down 4% over the first half of 2018.

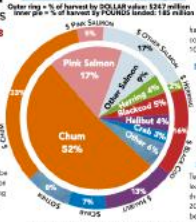
Visitor Outlook

The visitor industry has the strongest outlook of all Southeast Alaska industries. Alaska's popularity as a visitor destination has continued to grow. In 2018, Glacier Bay was rated the best cruise designation in the world by cruisers. More Americans are traveling due to a strong national economy and international travel destinations are increasingly perceived to have security risks. Cruise passenger arrivals are expected to continue to rise as larger, higher-capacity vessels visit the region. Along with increased visitors, the number of jobs and associated income in this sector will continue to rise.

However, Southeast's strong visitor economy is tied to a strong national economy. As more signals suggest the possibility of a national recession, the region should be prepared for this sector to see a reduced number of visitors if a recession does occur.

The Seafood Industry

Southeast Seafood Industry 3,711 Jobs
Down 118 Jobs in 2018



Seafood Processing

Seafood Industry Outlook

Key Economic Driver

Southeast Alaska Regional Overview

The Region

Culture

Economic Trends

Land Ownership

Demographics

Migration

Aging Continues

Juneau is the Loss Leader

Population Outlook

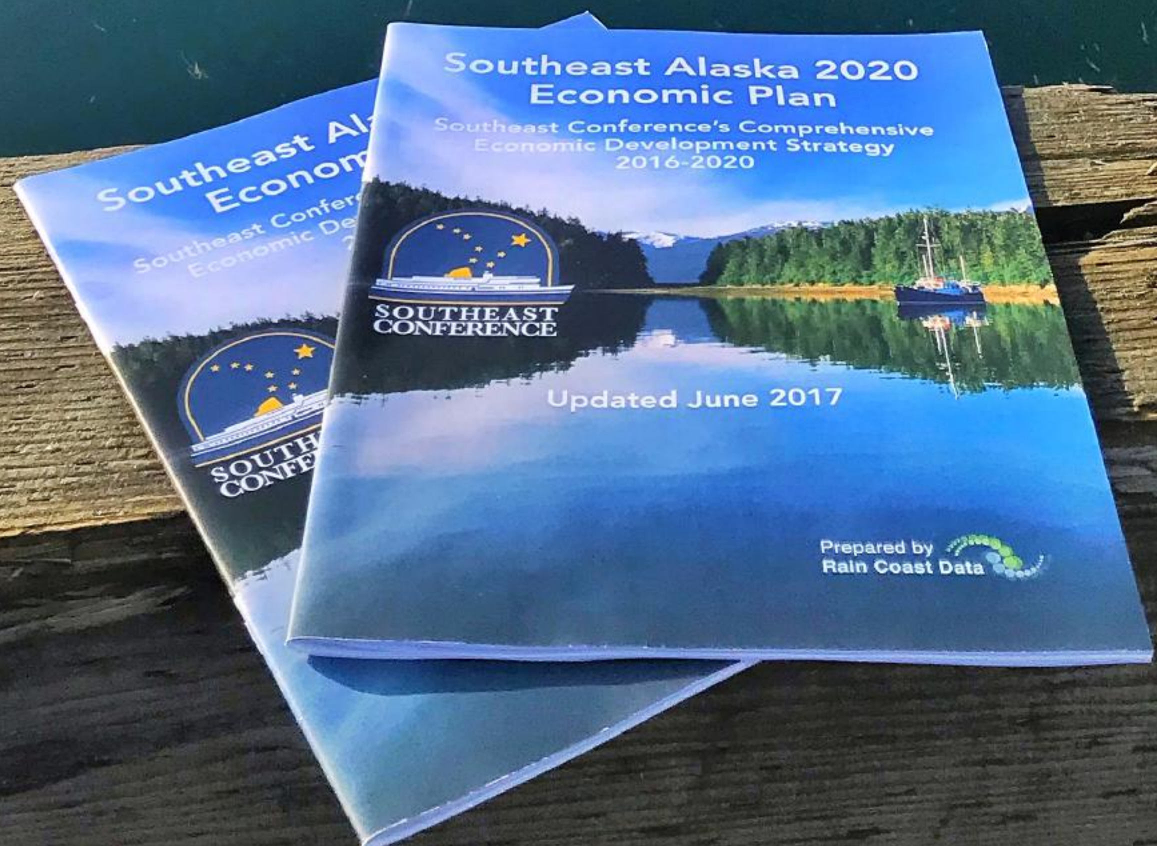
Population Change 2014 to 2018

	2014	2018	Change
Juneau Borough	33,000	32,247	-773
Ketchikan Borough	13,889	13,843	-29
Sitka Borough	9,066	8,652	-433
Petersburg Borough	3,198	3,198	-9
Haines Borough	2,551	2,480	-70
Wrangell Borough	2,413	2,426	11
Metlakatla	1,446	1,398	-49
Craig	1,205	1,095	-112
Skagway Borough	1,038	1,088	109
Klawock	803	777	-28
Hoonah	786	789	1
Kake	627	601	-26
Yakutat Borough	623	523	-109
Gustavus	518	554	35
Thorne Bay	530	524	-8
Angoon	420	410	-10
Hydaburg	407	398	-9
Coffman Cove	175	168	-8
Tenakee Springs	129	144	17
Hollis	93	124	31
Naukati Bay	120	124	4
Kluwan	84	94	10
Hyder	91	80	-13
Kasaan	76	81	6
Pelican	77	68	-9
Port Alexander	45	55	10
Edna Bay	47	43	-4
Whale Pass	38	57	17
Port Protection	56	31	-24
Game Creek	18	18	0
Elfin Cove	16	12	-4
Point Baker	12	13	0
Remainder	835	761	-168
Total	**74,432**	**72,876**	**-1,642**

Tip #6 - Find a better name

Tip #7 - Keep the document short

Southeast Alaska Economic Plan 2020



One page summary

Strategic Direction/Action Plan 2020

Transportation

Minimize Impacts of Budget Cuts to AMHS and Develop Sustainable Operational Model.
Road Development.
Move Freight to and from Markets More Efficiently.
Ensure the Stability of Regional Transportation Services Outside of AMHS.

Energy

Work with Federal and State Government to Promote Regional Energy Projects.
Diesel Displacement.
Support Community Efforts to Create Sustainable Power Systems That Provide Affordable/Renewable Energy.
Complete Regional Hydrosite Evaluation for Southeast Alaska.

Maritime

Maritime Industrial Support

Maritime Industrial Support Sector Talent Pipeline: Maritime Workforce Development Plan.
Increase Access to Capital for the Regional Maritime Industrial Support Sector.
Harbor Improvements.
Examine Arctic Exploration Opportunities That the Region as a Whole Can Provide.

Seafood Industry

Mariculture Development.
Full Utilization and Ocean Product Development.
Increase Energy Efficiency and Reduce Energy Costs.
Regional Seafood Processing.
Seafood Markets.
Sea Otter Utilization and Sustainable Shellfish.
Maintain Stable Regulatory Regime.

Visitor Industry

Market Southeast Alaska to Attract More Visitors.
Improve Access to Public Lands.
Increase Flexibility in Terms of Permit Use.
Increase Yacht and Small Cruise Ship Visitations.
Improve Communications Infrastructure.
Advocate for Adequate Funding to Maintain Existing Recreational Infrastructure.

Timber Industry

Provide an Adequate, Economic and Dependable Supply of Timber from the Tongass National Forest to Regional Timber Operators.
Stabilize the Regional Timber Industry.
Work With USFS to Direct Federal Contracts Toward Locally-Owned Businesses.
Support Small Scale Manufacturing of Wood Products in Southeast Alaska.
Continue Old Growth Harvests Until Young Growth Supply is Adequate.
Community-Based Workforce Development.
Update Young Growth Inventory.

Other Objectives

Housing: Support Housing Development.
Food Security: Increase Production, Accessibility, and Demand of Local Foods.
Communications: Improved Access to Telemedicine in Southeast Alaska.
Marketing: Market Southeast Alaska as a Region.
Solid Waste: Regional Solid Waste Disposal.
Arts: Increase Recognition of Southeast Alaska's Thriving Arts Economy.
Mining: Minerals & Mining Workforce Development.
Attract Research Jobs.
Research: Attract Science and Research Jobs to Southeast Alaska.
Cultural Wellness: Support Development of Activities and Infrastructure That Promote Cultural Wellness.

One page summary

SOUTHEAST CONFERENCE

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