

Submitted by: ASSEMBLY MEMBER BIRCH  
Reviewed by: Assembly Counsel  
For reading: March 24, 2009

CLERK'S OFFICE

**APPROVED**

Date: 3-24-09 ANCHORAGE, ALASKA  
AR NO. 2009-80

**A RESOLUTION OF THE ANCHORAGE MUNICIPAL ASSEMBLY TO SUPPORT  
NEW OIL AND GAS LEASE SALES IN THE ALASKA OUTER CONTINENTAL  
SHELF INCLUDING IN THE CHUKCHI AND BEAUFORT SEAS.**

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WHEREAS, the U.S. Minerals Management Service seeks comments on the development of energy resources in the Outer Continental Shelf (OCS) and intends to use such input to develop an energy plan over the next six months for offshore areas; and

WHEREAS, leasing, exploration and development of both conventional and renewable energy resources offshore of Alaska are vital to the economy; and

WHEREAS, Outer Continental Shelf development could be a significant driver of the next generation of economic activity by extending the duration of the petroleum industry in the state; and

WHEREAS, Outer Continental Shelf production in Alaska would provide many benefits, including thousands of new jobs in rural and urban areas, additional tax income to the state and local governments, new local sources of fuel and energy, and improved search and rescue operations; and

WHEREAS, access to the Chukchi Sea and Beaufort Sea Outer Continental Shelf resources may be a key factor in the economic feasibility of the proposed natural gas pipeline from the North Slope to the Lower 48; and

WHEREAS, a comprehensive energy plan for the nation must include Alaska, which accounts for over 30 percent of the nation's recoverable oil and gas resources; and

WHEREAS, the Alaska Outer Continental Shelf is an important future source of U.S. energy supply with an estimated 27 billion barrels of oil and 132 trillion cubic feet of natural gas potentially in place; and

WHEREAS, The Chukchi Sea is considered the most prospective unexplored offshore basin in the U.S.; and

1 WHEREAS, the responsible development of Alaska's offshore energy resources  
2 would help meet future U.S. energy demand and offset declining production from  
3 mature basins; and  
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5 WHEREAS, Outer Continental Shelf development has an outstanding safety and  
6 environmental record spanning decades in Cook Inlet, the Gulf of Mexico, the North Sea  
7 and elsewhere; and  
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9 WHEREAS, oil and gas production can move forward in the Alaska Outer  
10 Continental Shelf in an environmentally-sensitive and responsible manner through a  
11 strong regulatory regime, state-of-the-art oil spill response, seasonal operating  
12 restrictions as needed, and mitigation measures to avoid conflicts with other resource  
13 and subsistence users; and  
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15 WHEREAS, revenue sharing from the Outer Continental Shelf with local  
16 communities should be enacted to help address local economic impacts; and  
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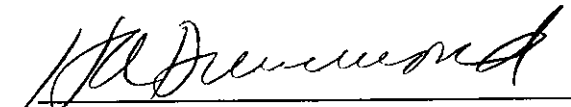
18 WHEREAS, demand for energy will continue and development of the nation's oil  
19 and gas resources is necessary in the transition to the new energy sources of the  
20 future; and  
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22 WHEREAS, increased emphasis on renewable energy does not preclude or  
23 require less oil and gas development as the nation works to reduce its reliance on  
24 foreign oil;  
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26 NOW, THEREFORE, THE ANCHORAGE ASSEMBLY HEREBY RESOLVES:  
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- 28 **1. The Municipality of Anchorage strongly supports new oil and gas**  
29 **leasing, exploration, development and production in the Outer**  
30 **Continental Shelf of Alaska, including in the Chukchi and Beaufort Seas.**  
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32 **2. This Resolution of the Anchorage Assembly shall be presented to**  
33 **United States Secretary of the Interior Kenneth Salazar.**  
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35 PASSED AND APPROVED by the Anchorage Assembly this 24<sup>th</sup> day of  
36 March, 2009.  
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38   
39 Chair

40 ATTEST:

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43 Municipal Clerk



**MUNICIPALITY OF ANCHORAGE**  
**ASSEMBLY MEMORANDUM**  
**NO. AM 186-2009**

**Meeting Date:** March 24, 2009

**From:** ASSEMBLY MEMBER CHRIS BIRCH  
**Subject:** **AR 2009-80 — A RESOLUTION OF THE ANCHORAGE MUNICIPAL ASSEMBLY TO SUPPORT NEW OIL AND GAS LEASE SALES IN THE ALASKA OUTER CONTINENTAL SHELF INCLUDING IN THE CHUKCHI AND BEAUFORT SEAS.**

U.S. Secretary of Interior Kenneth Salazar will be in Alaska beginning April 13, 2009 and hosting a regional public meeting at the Dena'ina Civic and Convention Center on April 14, 2009. Secretary Salazar will present the Department of Interior's findings on the Outer Continental Shelf (OCS) energy resources and information regarding sensitive areas and resources on the OCS. The U.S. Minerals Management Service seeks comment on new oil and gas lease sales in the OCS. The oil and gas industry directly and indirectly generated approximately 110,000 jobs, roughly one-third of Alaska's employment, and revenue to fund three-quarters of state government jobs during the period 2004-2006. Additional local economic data available for calendar year 2007 demonstrates the present and potential impact future OCS development could have for Alaska:

- Oil and gas activity created 41,744 industry-related jobs, totaling \$2.4 billion and equating to 11.2 percent of all wages in Alaska.
- Oil and gas industry-related employment in Anchorage is nearly 24,000, representing 12 percent of area employment.
- Oil and gas industry generated payroll in Anchorage is \$1.4 billion, representing nearly 17 percent of total payroll.

OCS development growth could more than offset losses from the decline of petroleum production on state lands and could help sustain the economy for several decades. OCS activities would create opportunities for high paying, long term, year-round jobs and for seasonal shorter term jobs throughout the state.

Historically by place of residence, 47% of oil and gas sector jobs would be in Anchorage. OCS activity would create an estimated 6,000 direct oil and gas sector jobs with 3,400 in Anchorage and an estimated 29,000 indirect jobs with 16,000 in Anchorage.

The total jobs created by OCS development represent a total estimated payroll of \$72 billion over the 50-year project.

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2 Per the Department of Revenue 2008 Fall Revenue Forecast Press Release of  
3 December 2008, unrestricted general revenues from the oil and gas industry in fiscal  
4 year 2008 exceeded \$10 billion and accounted for 93 percent of Alaska's unrestricted  
5 general fund.

6  
7 Access to the Alaska OCS will help reverse the decline in North Slope oil production  
8 and increase throughput in the trans-Alaska oil pipeline, which is currently operating at  
9 one-third capacity.

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11 AR 2009-80 recites many of the national, state, and local benefits of OCS development  
12 and passage by the Anchorage Assembly will provide Interior Department Secretary  
13 Salazar with documented support for Alaska OCS development.

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17 Respectfully submitted:

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20 Chris Birch  
21 Assembly Member, Section 6  
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