

**Summary of Responses from the December 10, 2008 Session
with Industry and Agency Representatives**

1. What should be AIDEA Priorities?

Invest in projects which:

Priority rankings from each group				Topic
1 (long term)	1 (Long term)	1	1	Retain existing jobs
3 (existing jobs)	3 (existing jobs)			Create long term, sustainable jobs for Alaskans
3.5 (diversify)	4	2	2	Diversify jobs by industry
4 (geo distribute)				Diversify jobs geographically
	2	3b	3	Emphasize short-term economic opportunities
	5	3a	4	Reinvest the dividend to efforts that will finance projects that create jobs
		X		Create and retain wealth in-state
		X		Focus more on small businesses
2				New short term (up to 5 years) family wage jobs

2. What are the greatest opportunities for AIDEA to create new jobs in Alaska in the future?

1. Resource Development
 - a. Minerals
 - b. Coal
 - c. Oil & Gas
 - d. Timber
 - e. Fishing
2. In-state "value added" processing of natural resources
3. Research & Development, technology transfer with academic institutions
4. Alaska specific alternate energy sources
 - a. Geothermal
 - b. Ocean wave generation
 - c. Tidal change energy generation
5. Tourism
 - a. Diversify from present narrow focus to other areas of potential tourism
 - 1)Alaskan version of the "dude ranch"
 - 2)Survival excursions/training
 - 3)"NW Passage" theme
 - 4)Alaskan culture
 - 5)Eco-tours, birding
6. Transport/logistics support services
 - a. Even though refueling is no longer essential for international flights, develop a major transport logistical, repair, support services complex—a bigger, "deeper" set of support services and facilities like the FEDEX facility.
7. Finance revenue-generating infrastructure
8. Assure development of affordable energy and transportation
9. Reliable, broadband telecommunications

10. Small business development
11. Municipal bond bank
12. Matching funds for federal water resource projects:
 - a. Community development
 - b. Economic development

Note: The matching funds suggestion came from a Corps of Engineers representative near the end of the discussion period.
13. Encourage new business projects with public-private partnerships.
14. Energy projects: consider equity (ownership) investment.
15. Consider equity investment
16. Focus on capital projects, get local capital projects. Be smart – gather intelligence about the area, market, and project.
17. Pipeline-support services: be ready to jump on this one when it happens. AIDEA should have quick response.
18. Mines: Donlin, Pebble, others.
19. Procurement: use private sector or bring procurement in house.
20. Geographic location is an opportunity: airports, shipping.
21. Small business growth (maybe with equity investment)
22. Incubator programs
23. Economically reasonable
24. Commercially reasonable
25. Marketing
26. Educate Alaskans
27. Support opportunities for job creation
28. Entrepreneurial synergies
29. Leverage/retain dividend for employment of job incentives
30. International/national
31. Financing packages to attract and support businesses
32. Need to be proactive
33. Put together deals
34. Use existing facilities and infrastructure

3. What impediments are there to AIDEA creating those jobs?

1. An available, capable workforce
2. Lack of creative leadership and vision
3. Distance from markets
4. The “contrarian” Alaskan attitude
5. Constrictive programs
6. Lack of knowledge, information and planning
7. Failure of AIDEA and the state to actively and in a coordinated way “prospect”
8. Financing for buildings in villages (uncertain land ownership, buildings on pilings, native allotments)
9. Inadequate or lack of needed technical assistance
10. Uncoordinated funding process
11. Small business investments have greater risk than average.
12. Need an ASTF-type group to innovate, invest, experiment.
13. “Can’t compete with private lenders”
14. Small state or market has limited \$, human resources, procure workforce dev.

15. Banks reluctant to lend to new/small/startup businesses.
16. “No” first; then “maybe”; perhaps “yes” – normal sequence seen by many in the group related to new ideas, investment from banks, etc.
17. Cost of electricity (\$/kWh) is high in most of state
18. AIDEA: operates in a political environment
19. Uneasy about equity
20. Focus on capital projects can also be a risk.
21. Procurement can slow down projects, as it’s now configured.
22. Politics
23. Legislation
24. AIDEA

4. What is the most effective use of AIDEA’s capital to stimulate private capital?

1. Venture Capital/early stage equity
2. Targeted lending for businesses in villages
3. Micro loans
4. Partner with other state agencies
5. Develop “packaged” projects designed to induce investment
 - a. Infrastructure
 - b. Transportation
 - c. Services
 - d. Resource development
6. Cold storage facilities at the airport and in the “Hubx”
7. Providing technical assistance for small businesses
8. For non-bankable projects fund up to 100%
9. Marketing (Public relations)—AIDEA should make more people aware of their programs
10. Increased ARDOR/local economic development funding
11. Possibly build it and they will come?
12. Venture capital
13. Consider equity investment
14. Build part of project and lower overall project risk
15. Go get more good projects
16. Leverage, partnerships
17. We have rural loan fund, what about one for the railbelt or urban areas?
18. State dividend—reinvest money into loan/equity funds
19. Santa Claus/FT2 – [this is a project concept] – setup a repair station in Anchorage or Fairbanks to fix electronics and take advantage of air freight
20. Partnerships
21. Economic growth/diversity
22. The most effective use of AIDEA capital **IS** to stimulate the diversity and growth of private capital

5. What projects might be ready for immediate action in response to the pending Federal Stimulus Act?

1. Gas line “bullet line”
 - a. Job training
 - b. LNG export
 - c. practice for the “big project”

2. DOT – airport runway extensions throughout the state
3. STIP road projects
4. Reestablish rural roads program like LSR&T in conjunction with the need for rural roads (e.g. evacuation roads, climate change and the need to relocate some communities)
5. Intertie up-grades and increased capacity
6. Increase mega-generation projects with interties to more of the state providing cheaper energy to more areas of the state
7. Transportation/energy enhancement projects for the benefits of major projects –Donlin, Red dog, Ambler, Pebble
8. Communication infrastructure that can create telecommunication related jobs
9. Road to Nome starting simultaneous with Dalton Highway
10. Port of Anchorage: short-term; ready to go!!!!
11. AEA--\$150 million in energy projects
12. Dist. energy—shipyard. Apply energy management concepts to Ketchikan Shipyard and model results for others.

Short-term:

1. Harbors in Akutan, Valdez, and Haines
2. Pipeline infrastructure
3. Bridge repairs
4. Railroad infrastructure
5. Public transportation
6. Research and development
7. Airports/runways
8. Road from Ruby to Crooked Creek
9. Susitna Dam
10. Road to connect 3 “Chignik’s”
11. Dredge Red Dog (deep water port)

Long-term:

1. Commuter rail
2. Knik Arm Crossing (with rail as originally proposed)
3. Road to Western Alaska (Nome)
4. Rural Alaska interties
5. Ports and harbors
6. Ferry replacements
7. Coal to liquid facility
8. Public transportation
9. Renewable energy projects
10. Denali Commission - water/sewer, health clinics, transportation projects
11. Stage classified materials at airport