



TRANSMITTAL MEMORANDUM

TO: The Honorable Mayor and City Council

FROM: Karl R. Amylon, City Manager

DATE: November 12, 2020

RE: Authorizing Budget Transfer – Greater Ketchikan Chamber of Commerce Remote Workers Recruitment Campaign

At its meeting of November 5, 2020, Greater Ketchikan Chamber of Commerce Executive Director Michelle O'Brien addressed the City Council and requested \$10,000 in financial support for a remote workers recruitment campaign. Following the presentation, Councilmember Flora requested a future agenda item be prepared to facilitate a Council discussion of the Chamber's request.

Attached for City Council consideration is a proposed scope of work, which the Chamber of Commerce prepared in response to a request by my office. If acceptable to the City Council, a formal contract can be prepared that incorporates the scope of work. A budget transfer of \$10,000 will be required from Appropriated Reserves of the General Fund to the City Council's Community Promotion Account (Account No. 610.01). The Finance Director has advised my office that the proposed project is not eligible for CARES Act Funding. I would suggest that any funding commitment be contingent on an equivalent match from the Ketchikan Gateway Borough.

The City Council is scheduled to begin budget deliberations on Monday, November 23, 2020. The Council may wish to defer consideration of the Chamber's request pending its initial review of the draft 2021 General Government Operating and Capital Budget. As is detailed in the transmittal letter, the draft spending plan does not ensure that the City will have sufficient reserves on hand at the end of 2021 that can be used in 2022 to balance the City's budget for that year in the event that the COVID-19 pandemic continues to create a public health emergency. Even if Ketchikan's tourism sector begins to rebound in 2021, the Finance Director and I believe that further adjustment to the draft budget is necessary if the City is to have sufficient reserves as it begins preparing its spending plan for 2022.

Lastly, the City Council should consider that given the difficult financial times that the community is going through, approval of the Chamber's proposal is likely to encourage funding requests from other entities.

Alternative motions have been prepared for City Council consideration.

RECOMMENDATION

It is recommended the City Council adopt Alternative Motion No. 2 deferring consideration of the Greater Ketchikan Chamber of Commerce's request for financial support of the agency's remote workers recruitment campaign to Council deliberations of the 2021 General Government Operating and Capital Budget.

Alternative Motion No. 1: I move the City Council approve the Greater Ketchikan Chamber of Commerce's draft scope of services for a remote workers recruitment campaign; direct the City Manager to enter into a professional services agreement with the Greater Ketchikan Chamber of Commerce based on the draft scope of services in an amount not to exceed \$10,000, contingent upon equivalent financial participation by the Ketchikan Gateway Borough; and authorize a \$10,000 budget transfer from Appropriated Reserves of the General Fund to the City Council's Community Agency Promotion Account (Account No. 610.01).

Alternative Motion No. 2: I move the City Council defer consideration of the Greater Ketchikan Chamber of Commerce's request for financial support of the agency's remote workers recruitment campaign to Council deliberations of the 2021 General Government Operating and Capital Budget.

KetchCan1 Subsea Fiber Cable Activation

General Manager Amylon attached for Council review a memorandum from Telecommunications Division Manager Cushing confirming the subsea fiber cable was placed into service on October 29, 2020. He congratulated him and his staff for bringing this critically important project to fruition and to the Council and residents of Ketchikan for their foresight in making this happen. He informed the cable has been working very well, and a significant amount of traffic has been moved off our contractual purchases from GCI.

Telecommunications Division Manager Cushing said the cable is working flawlessly, and our contractual relationship with GCI for the lease capacity will officially end this weekend. He said the circuit itself will be shut off on Monday, November 9, 2020.

CITY CLERK'S FILE – None

CITY ATTORNEY'S FILE

The City Attorney's office provided a report of significant activities for the month of September 2020.

FUTURE AGENDA ITEMS

Councilmember Gage asked if a couple councilmembers could be in on the negotiations with the unions so the Council has a better understanding of what is going on.

Councilmember Flora said he would like the Remote Worker Program brought back to the table for discussion at the next Council meeting along with the a budget option for the \$10,000 contribution.

Councilmember Bradberry asked for the next Council meeting a discussion on our Port fees in terms of 2021 and beyond regarding COVID, PPE, fencing and extra cleaning and how we can work with the cruise lines to initiate a fee on passengers that do come here.

Councilmember Gass felt we should continue discussion regarding the general operations of the Port.

Manager Amylon said staff was asked to bring forward this discussion for the first meeting in December of a Port Authority, along with general background information. He said one thing the Council needs to decide is if we need to start recruiting for that position, or wait until the Council determines the methodology by which the Council wants to manage the Port.

Councilmember Kiffer said he had asked to bring forward that discussion. He informed he has started discussions with the Mayors of Prince Rupert, Juneau, Skagway and other areas. He said he will have additional information to provide at that first meeting on this topic.

Councilmember Zenge said she just received a report from the Borough regarding information on a Port Authority and she would forward to everyone for review.

Mayor Sivertsen felt we should have the plan of operation before we go out and hire the personnel to staff it.



REMOTE WORKERS RECRUITMENT CAMPAIGN KEY GOALS, INDICATORS, AND TIMELINES

2020 Officers

Benjamin Edwards
President
Edward Jones

Mary Wanzer
First Vice President
Coastal Real Estate Group

Jason Custer
Secretary
Alaska Power & Telephone

Jason Button
Treasurer
Tongass Federal Credit Union

Chelsea Goucher
Past President
Alaska Marine Lines

2020 Directors

Andrew Spokely
Ward Cove Group

Ben Thompson
GCI

Bergen Weiler
Vigor

Sophia Smith
Key Bank

Carolyn Henry
PeaceHealth Ketchikan Medical
Center

Jeremy Yoder
Alaska Crepe Co

Morgan Weber
KPU Telecommunications

Chamber Staff

Michelle O'Brien
Executive Director

Shelly Hill
Business Advisor

Background for the project:

“Remote work was already one of the fastest-growing employment sectors in the country when coronavirus came around, closing offices and stranding millions of professionals at home. Employees are proving to their bosses that remote working is not only possible, but also preferable, and the prospect of a work-from-anywhere future now seems less hypothetical. So instead of trying to lure whole companies with economic development incentives, more cities are beginning to target individuals who suddenly have the agency to pick a city on its merits, not its employers.” (Bloomberg City Lab, June 2020)

Scope:

- Design new website, with new URL using highly searched keywords, call to action words, and engaging photos and video. New website to be designed in Word Press to enable Chamber staff to easily update as needed. To be hosted in the KPU Data Center.
- Launch a highly sophisticated digital marketing campaign targeting the demographic not only living in key cities, but also those who are searching for identified top keywords, i.e. “safe community, family friendly, high speed internet.”
- Create two new blog/vlog posts per month and aggressively approach publications, online bloggers, and media sources to feature Ketchikan as a great place to work remote
- Partner with local and state organizations to further our reach, and to offer “in-kind incentives” that are attractive to those seeking a new community in which to work remotely via a “try it before you move” concept. *See Ref 2*

Deliverable/Goals:

- To pre-qualify and then invite 25 individuals/couples in 2021 to “try” Ketchikan on a “Workcation”, each for four days using a highly curated schedule to show them the overall value of Ketchikan. This would be funded via in-kind donations of goods and services from local and state companies.
- We realize that some individuals will not need the “try it before you move” Workstation” and we believe this is good for us. We will feature virtual Ketchikan orientation events as well.
- **Goal: 5 households in 2020, 5 households in 2021**

****See reference 1, Tulsa**

Timeline and Reporting Metrics

December 2020 Deliverables

- Begin layout of new website with the Bold Design Group
- Begin gathering images and video assets from KPUtv and KVB, Arts Council, School District, Borough, and all other community partners
- Copywriting completed for website and tested for key-word optimization
- Create new You Tube Channel, Social Media Accounts (Facebook, Linked In, Instagram, Twitter)

January 2021 Deliverables

- Website goes live
- Blogs/Vlogs begin appearing on various platforms to include our own website
- Aggressive networking with “known” media contacts in publications and other media sources, as well as “influencers”
- Mid to End of January, digital ads go live

February 2021 Deliverables

- Analyze data from digital campaign and website to further optimize and adjust placements as needed
- Begin tracking website traffic. Goal to start: 1,000 visitors per month, with 5 inquiries
- Expand media reach through vehicles such as Reddit and Medium.
- Possible First “Workcations” visitors arrive

March-December 2021 Deliverables

- All campaigns continue. Analyze data monthly from digital campaigns and website to further optimize and adjust placements as needed
- Website traffic and inquiries to increase by 5-15% each month based on success of earned media placements, paid digital campaigns
- 15 inquiries, and 5 qualified leads per month
- 1-2, “Workcation” visitors arrive per month, from May-Sept. This availability is highly contingent upon the tourist season
- Goal of 1 household to “Choose Ketchikan” every other month, starting April 2021

Reporting plan to stakeholders:

- We would be pleased to share either via personal appearance at any public meeting or via detailed reports at the pleasure of the governing body. (City, Borough)
- We plan on sharing our metrics and data monthly with all stakeholders. It is important that all supporters are informed, committed, and feel as if they are an integral part to the success of this project.

Revenue Projections Mid 2020 and Beyond

Overall Goal: To make the site self-sufficient, and to be a continuous recruiting tool for Remote Workers looking for a place like Ketchikan beyond 2020.

First Quarter of 2021, Launch of new website:

- These feature photos and “ads” will be gratis—zero revenue
- As we move into the phase where there is more website traffic, publicity, and results, we will integrate into a graduated ad pricing moving in an upward scale of pricing.

Second Quarter of 2021, First Quarter 2022

- Estimated revenue, assuming 25 ad placements on site per month, at a competitive rate per ad of between \$50-100 per month. Total monthly revenue estimated, dependent upon location of ad: \$1000-2500, *please note this is very conservative. If revenue expectations exceed our goals, there is a possibility of engaging a part time “conciierge” to administer the website and to engage potential remote workers.*

Matching Funding Sources:

TOTAL 2021 COSTS: \$20,000

2022 COSTS: Self-funded, self-sufficient

- 10,000 Ketchikan Gateway Borough, proposing December 7th
- 10,000 City of Ketchikan, proposed
- Possible funding from Spruce Root or other non-profit funding sources

Ref 1) Despite the global uncertainty caused by the pandemic, Tulsa Remote’s executive director Aaron Bolzle says that the program is more popular than ever. He’s received twice as many applications in April and May than in February and March, and traffic to the application website doubled, too. After starting with about 70 participants in last year’s cohort, Bolzle and his team set a target of bringing about 250 people to the city this year; as of June, 125 have made the move, and about 100 of them have arrived since the pandemic started. In just one week in June, 25 applicants visited the city to decide whether to move; as they arrive, they are treated to virtual orientation events and are easing into outdoor happy hours. (Bloomberg City Lab, June 2020)

Ref 2) If you’ve ever thought about relocating to Europe but were scared to make the leap, one European city is hoping to make it easy for you. As remote worker visas increase in popularity, some critics are saying it’s a short term solution. Yes, remote workers on a long stay visa could become the new vacationers. However, they will ultimately leave the country and go home. As many countries in the world face depopulation, they want a permanent solution. Finland thinks it has one. The northern European nation is now offering a 90 day try before you buy relocation package to foreigners thinking of relocating to Helsinki, the capital city....The Full Package, which is only available free for a limited time, basically gives you a

moving concierge. Not only do you have someone personally help you fill out all paperwork necessary for your stay, but they also: pick you up at the airport, arrange housing based on your needs and tastes, arrange daycare and public school access for your children so you don't have to, offer you access to "top-notch facilities" for working, and provide introductions and consultations about what it might look like to relocate to Helsinki permanently. (Pulse Blueprint, November 2020)



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KETCHIKAN CHAMBER OF COMMERCE

**Website Redesign
& Ad Campaign**

SCOPE OF SERVICES

Domain

LiveConnectedKTN.com is your current domain. Other domains to consider are ChooseKetchikan.com, KetchikanRemote.com, and/or AlaskalsOpen.com

New Website Design

Your new website will feature (6 - 7) pages:

Home

Features a video loop showcasing Ketchikan, eligibility for a workation package to visit Ketchikan and how to apply, benefits of living in Ketchikan, a brief synopsis of 'Life in Ketchikan,' a section highlighting various businesses and activities in the community, and finally, housing stats and featured real estate listings.

Visit Ketchikan

A simple page highlighting Ketchikan businesses, organizations, and events.

FAQ

A place to answer some basic questions about the site, what it offers and what it does not offer.

Apply Now

An online form for people to apply for the workation package to visit Ketchikan.

Blog Template

We'll setup a custom blog template for your use. Adding blog posts will be covered in Site Training upon launch.

Disclaimer Pages *(Optional)*

Various disclaimer pages including a TOS *(Terms of Service)* for the website, Privacy Policy, Cookies Policy, and Terms & Guidelines for the Workation Program.

We will work with you to put together a full mood board for the site that lays out color palettes, fonts, button styles, section layouts/styles, and a rough idea of the Header/Footer. Afterwards a full mockup of the Home page will be constructed to refine design before implementation on the server. Along the process, we will work to design the site to be accessible to those with disabilities.

Ads

We will design ad graphics for Facebook, Instagram and Google. We recommend monthly ad spend for each platform and work to target your desired audience through generic, targeted, and smart campaigns. We track website analytics and ad stats monthly and make adjustments to the campaign quarterly for better performance.

YOUR INVESTMENT

WEBSITE DESCRIPTION	RATE	EST. HOURS	COST
Domain (<i>transfer/renewal</i>)	yearly	N/A	\$16.99/each
Hosting includes: <ul style="list-style-type: none"> • Business Hosting Launch • Daily Website Backups (5gb) • Website Security Express (WAF Firewall, CDN Performance Accelerator, and SSL) 	yearly	N/A	\$779.75/year \$29.99/month \$9.99/month \$299.99/year
Site Design 6 - 7 pages + Blog template setup	\$85/hr	65 - 80	5,525 - 6,800
Site Training (<i>post launch</i>) Up to 3 people.	\$85/hr	2 - 4	\$170 - \$340
Estimated Website Cost			\$6,491.74 - \$7,936.74 (Plus taxes & fees)

ADS DESCRIPTION	RATE	EST. HOURS	COST
Ad Design	\$85/hr	3 - 5	\$255 - \$425
Ad Spend Facebook, Instagram, and Google	\$1,000/month	N/A	\$12,000/year
Estimated Ad Campaign Cost			\$12,255 - \$12,425

Down Payment Amount: \$3782.50 (50% of Labor Hours)

**We will need a Credit Card on file to begin work. Domain, Hosting fees are charged directly by our provider.*

Signed: _____

Date: _____

The above statement is for estimation purposes only and is not a guarantee of cost for Services. If approved by the client, our hourly rate is \$85.00. Extra work requested by the client beyond what was quoted in the initially approved estimate will require extra time and be reflected in the invoice. Estimate does not include continued site maintenance beyond the completion of the initial website. Additional maintenance/work (edits, changes, additions, removal or changes of products or graphics) beyond the website launch will be charged at our hourly design rate of \$85.00. We do offer monthly maintenance packages.

HOSTING PRODUCTS

This page includes other Hosting and Security products offered for our websites. Our recommended level of service is indicated, but you are welcome to choose a different product within the category or deny a product altogether.

Hosting **Required*

- Business Hosting Launch (\$29.99/monthly) **recommended***
A VPS (Virtual Personal Server) server with 60gb of space, 2gb RAM, one dedicated CPU, and unmetered traffic. (SSL included.)
- Business Hosting Enhance (\$49.99/monthly)**
A VPS (Virtual Personal Server) server with 90gb of space, 4gb RAM, two dedicated CPUs, and unmetered traffic. (SSL included.)
- Business Hosting Grow (\$69.99/monthly)**
A VPS (Virtual Personal Server) server with 120gb of space, 6gb RAM, three dedicated CPUs, and unmetered traffic. (SSL included.)
**Your server can be upgraded in increments to meet your needs. I recommend starting with an entry level VPS and upgrade dependent on your needs after launch.*

Backups **Highly Recommended*

Stores 30 days of automatic daily backups.

- 5gb of Space (\$9.99/monthly) **recommended***
- 25gb of Space (\$14.99/monthly)**
- 50gb of Space (\$24.99/monthly)**
- None of the Above.** **Client assumes all responsibility in the event of data loss.*

Security **Recommended*

- Security Essential (\$6.99/monthly)**
Malware removal with a 12-hour response time. Blacklist monitoring and removal.
- Security Deluxe (\$19.99/monthly)**
Site protection and malware removal with a 12-hour response time. Blacklist monitoring and removal. CDN (Content Delivery Network) accelerator and WAF Malware Prevention.
- Security Express (\$299.99/yearly) **recommended***
Site protection and malware removal with a 30-minute response time. Blacklist monitoring and removal. CDN (Content Delivery Network) accelerator and WAF Malware Prevention.
- None of the Above.** **Client assumes all responsibility in the event of data loss.*