

GREATER KETCHIKAN CHAMBER OF COMMERCE

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LIVE WHERE WORK&PLAY COLLIDE

EXECUTIVE SUMMARY / REQUEST

The Ketchikan Chamber of Commerce seeks \$150,000 in investment to advance the LiveConnected project; a dynamic initiative to attract tech-based entrepreneurs and remote workers to relocate to Ketchikan. Funding will be used to implement a marketing, advertising, and recruitment campaign with an objective of attracting remote workers and tech-based entrepreneurs to relocate to Ketchikan. The LiveConnected campaign's target market is individuals with \$100k+ jobs in high-growth sectors such as tech, finance, engineering, computer science, etc. who are able to perform their work remotely from any location. The Chamber has invested \$8,100 in the initiative to date, and anticipates providing an additional match of \$26,000 in in-kind services. The LiveConnected Task Force / Advisory Team is comprised of a dynamic group of Ketchikan residents with demonstrated in marketing, advertising, project management, administration, and real estate, and is poised to implement the project in an efficient, effective manner.

CONCEPT: MARKETING KETCHIKAN TO REMOTE WORKERS AND TECH-BASED ENTREPRENEURS

The LiveConnected project will empower Ketchikan to attract remote workers and other tech-based entrepreneurs as an ideal location to live and work electronically.

More and more people leverage technology to work remotely. From e-commerce, to programming, to engineering, to project management, there is an enormous amount of work which can be performed from nearly anywhere. A July article in Forbes indicated that in the next three years, the mobile workforce may comprise as much as 75% of the US economy. Right now, it is around 40% nationwide.¹

Ketchikan has an ideal combination of the qualities which remote workers desire: lightening-speed internet via fiber optic links; unique arts and cultural opportunities; access to excellent medical and educational facilities; and an enormous, tremendously beautiful "outdoor playground" full of unique recreational opportunities. Access to the Seattle business community is a short flight away.

Thanks to substantial government investment in clean, renewable hydropower projects, Ketchikan's residents enjoy the lowest energy costs in Alaska, paying just \$0.10 per kWh – rates substantially lower than many places in the US, including Seattle.² Ketchikan's housing prices are affordable compared to other locations where remote workers live – for example. The Zillow Home Value Index indicates the average home in Seattle sells for \$727,400, compared to \$223,200 in Ketchikan.³ Additionally, Seattle housing prices grew 17% over the last year, and are forecasted to grow at 5.4% over the next year.⁴ Quality of life in urban environments can be negatively impacted by problems such as traffic, severe crime, gang violence, etc. which generally do not exist in Ketchikan. Meanwhile, Ketchikan has tremendous outdoor recreational opportunities, matched by few communities in the US.

A McDowell Group presentation at the State Chamber of Commerce's October Policy Forum indicated that Seattle is experiencing a population boom, with 11,000 new residents moving to the area each month.

Imagine what a difference it would make to our economy if Ketchikan could capture 1,000 of these people... or even 100.

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The City of Whitehorse has aggressively targeted remote workers as a major opportunity for growing their population and tax base, and bringing high-wage, tech-based jobs to the region. It seems to be working fairly well – Whitehorse has a growing young, affluent population, and a variety of rapidly-growing tech companies. These efforts could serve as a model which could be replicated for Ketchikan.

Our community has been tremendously successful in leveraging its natural beauty and recreational opportunities to attract tourists; this year, over 1 million cruise ship passengers. Through strategic investment and marketing efforts, the LiveConnected effort will successfully showcase the same qualities to attract remote workers and tech-based entrepreneurs to live here year round.

 $^{^1\,}https://www.forbes.com/sites/christinecomaford/2017/07/22/three-keys-to-effectively-managing-remote-workers-infographic/\#1a7aeda110ee$

² Median home value is \$727,400 in Seattle, \$608,200 in San Diego, \$663,500 in Los Angeles, \$548,300 in DC, \$411,200 in Portland, \$223,200 in Ketchikan. (Zillow Home Value Index.)

³ https://www.zillow.com/

⁴ Ibid.







THE BUDGET

Total Request: \$150,000

Total Match: \$34,100

Estimated Period of Performance: 2 years

Goal: Lay the Groundwork Required To:

- 1) Attract 100 remote workers and their families to the community
- 2) Persuade 10 tech-based companies to open new satellite offices in Ketchikan, versus competing locations like Seattle.
- 3. Help retain 25 young professionals / students who would otherwise relocate to locations such as Seattle for work.
- 4. Produce marketing materials showcasing the community which can be cross-utilized by other businesses to support their recruitment efforts.
- 5. Foster community awareness of remote working opportunities, empowering residents to find remote jobs, and engage in e-commerce and entrepreneurialism.

THE BUDGET BREAKDOWN



ADVERTISING CAMPAIGN

01 // CONSULTING, MARKETING, AND PR SPECIALISTS $\label{lem:power_power} \textbf{Develop and assist in implementing marketing approach}$

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\$25,000

02 // ADVERTISING EXPENSES Advertising approach / mix to be determined by marketing specialist. May include magazines, social media, online advertising, etc.

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\$65,000





CONTENT DEVELOPMENT

03 // PROMOTIONAL MATERIAL DEVELOPMENT Additional videos, brochures, booklets, web portals, social media content, etc.



\$25,000



ADVOCACY

04 // ADVOCACY & PROJECT MANAGEMENT BY KETCHIKAN CHAMBER

To be billed at cost, on a time and materials basis. May involved the Executive Director, Administrative Assistant, and other consultants.

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\$25,000

05 // Travel cost & attendance of Trade shows Promote Ketchikan as a destination for remote workers at 4x trade shows, travel costs of \$2,500 each.

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\$10,000



ESTIMATED MATCH

06 // Seed Money for Intial Visuals Complete)	→	\$4,000
07 // /OLUNTEER TIME TO DATE (COMPLETE) EST. 70HRS @ 50/HR	→	\$3,500
8 // HAMBER STAFF TIME TO DATE (COMPLETE) SST. 20HRS @ 30/HR	→	\$600
	$\overset{\rightarrow}{\rightarrow}$	SUBTOTAL \$8,100
9 // Proposed volunteer time Year 1) St. 400 HRS @ 50/HR	\rightarrow	\$20,000
10 // Proposed Chamber Time Year 1) Est. 200HRS @ 30/HR	→	\$6,000
	\rightarrow	SUBTOTAL \$26,000
		TOTAL MATCH THROUGH END OF YEAR 1 \$34,100

Administration & Reporting: The Ketchikan Chamber of Commerce will serve as the recipient of the funding for accounting, record-keeping, reporting, and other administrative purposes. The Chamber is staffed by an Executive Director, a part time administrative assistant, and a consulting accountant. The Chamber has a track record of successful organizational financial management, including management of grants and special projects. The Chamber is willing and able to follow any reasonable reporting requirements which investors may desire.

THE LIVECONNECTED TEAM

TEAM OF ADVISORS

Alexandra Brown

Local Content, PR, and Social Media manager for Ketchikan Public Utilities. Alexandra is expert in managing PR and advertising campaigns, and has a deep commitment to sustaining the well-being of the community.

Jason Custer

Utility sector executive and Ketchikan-based remote worker, with diverse administrative, project, and contract management expertise. Alaska Top 40 Under 40 recipient, and member of boards including the Alaska Chamber, and Renewable Energy Alaska Project.

Chelsea Goucher

President of the Ketchikan Chamber, and Past President of SE Conference, the regional economic development organization for SE Alaska. Chelsea is a sales director for AML, one of the largest transportation/logistics companies serving Alaska, Hawaii, and other locations.

Danielle McClennan

Former Executive Director of the Ketchikan Chamber of Commerce, Danielle's skillsets and experience include accounting, web design, project management, staff coordination in the non-profit, healthcare, and other sectors.

AJ Pierce

Borough Assembly Member and multi-skilled entrepreneur. Pierce works for the Ward Cove Group, a Ketchikan marine company, and manages a number of private business ventures.

Mary Wanzer

As owner of Coastal Real Estate Group, Wanzer is an expert on everything that Ketchikan has to offer. She has played a key role in relocating many new residents to the community, and linking them to affordable housing options that offer an optimal quality of life.

Doug Ward

Director of Development at the Ketchikan Shipyard, with decades of experience in high-profile project finance, management, and administration.

Felix Wong

A multiskilled entrepreneur who leverages Ketchikan's infrastructure to work remotely on cutting-edge audio, video, and visual production projects. Wong serves as a Ketchikan Borough Assembly member, and works for Ketchikan's shipyard.

MULTIMEDIA CONTRACTOR

North Creative Design Co.

The Ketchikan Chamber used a competitive process to select North Creative Design as the project's Multimedia Contractor under an IDIQ arrangement. In addition to working as contractors, owners Spring and Jeremy Barry have worked as partners, donating significant additional time to the project at no cost. Spring and Jeremy are Ketchikan residents who frequently perform work remotely, giving them an intimate understanding of the Live Connected opportunity.

FAQ's

What is a remote worker?

A remote worker is someone who can perform their job outside of a traditional office. Remote workers use may use home offices, high-speed internet connections, video conferencing, teleconferencing, and other technology to collaborate with others and work on projects around the world, from any location. An amazing number of jobs can be performed remotely, especially in high-paying tech sectors. There are many people in Ketchikan who already work remotely, or incorporate remote working technology and long-distance collaboration into their daily routines and workflow.

Do we have quality housing required to grow our population?

Realtors report that Ketchikan has a significant amount of housing available. Homes in the Seattle region sell much, much more quickly, at far higher prices – someone purchasing a home in Ketchikan is likely to find a higher quality house at an equal or lower price than what they could afford in Seattle. Additionally, our community has an abundance of developable land (which places like Seattle do not), as well as local contractors and developers who can build new housing. Construction of new housing would help create additional local jobs. While Ketchikan may have a shortage of affordable low-cost housing, the LiveConnected initiative targets people with high-paying jobs.

Isn't Ketchikan Expensive?

It depends what your point of comparison is. Living in Ketchikan is not nearly as expensive as many cities on the west coast. For instance, housing costs in Ketchikan are approximately half or a third of the cost of housing in Seattle and other west coast cities. Housing is the biggest cost-differentiator. The BLS reported that Seattle area households paid an average of 11.1 cents per kWh; residential energy costs in Ketchikan are 10 cents per kWh. Unfortunately, one of the reasons Ketchikan might seem expensive to some members of our community is because we do not have enough high paying jobs.

Do we have the interest connectivity needed for remote working?

Yes. The majority of remote workers require bandwidth comparable to what an average home would require. Some may prefer higher capacity up/down, but local providers have verified they are able to meet these requirements. GCI has a fiber optic cable to Seattle, which can support significant capacity growth.

What about people who already live here? Shouldn't we be helping them?

Yes – absolutely. The more Ketchikan is able to grow its economy and tax base, the healthier our community will be overall, and the more support we will be able to provide for others who are in need of help. Attracting new businesses to our community will create new local job opportunities. Population growth will be helpful to the local construction industry. Through increased awareness of remote working, many Ketchikan residents may be able to find jobs or opportunities allowing them to work remotely from Ketchikan, for outside companies.

Are remote workers all "millennials?" Is this focused on people of a certain age?

No. People of all ages are working remotely to an increasing extent, as technology, job requirements, and industries have evolved. The LiveConnected campaign has an aim of targeting people with higher paying (\$100k+ jobs). It is likely that many people with jobs of this type are mid/late phase of their careers.

SAMPLE WORK

Please see the attached sample advertisements we have created to spark this campaign.

























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