

Charting Wasilla's Economic Development Future



Comprehensive Economic Development Strategy (CEDS)

Spring Economic Summit

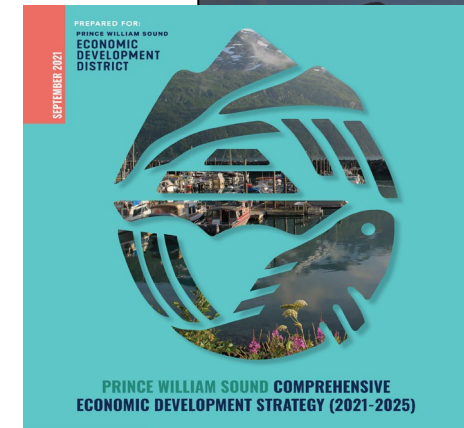
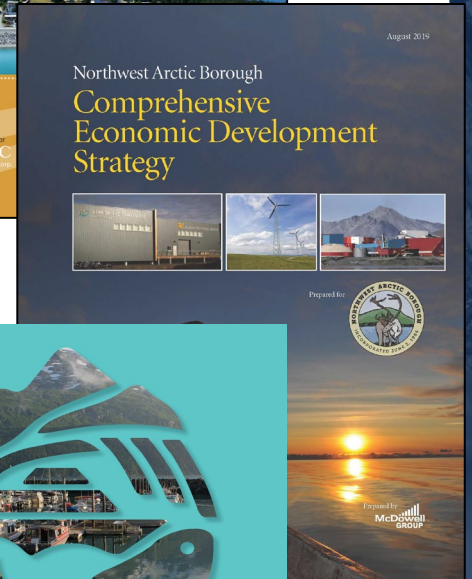
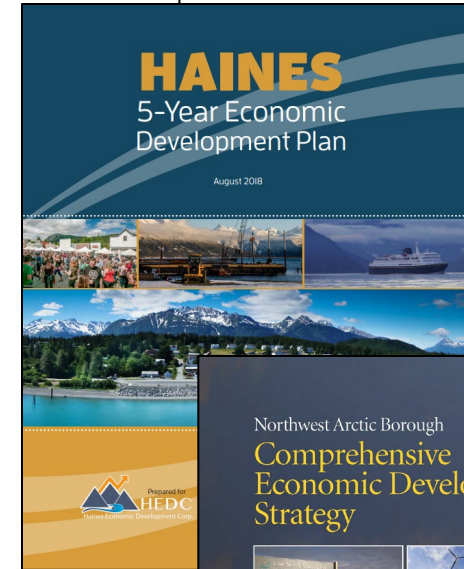
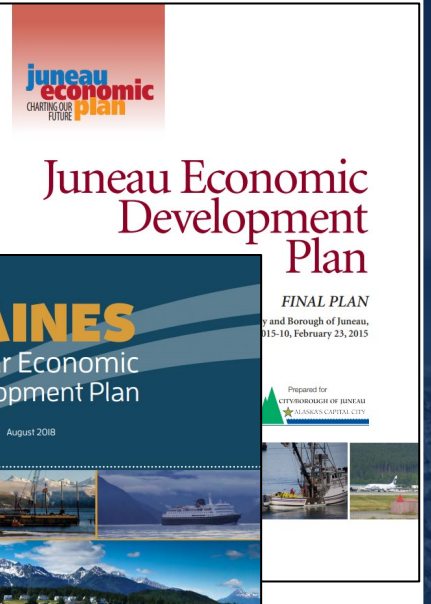
May 18, 2023

PREPARED FOR:



WHO ARE WE?

- Formerly McDowell Group
- Celebrating 50 years
- Offices in Anchorage and Juneau
- Economic Analysis, Community Economic Planning, Business Development, Survey Research and others
- Numerous economic development strategies
- Several projects based in Wasilla and Mat-Su Borough
- Community Engagement Project Support: **Huddle Alaska**



Presentation Agenda

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- Economic Development and Purpose of CEDS
 - Creating a CEDS
 - The Economic Context
 - Population and Demographics
 - Income and Employment
 - Housing
 - Infrastructure
 - Quality of Life and Well-being
 - Wasilla's CEDS Vision, Strategic Goals, and Objectives
 - Resiliency Goals
 - What's Next

**THANKS FOR
YOUR TIME AND
GUIDANCE**

Wasilla CEDS Steering Committee Members

- Berkley Tilton, Owns Rentals
- Stacey Coy, Northern Dame Construction
- Todd Smolden, Governor's Office
- Jessica Viera, Wasilla Chamber of Commerce
- Jeremiah Benson, Commercial Real Estate
- Doug Miller, Wostmann & Associates
- Terry Ellis, Commercial Real Estate
- Mike Brown, Mat-Su Borough
- Simon Brown, Wasilla City Council
- Jenny Willardson, Real Estate
- Dimitri Fonov, General Contractor
- Sami Spies, Collins Construction
- Ina Mueller, Lakeshore Entertaining
- Kibe Lucas, Real Estate

Economic Development vs. Community Development

- **Economic development** is the creation of wealth from which community benefits are realized.
- **Community development** is the process for making a community a better place to live and work.
- These terms are interdependent and reinforce each other.

Comprehensive Economic Development Strategy (CEDS) Purpose

- Strategy-driven plan for local economic development
- Designed to build capacity and guide the economic prosperity and resiliency of Wasilla
- Vehicle for alignment between economic development and other Wasilla city plans
- Provides an avenue to engage community about what capacity building efforts would best serve economic development in Wasilla
- Updated at least every 5 years to qualify for EDA assistance under Public Works and Economic Adjustments Assistance programs
- Prerequisite for designation by EDA as an Economic Development District, if desired

Creating a Comprehensive Economic Development Strategy (CEDS)



McKINLEY RESEARCH
GROUP, LLC

CEDS Methods

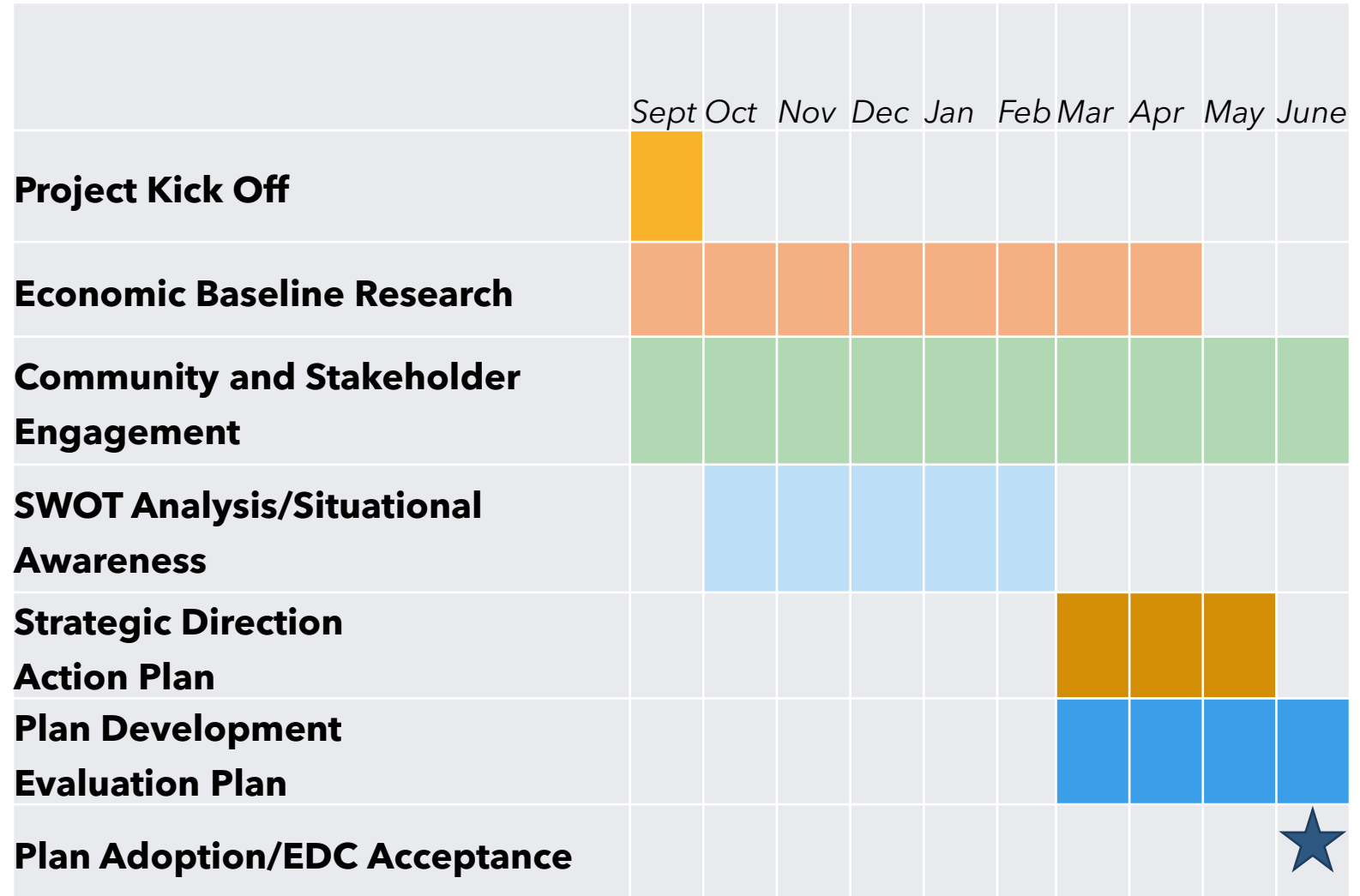
Economic Baseline Research
(socioeconomic data collection and analysis, review of existing planning and other documents)

Community and Stakeholder Engagement
(stakeholder interviews, project website/online survey, social media/media)

SWOT Analysis and Strategic Action Planning

CEDS Report Development

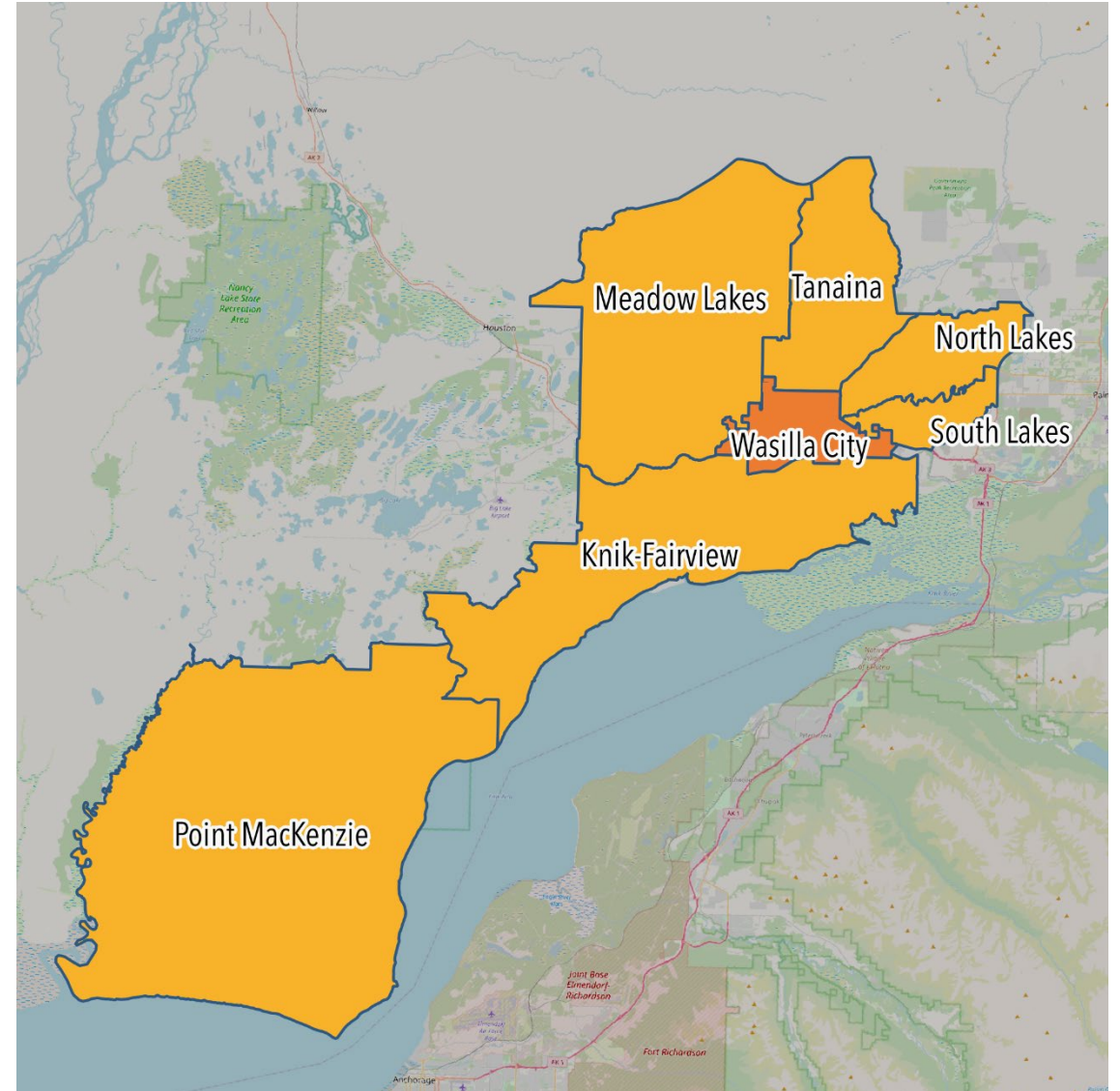
CEDS TIMELINE



The Economic Development Context

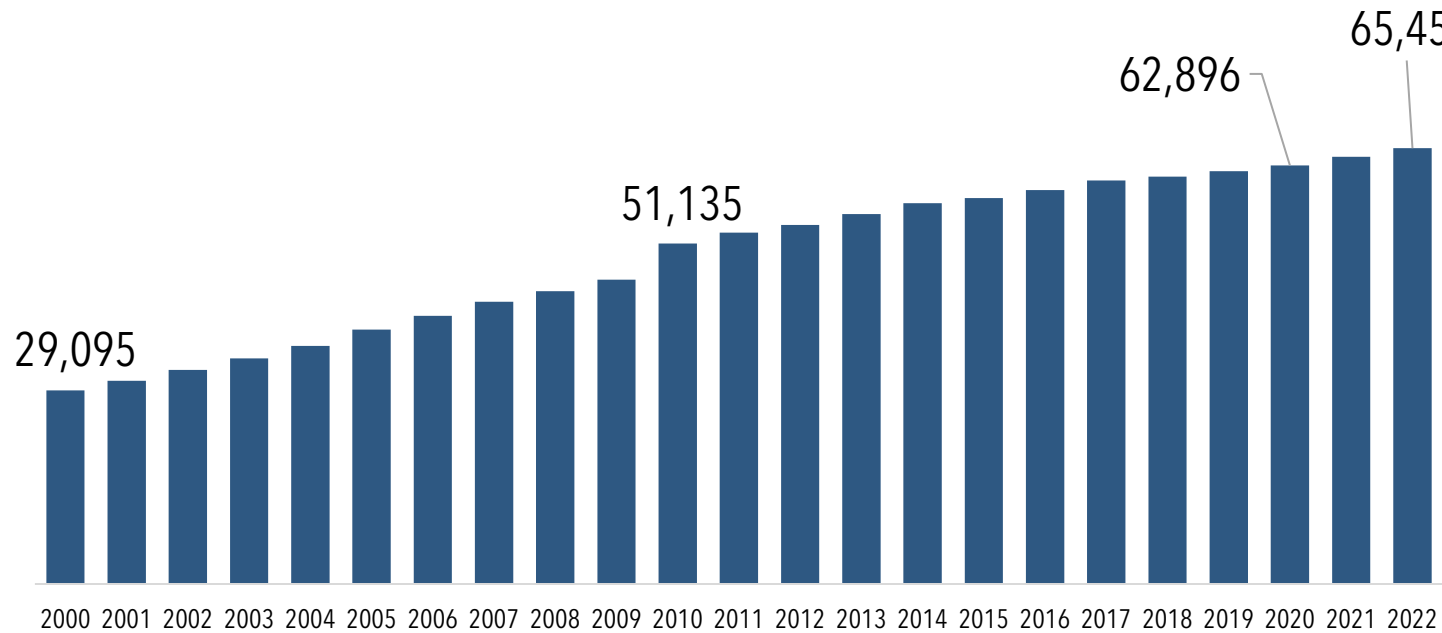
Greater Wasilla Economic Area

- Recognizing the CEDS will impact the broader region outside the City of Wasilla boundaries, the Greater Wasilla Economic Area was defined only for the purpose of the CEDS
- Encompasses area with a Wasilla zip code
- Contains most of or all the population of the City of Wasilla, Knik-Fairview, North Lakes, Meadow Lakes, Tanaina, South Lakes, and Point MacKenzie



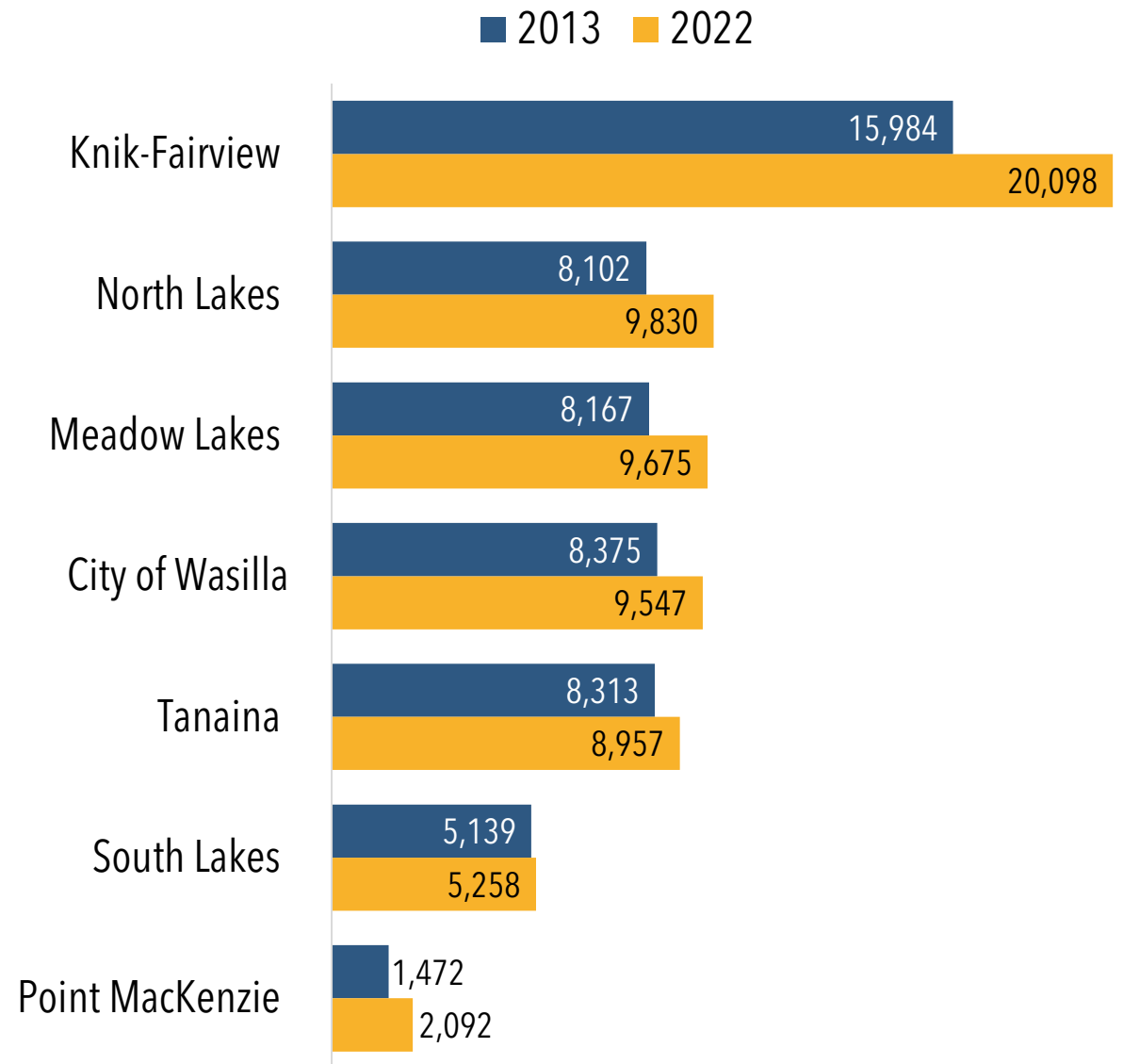
The Economic Development Context: Population and Demographic Trends

Growing GWEA Population Trends (1990 – 2021)



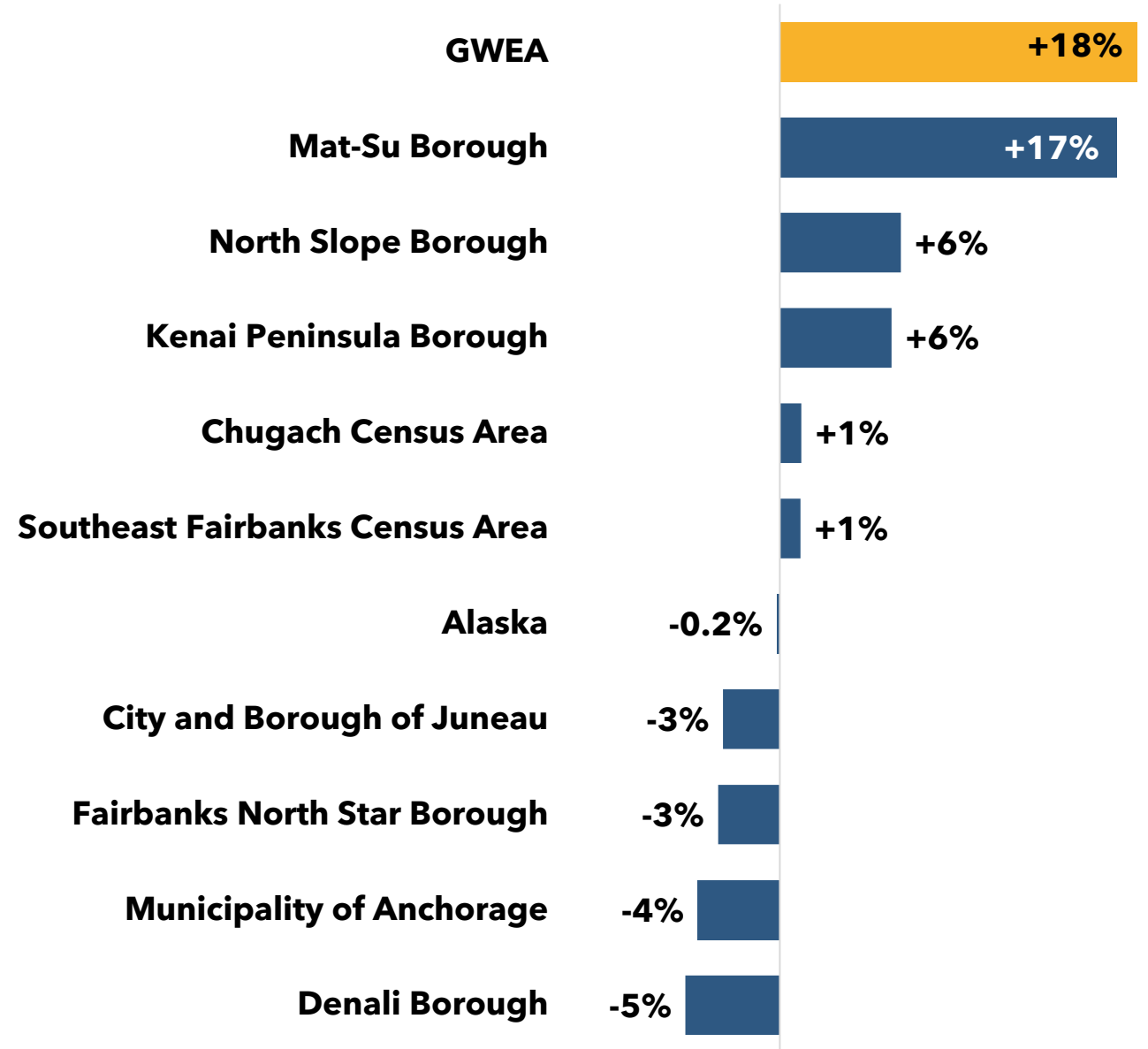
Total Growth 2000-2021: +36,350 (+125%)

Population Growth Within GWEA Communities

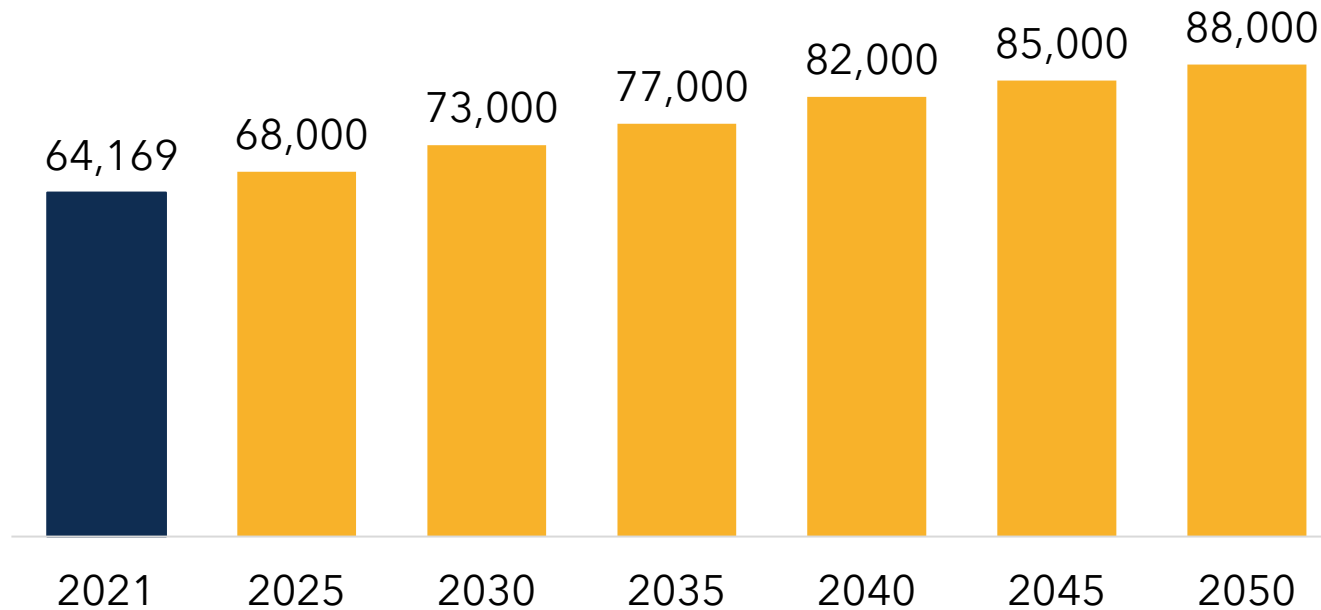


Source: Alaska Department of Labor and Workforce Development.

GWEA Population Growth Compared to Other Alaska Communities

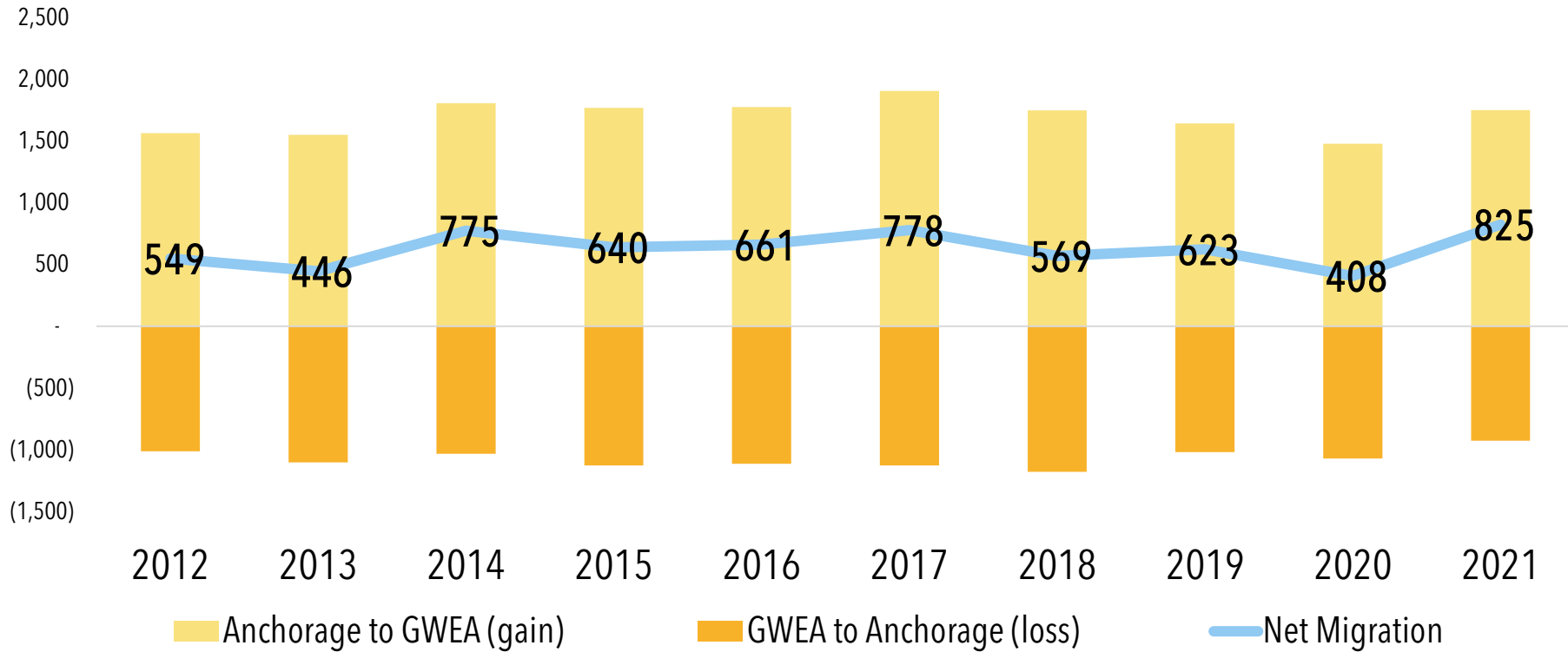


Continued GWEA Population Growth Forecasted (2021-2050)



Total Growth Forecast 2021-2050: +24,000 (+37%)

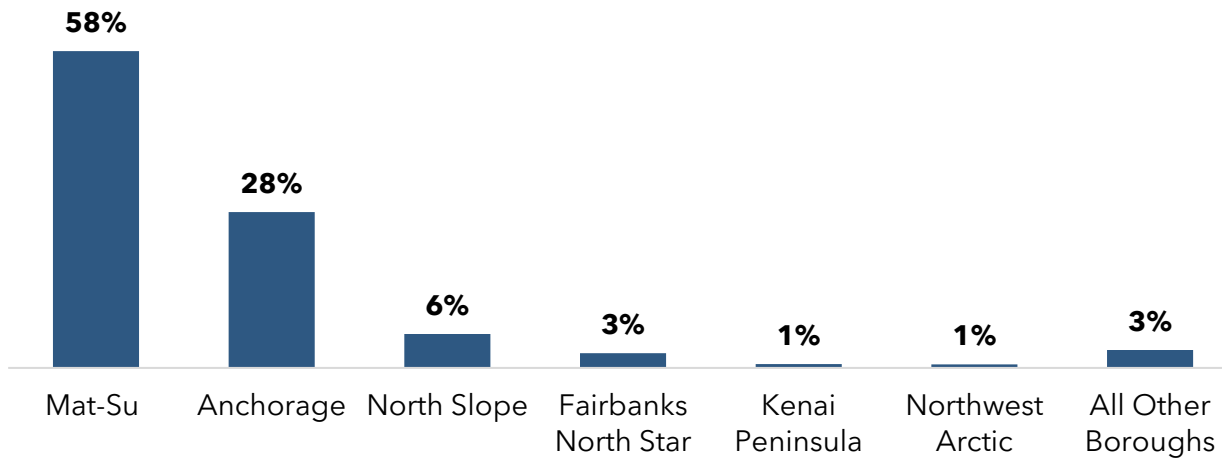
Net Migration from Anchorage to the GWEA



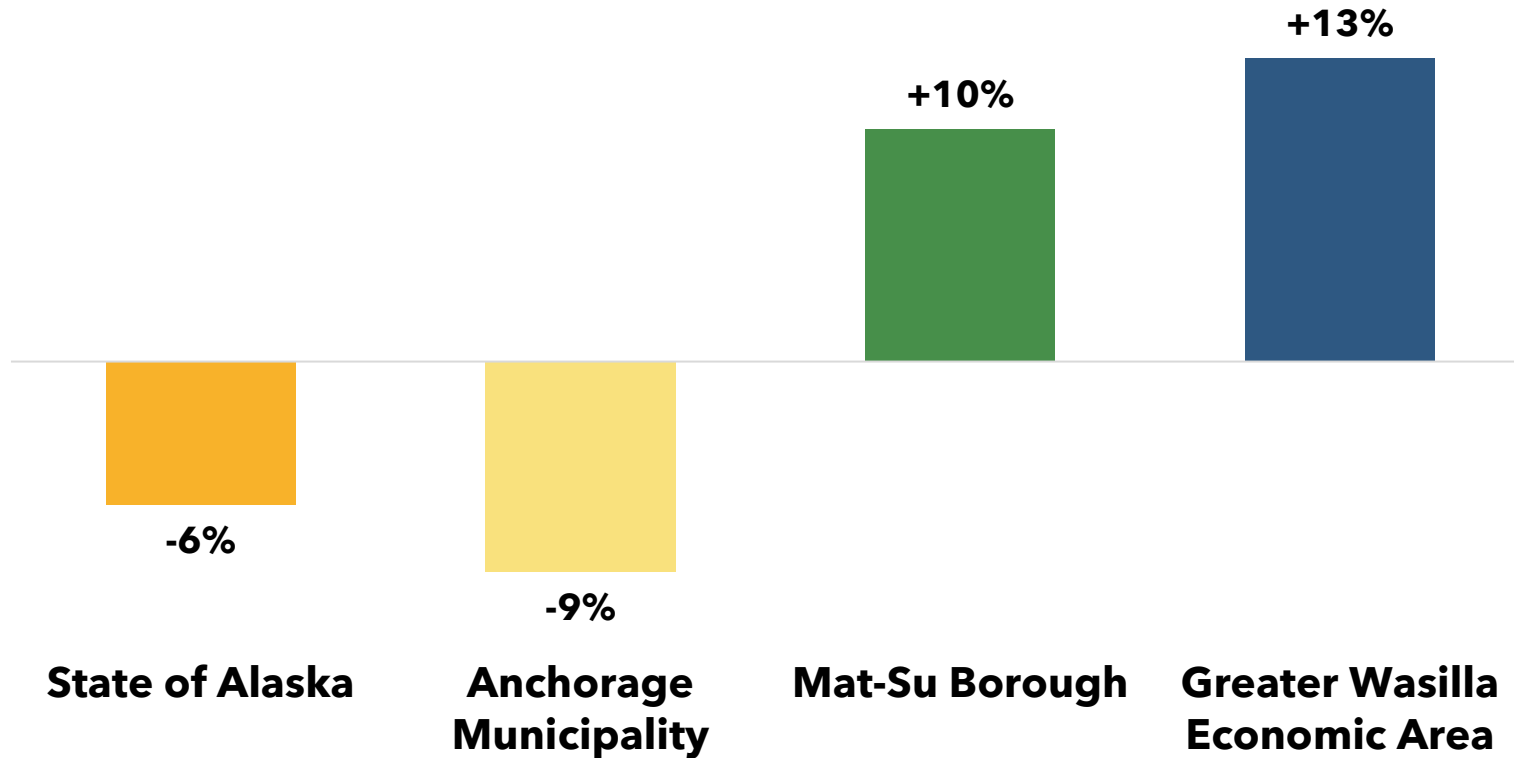
A net annual average of 627 Anchorage residents move to the GWEA

Commuters in the Mat-Su Borough

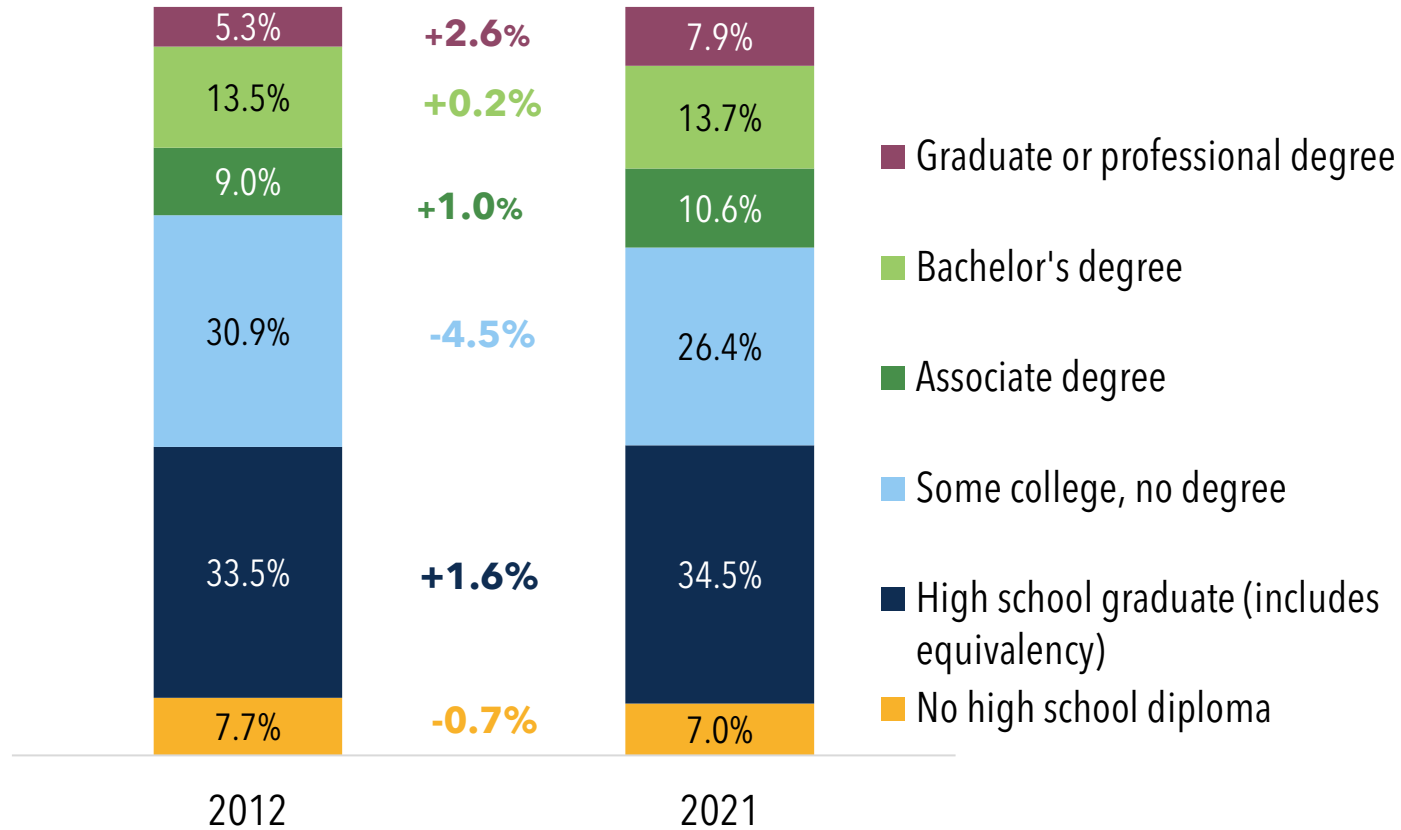
- Three out of every 10 Mat-Su residents work in Anchorage
- 58% of Mat-Su residents work in the Mat-Su, while **28% commute to Anchorage**, 6% work on the North Slope, and the rest work in other communities throughout the state



Higher Growth in Working Age (16-64) Population in the GWEA than in Anchorage, Mat-Su, and Alaska (2013-2021)



Educational Attainment Gains (2012-2021)



- Higher proportion of high school and college graduates in the GWEA since 2012
- Largest increase was the number of residents with a graduate or a professional degree

The Economic Development Context: Income and Employment

Median Household Income (2021)

State of Alaska

\$80,287

GWEA

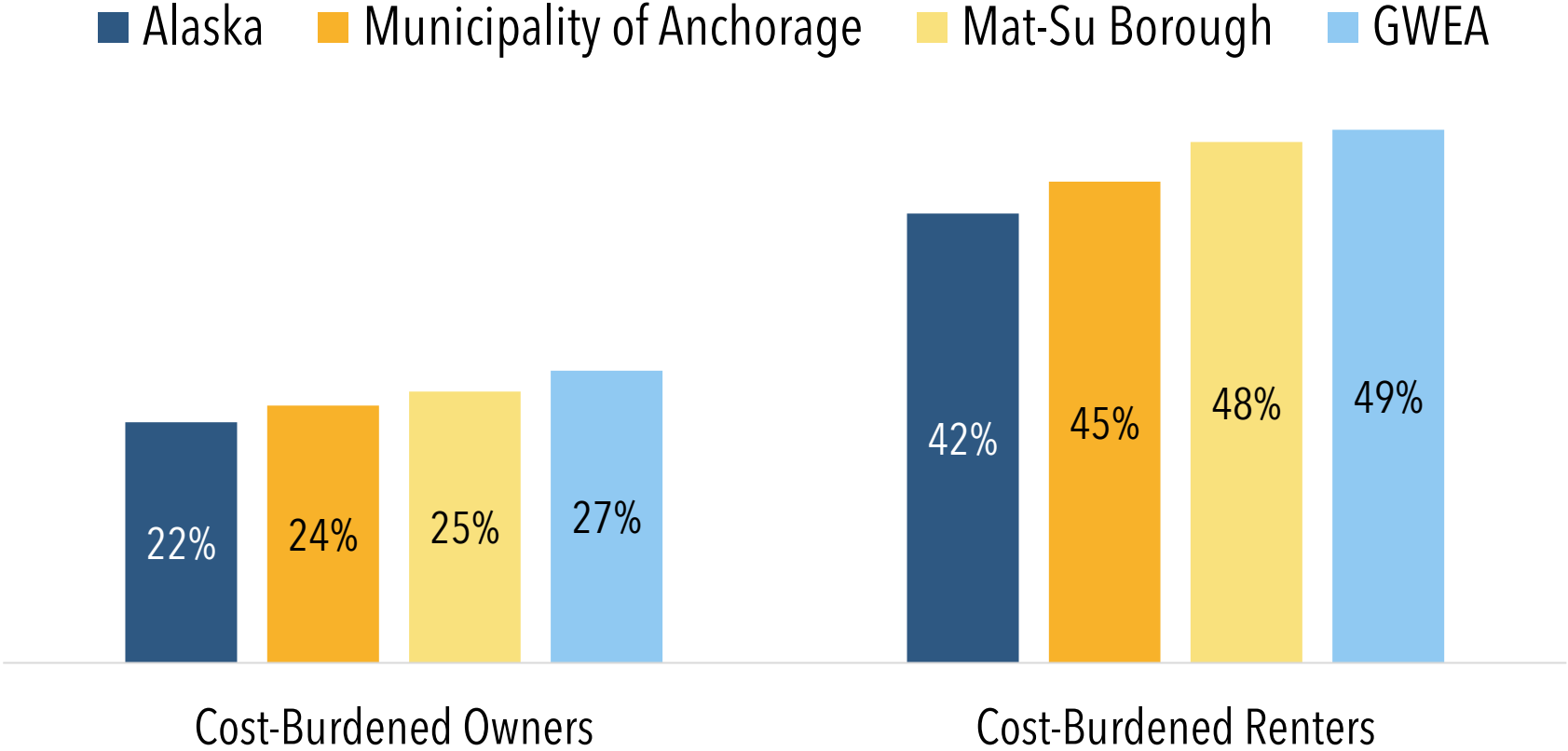
\$81,114

Municipality of Anchorage

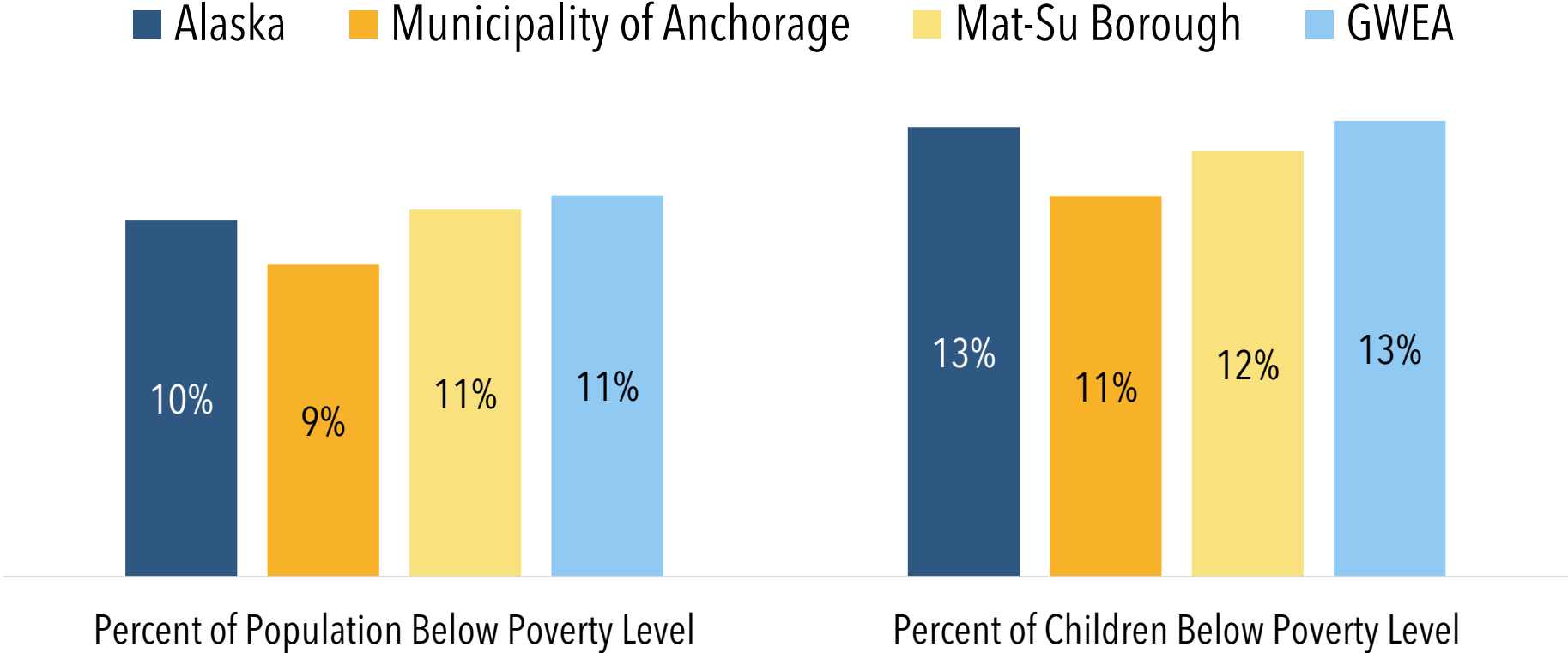
\$88,871



GWEA Homeowners and Renters are More Cost-burdened than in Anchorage and Alaska

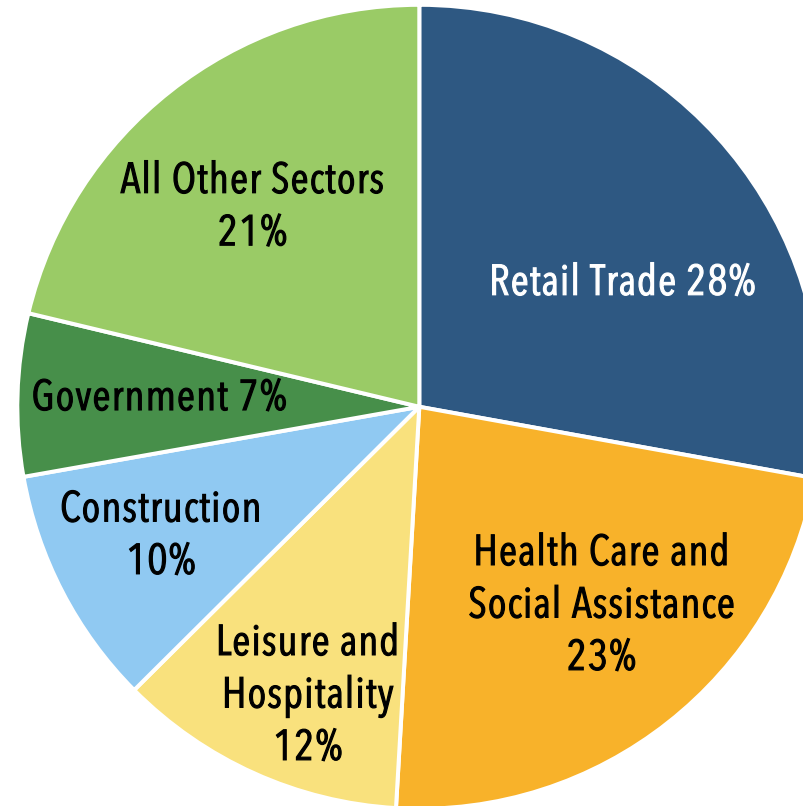


Poverty Level is Slightly Higher in the GWEA than in Anchorage and Alaska



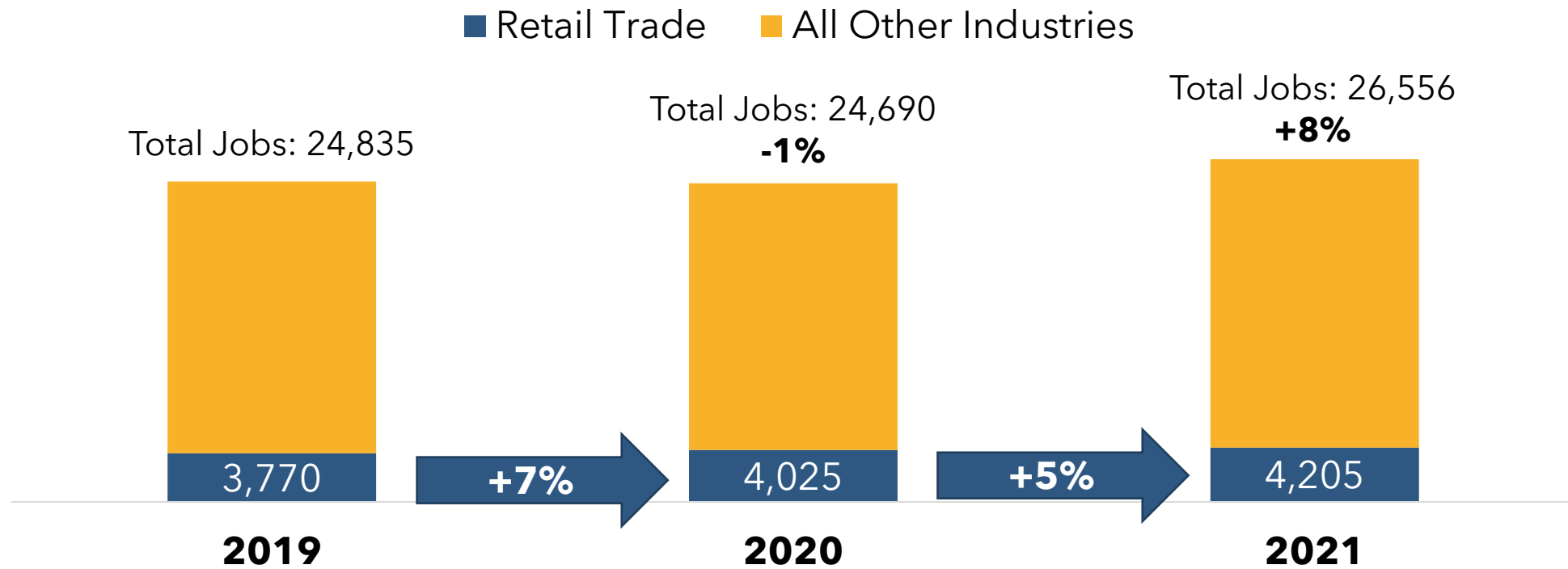
More than 50% of all GWEA jobs are in retail or health care

GWEA Employment by Industry, 2021

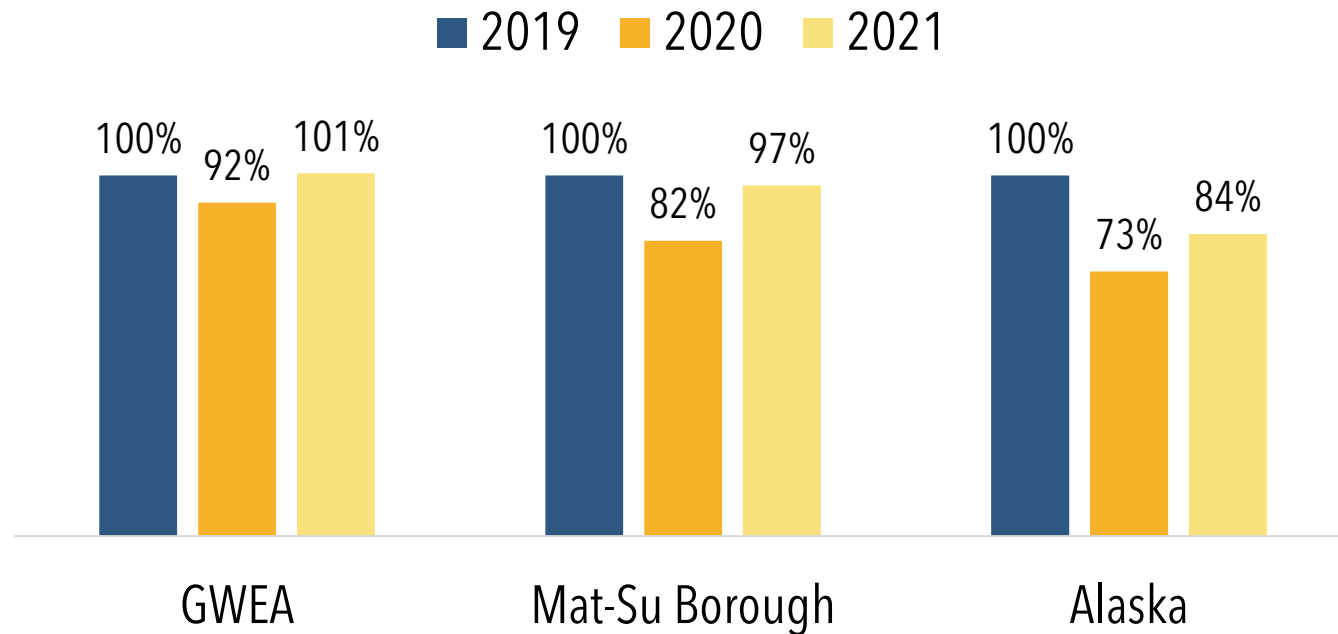


Source: Alaska Department of Labor and Workforce Development, Quarterly Census of Employment and Wages.

High Retail Sector and Other Job Growth in the Mat-Su Borough (2019-2021)

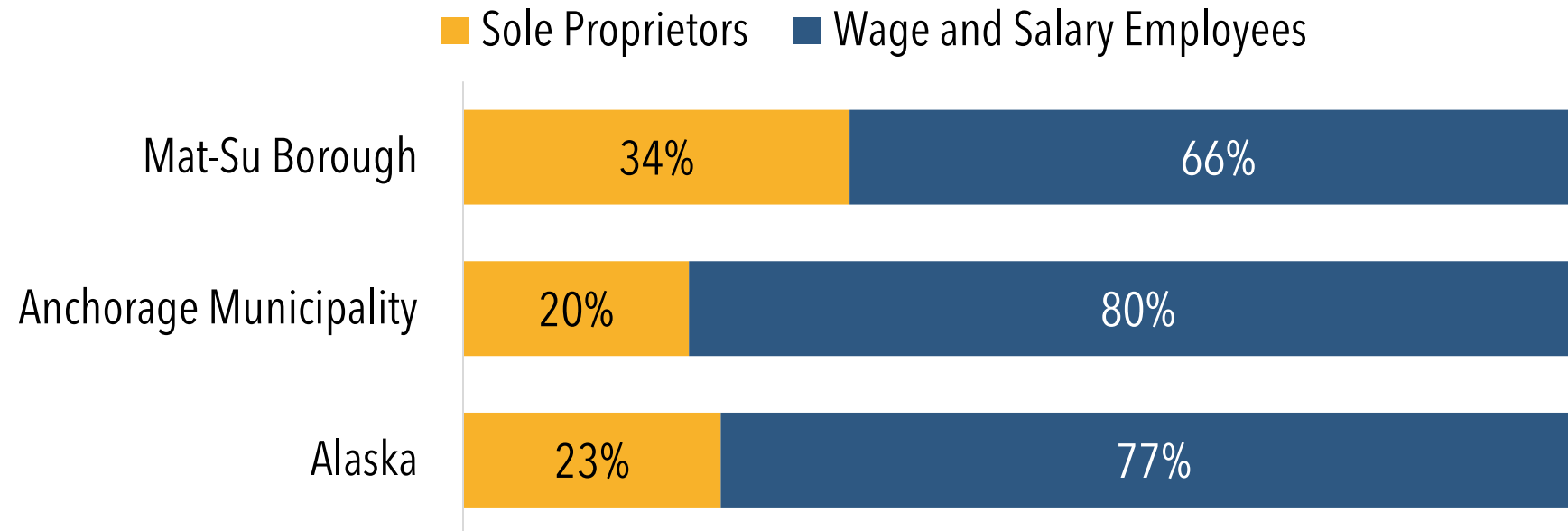


Hospitality has Rebounded Faster in the GWEA than the Statewide Average



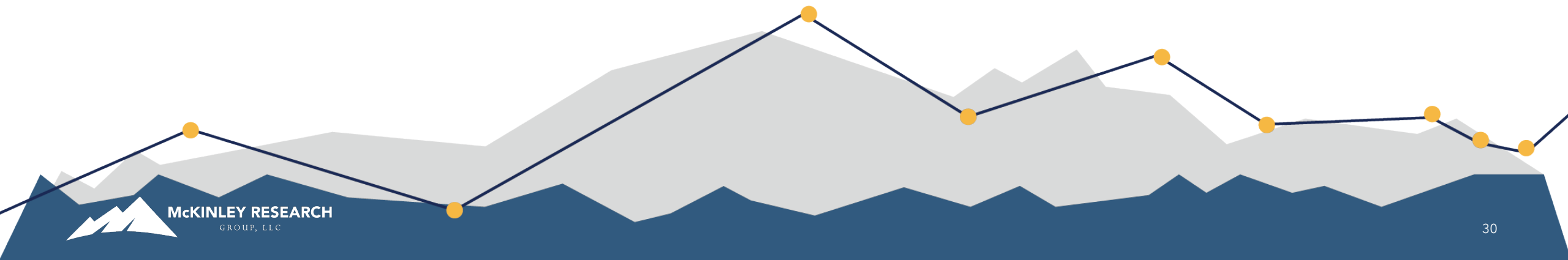
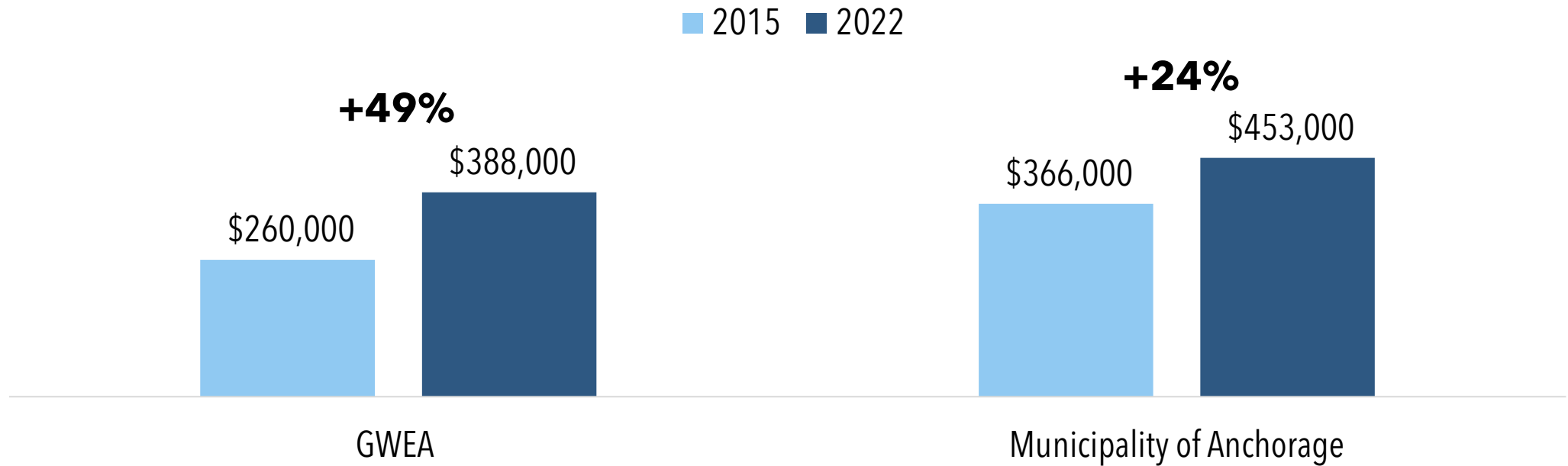
Annual average employment in hospitality as a percentage of 2019 employment

A Third of Mat-Su Workers are Sole Proprietors



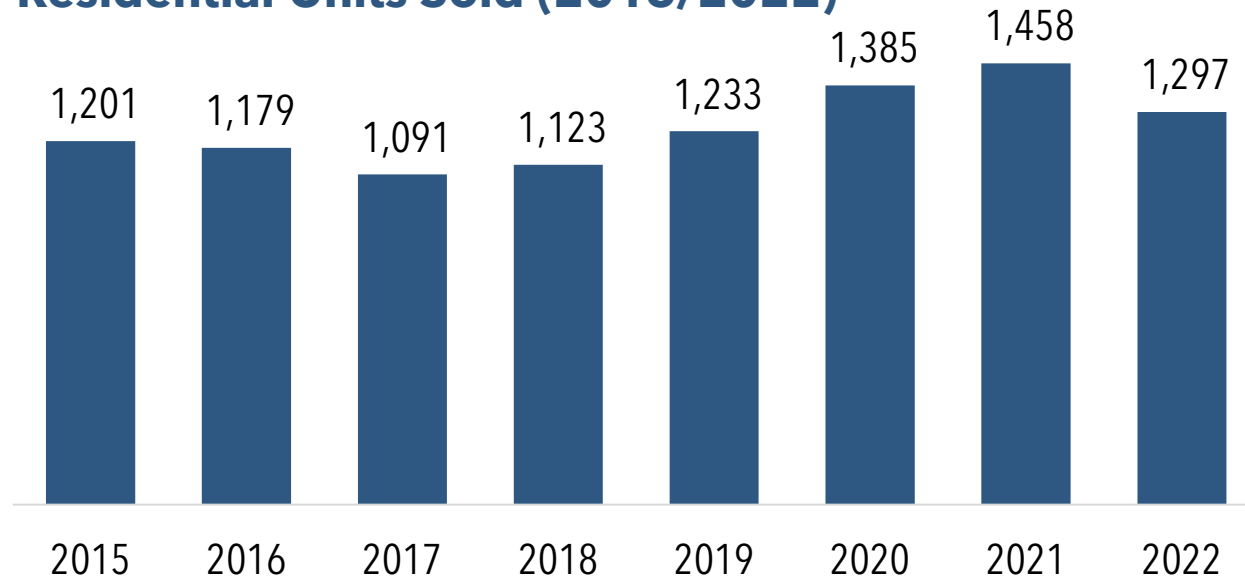
The Economic Development Context: Housing

Average Single-family Home Prices are Rising Faster in the GWEA than in Anchorage



Home Sales Slowed in 2022, but the GWEA Market Continues to be Robust

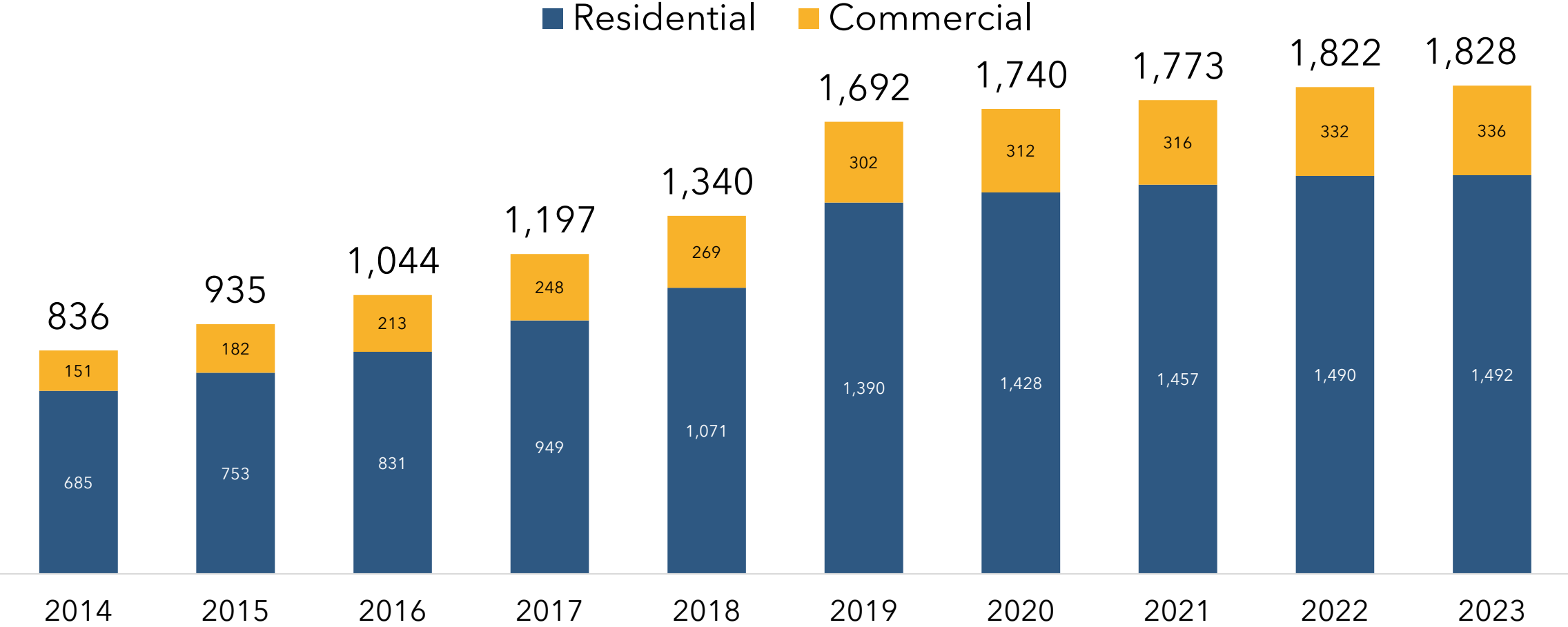
Residential Units Sold (2015/2022)



The Economic Development Context: Infrastructure

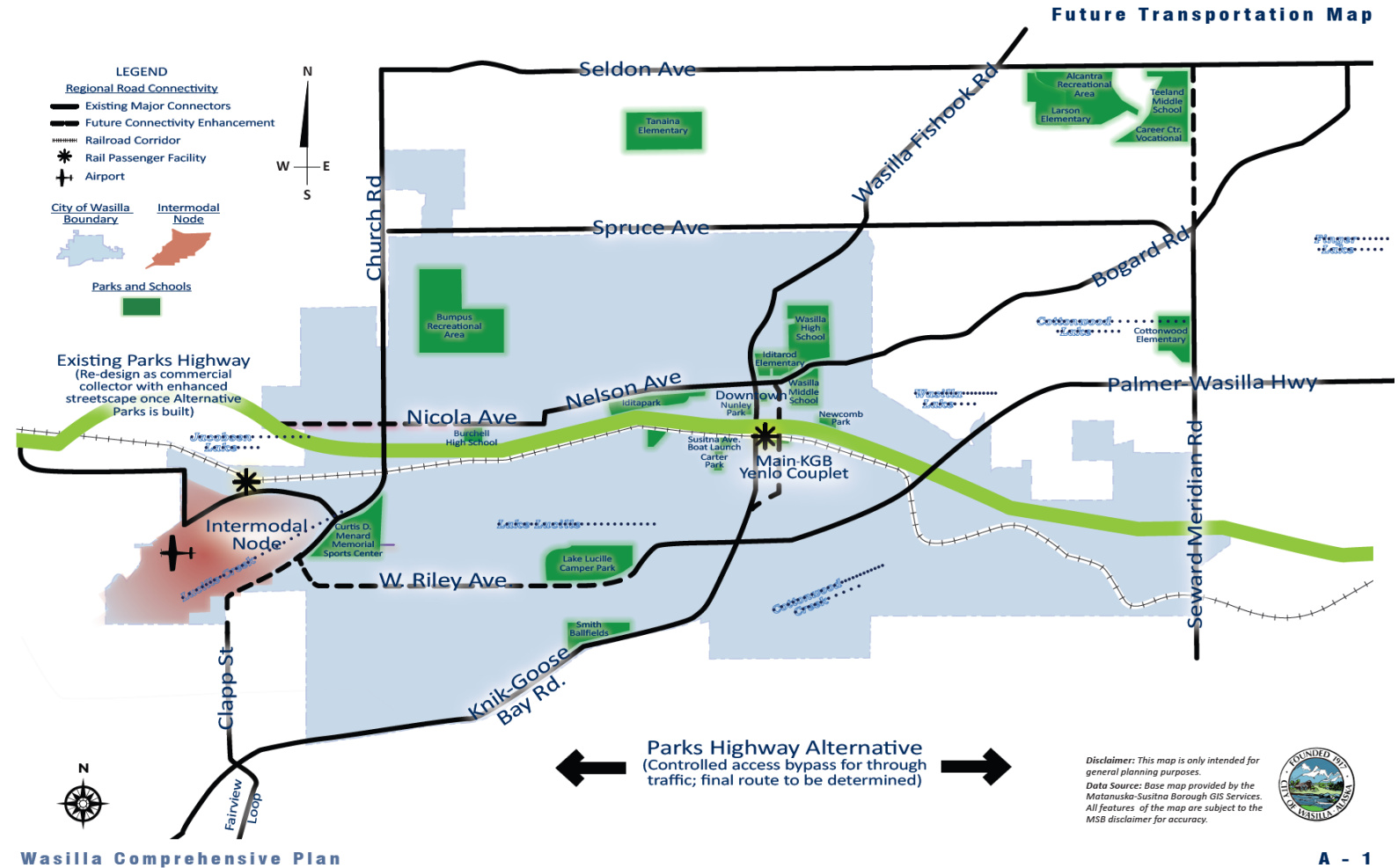


Water utility metered customers are growing (2014-2023)



Transportation Links

- Parks Highway – critical transportation link
- Alaska Railroad – freight and tourism-related passenger services -- stops at historic depot but very few passengers disembark
- Wasilla Municipal Airport – general aviation airport owned



Disclaimer: This map is only intended for general planning purposes. Data Source: Base map provided by the Matanuska-Susitna Borough GIS Services. All features of the map are subject to the MSB disclaimer for accuracy.

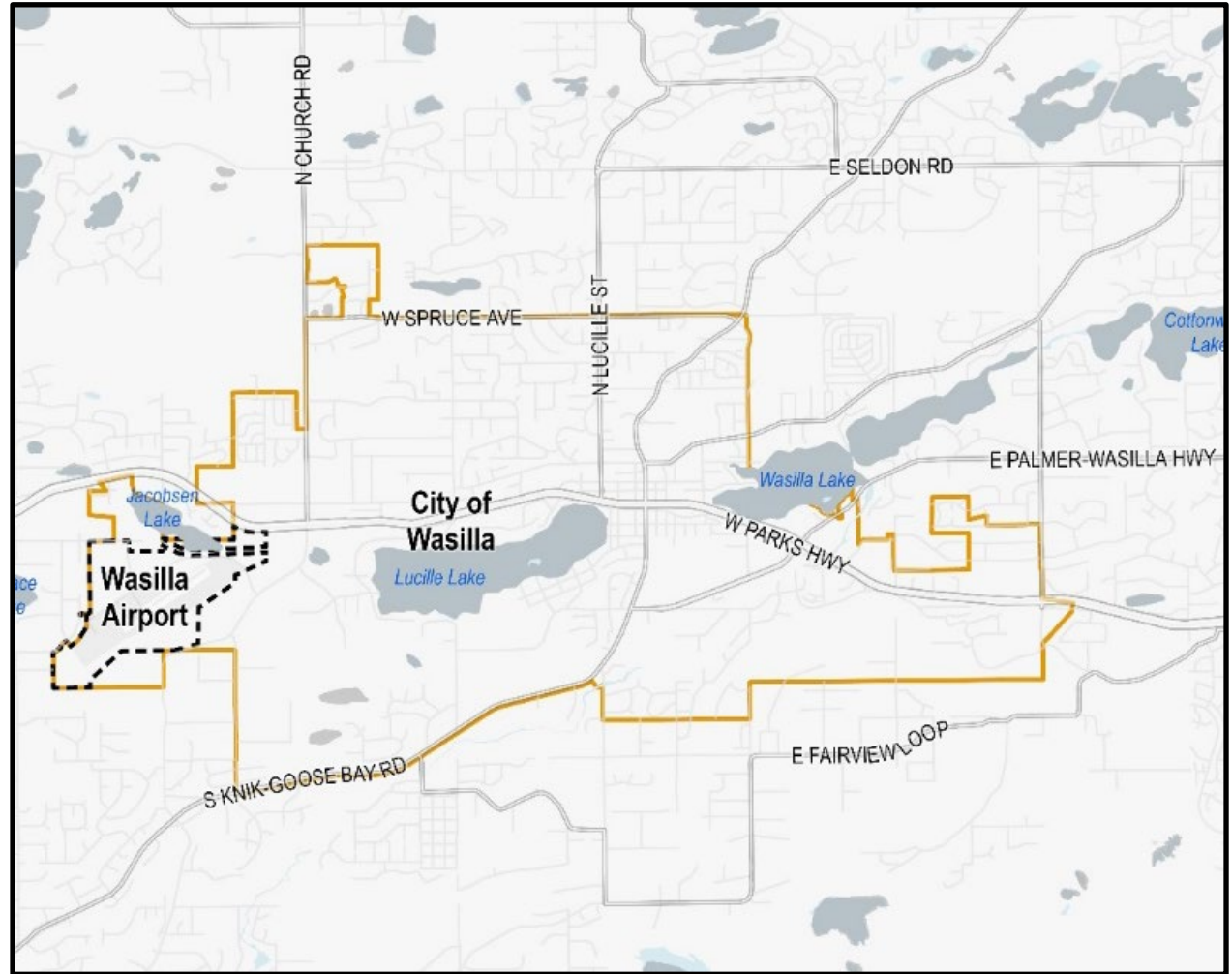


Highway and road usage continues growing

- The Parks Highway through Wasilla has daily traffic of **37,400 vehicles**
- The Palmer-Wasilla Highway has daily traffic of **15,600 vehicles**
- Annual average daily traffic on both highways has increased substantially over the last 10 years
 - Traffic on the Parks Highway **increased by 10%**
 - Traffic on the Palmer-Wasilla Highway **increased by 24%**
- The Parks Highway/Glenn Highway interchange is one of Alaska's busiest intersections, with total average **daily traffic of 29,000 vehicles**
- Annual average daily traffic on Knik-Goose Bay Road was **19,300 vehicles (2021)**

Wasilla Airport

- Major transportation asset for the City
- 3,700 foot runway and both privately-owned and city-owned parcels available for development
- The Wasilla Airport Master Plan to be completed soon



Aging infrastructure

- Strained road and water infrastructure in the Wasilla area
- Difficulty keeping pace with support infrastructure and new home construction and business development
- Planning challenged by difficulty in forecasting growth and identifying/accessing funding for the types of large capital projects required to meet growing population needs

The Economic Development Context: Quality of Life and Well-being



Mat-Su Resident Perceptions of Overall Quality of Life are Changing

	2016	2019	2022
Poor (1-3)	1%	2%	1%
Moderate (4-7)	19%	26%	29%
Good (8-10)	77%	72%	69%

Some Mat-Su Households Did Not Have Enough Food to Eat in 2022

		Percent
Age	Under 50	3%
	Over 50	10%
Household Income	Under \$50K	16%
	Over \$50K	4%
Geography	Urban	4%
	Rural	14%
All Respondents		7%

Vision, Strategic Goals and Objectives

CEDS Logic and Content

Vision Statement

Where do we want to be in the next 10-20 years?



SWOT Results (Top Responses)

Strengths	
Geographic location	17%
Business development	14%
Financial strength	11%
Attributes of residents	10%
Existing infrastructure	8%
Landscape and natural resources	7%

Weaknesses	
Traffic Congestion	23%
Community Infrastructure	15%
Lack of City Planning	11%
Public Safety/Crime	8%
Supply Chain/Dependence on Other Communities	7%
Sprawled Out, No Community Feel	6%

SWOT Results (Top Responses)

Opportunities	
Airport	22%
Tourism/Hospitality	18%
City planning for growth	15%
Expand industries	8%
Expand workforce	8%
Road planning	7%

Threats	
Over-regulation	14%
Anti-development politics	14%
One road in, one road out	13%
Inflation	11%
Reliance on "Outside" supply chain	10%
Aging and inadequate infrastructure	9%

CEDS Vision

Wasilla is a resilient community with future-ready infrastructure that supports a strong business hub, quality job growth, and unparalleled opportunities to explore the outdoors and raise a family.

Goal A: Improve Infrastructure to Support Economic Resiliency

Goal: Improve regional connections and attract new business opportunities with modern infrastructure that meets the needs of residents, visitors, and businesses.

Objective 1: Upgrade water, wastewater, and stormwater infrastructure

Objective 2: Develop regional transportation infrastructure

Objective 3: Upgrade and improve broadband access

Objective 4: Increase housing development within city limits

Objective 5: Develop initiatives around resiliency in emergency / food security / agriculture

Goal B: Diversify Local Economy

Goal: Attract new businesses and industries to boost economic resilience and availability of high-quality jobs.

Objective 1: Attract new industries, e.g., Tech Hub, manufacturing, logistics, “value-added”

Objective 2: Provide increased workforce training

Objective 3: Become a visitor and recreation hub

Goal C: Improve Community Connections to Promote Resident Well-Being

Goal: Foster a community that has continuous opportunities for resident connection and engagement with the natural environment.

Objective 1: Build an attractive Main Street District

Objective 2: Increase year-round events

Objective 3: Improve upon existing recreation assets

From Strategy to Action

- Each objective has a set of action steps to achieve the goal
- Action steps include: a lead organization, lists of partners, funding sources, timeframe, and an evaluation framework to measure progress
- The timeframe for all action steps is less than five years (some much less) and all could be completed by 2028 with leadership, support, and funding

CEDS includes Goals to Improve Economic Resiliency Throughout the GWEA

- **Develop competitive infrastructure** that is protected in case of a security emergency or natural disaster yet supports growth
- **Diversify industries** that make up Wasilla's economy to insulate it from economic shocks
- **Attract a highly skilled workforce** to support new and existing industries
- **Enhance food security programs** to ensure resident needs are met in case of a supply chain disruption

What's Next?

NEXT STEPS

- City Council review of CEDS on June 12th (please come show your support!)
- Once adopted by the City Council, it will go to the EDA for approval by June 30th
- Then it's time to put it into action!