

Sitka 2019 Business Survey

PREPARED FOR:

Sitka Economic Development Association

April 2019

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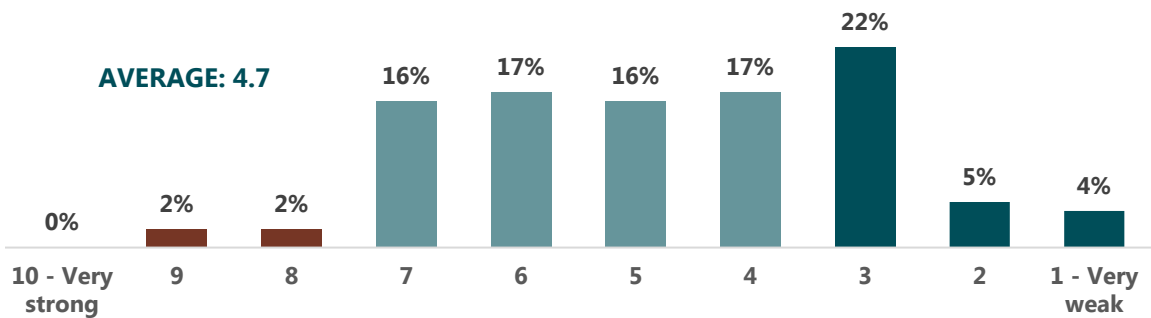
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Executive Summary

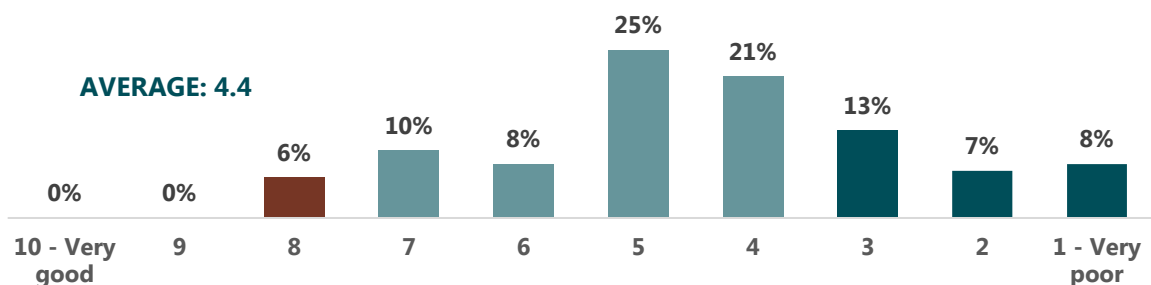
Sitka Economic Development Association (SEDA) contracted with McDowell Group to conduct an online survey of Sitka businesses in March and April of 2019. A total of 109 businesses and non-profit organizations participated in the survey. The objective of the survey was to better understand local businesses' perception of the current economic and business climate in Sitka, barriers to growth, governmental regulations, and the City and Borough permitting process, among other subjects. Following are key survey results.

Businesses were asked to rate three items on a 1-to-10 scale: Sitka's current economic condition (from "very weak" to "very strong"), Sitka's overall business climate (from "very poor" to "very good"), and the business climate for their particular sector (also from "very poor" to "very good"). Most responses fell within the "moderate" range of 4-to-7: 66 percent for the current economic condition, 64 percent for the overall business climate, and 52 percent for their particular sector. The average score was highest for their particular sector at 5.0, followed by Sitka's economy at 4.7, and overall business climate at 4.4.

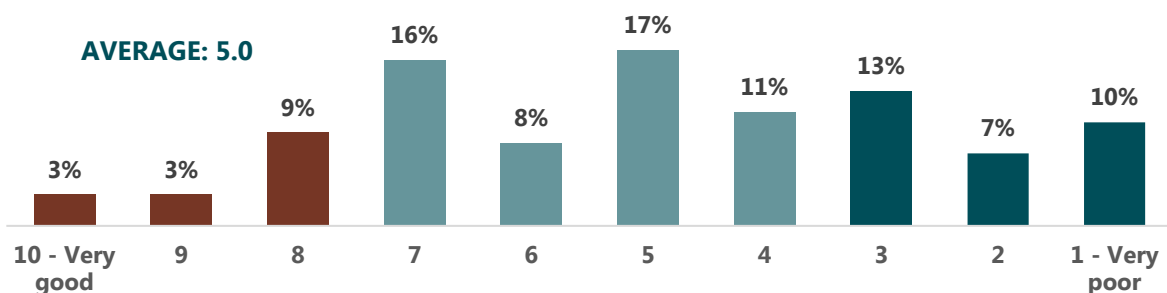
Overall, how would you rate the current condition of Sitka's economy, using a scale of 1 to 10, where 1 means "very weak" and 10 means "very strong"?



How would you rate the overall business climate in Sitka today, using a scale of 1 to 10, where 1 means "very poor" and 10 means "very good"?



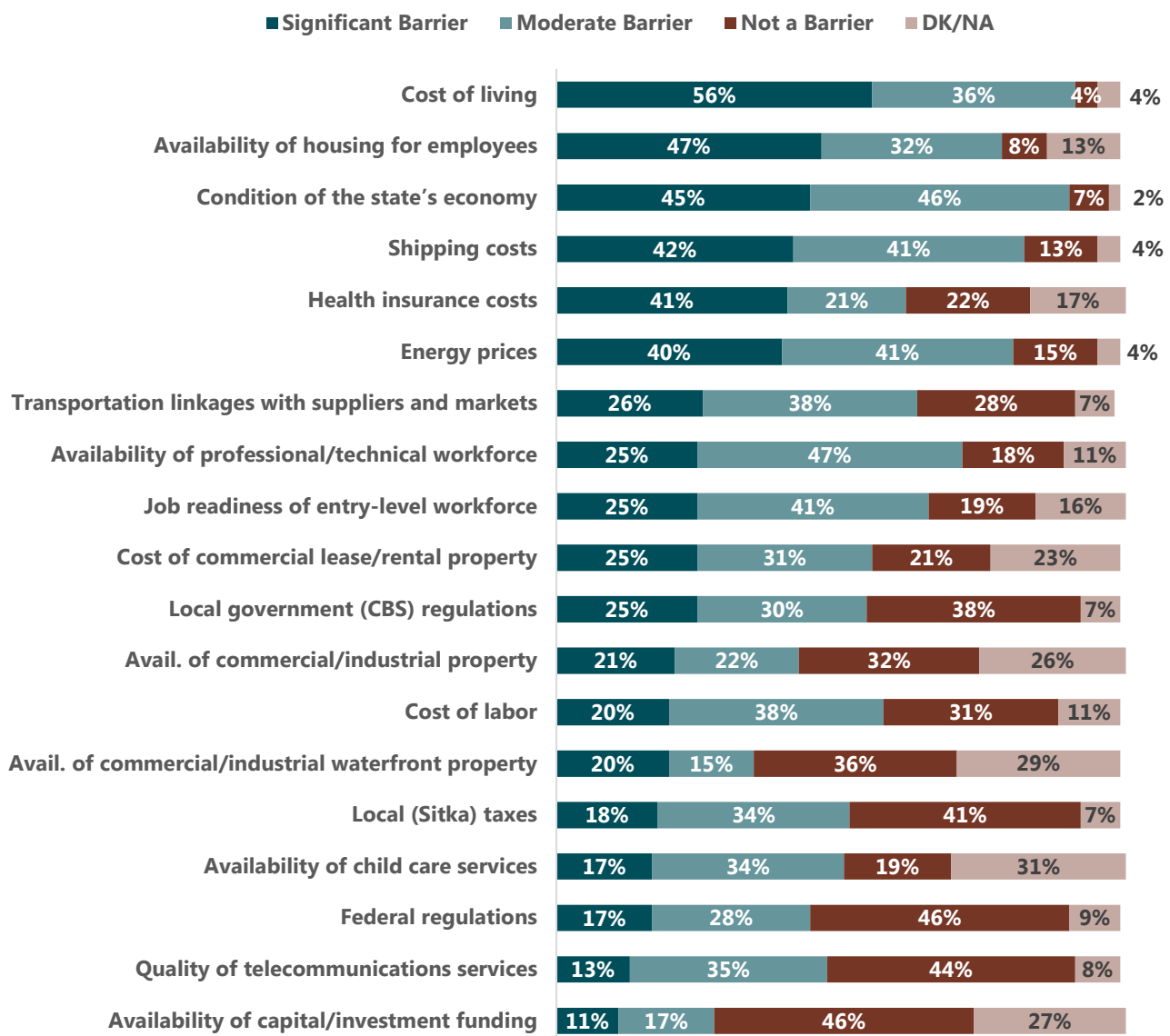
How would you rate the business climate in Sitka today for your particular sector, using a scale of 1 to 10, where 1 means "very poor" and 10 means "very good"?



Respondents were asked to rate the significance of various barriers to their business' or organization's growth. The most commonly cited barrier was cost of living, with 56 percent of businesses saying this was a significant barrier, and another 36 percent saying it was a moderate barrier. Additional top-rated barriers included availability of housing for employees, condition of the state's economy, shipping costs, health insurance costs, and energy prices. At least 40 percent of businesses rated each of these as a significant barrier.

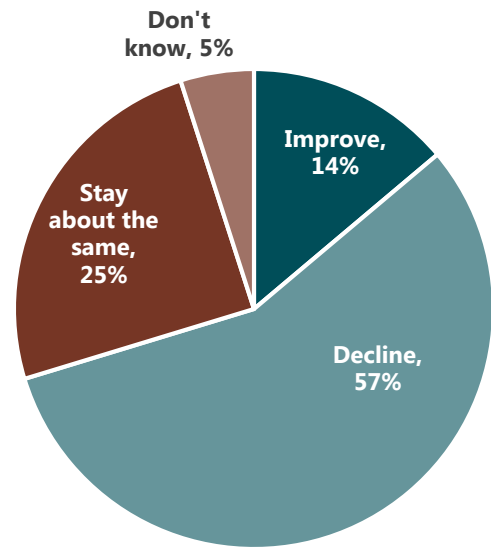
The lowest rated barrier was availability of capital/investment funding: only 11 percent said this was a significant barrier. Other low-rated barriers were quality of telecommunications service, federal regulations, availability of child care services, and local taxes. Fewer than 20 percent rated each of these as significant.

To what extent are the following factors a barrier to your business/organization's growth?



Businesses are generally not optimistic about how Sitka’s economy will fare over the next five years. Over half (57 percent) said they expected it to decline, while only 14 percent expected it to improve. One-quarter (25 percent) expect the economy to stay about the same.

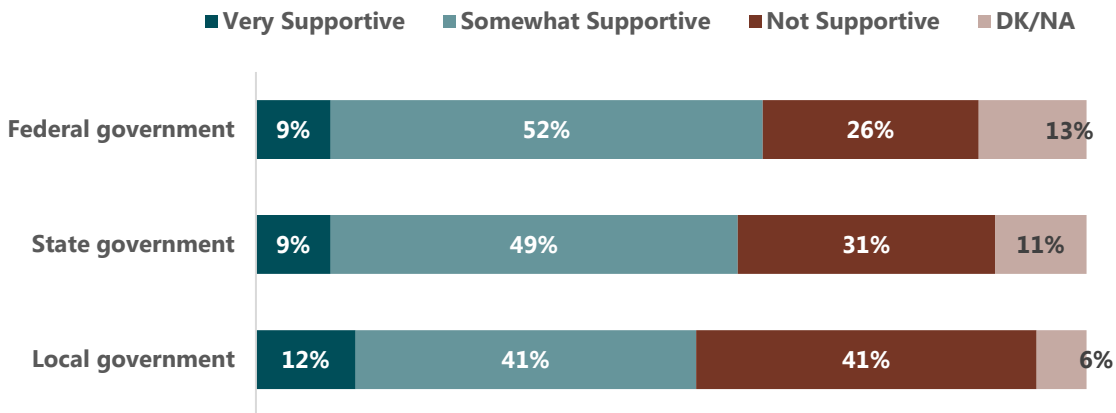
Over the next five years, do you expect Sitka’s economy to improve, decline, or stay about the same?



Businesses rated how supportive governmental regulations, policies, and practices were of their operations (see chart below). Businesses were most likely to say government was *somewhat* supportive: 52 percent for federal government, 49 percent for state government, and 41 percent for local government. Businesses were more likely to say local government was *not* supportive: 41 percent, compared with 31 percent for state government and 26 percent for federal government.

Government regulations, policies, and practices can have an important impact on local business development.

For federal, state, and local government, would you say current government regulations, policies and practices are very supportive, somewhat supportive, or not supportive of your operations?



Business/Organization Profile

- Two-thirds of businesses (66 percent) were for-profit; one-quarter (24 percent) were non-profit; and 8 percent were government.

Table 1. Which of the following best describes your business/organization?

	% of Total
For-profit	66
Private non-profit	24
Government	8
Other*	2

*"Other" responses can be found in the Appendix.

- One-half of survey respondents (52 percent) were owners or co-owners, while 30 percent were CEO/Manager/Executive Director, and 7 percent were Division or Department Heads. "Other" positions included Board Member, Office Manager, and Faculty, among others.

Table 2. Which of the following best describes your position with your business/organization?

	% of Total
Owner/Co-owner	52
CEO/Manager/Executive Director	30
Division/Department Head	7
Other	10

- Survey respondents represented a broad range of sectors, most commonly tourism/hospitality (15 percent), retail or wholesale trade (11 percent), finance/insurance/real estate (10 percent), and transportation (10 percent).

Table 3. Which sector best describes your business/organization?

	% of Total
Tourism/hospitality	15
Retail or wholesale trade	11
Finance/insurance/real estate	10
Transportation	10
Fishing/seafood	9
Education	8
Professional services	7
Arts	6
Food/beverage service	5
Government/military	5
Media/communications	4
Construction	2
Utilities	2
Alaska Native Corporation	1
Health care	1
Manufacturing	1
Other	4

- Businesses reported average current employment of 13.0 people, and average maximum employment of 16.7 people. Nearly half of businesses (45 percent) currently employed four or fewer people.

Table 4. How many people does your business/organization currently employ in Sitka? Over the past 12 months, what was the largest number of people your business/organization employed (full-time and part-time) in Sitka at any one time?

	Currently Employs	Maximum Employment
0	2	2
1	21	19
2	10	7
3	12	12
4	7	6
5	6	6
6-10	16	18
11-20	11	12
21+	10	14
Don't know	5	5
Average	13.0	16.7

Business/Organization Performance

- About half of businesses (48 percent) reported that their total revenue/budget has increased over the last three years, while 22 percent said it stayed the same, and 27 percent said it declined.
- Employment was much more likely to stay steady, in comparison to revenue/budget: 63 percent of businesses said year-round employment stayed the same over the last three years, while just 11 percent said it increased, and 13 percent said it decreased.
- Nearly half (46 percent) said their seasonal employment stayed the same, with 17 percent saying it increased and 10 percent saying it decreased. Over one-quarter (28 percent) said this question was not applicable, presumably because they did not have seasonal employment.

Table 5. For your organization/business, have the following increased, stayed the same, or declined over the last three years?

	Increased	Stayed the Same	Declined	Don't Know/ Not Applicable
Total revenue/budget	48	22	27	4
Year-round employees	11	63	13	13
Seasonal employees	17	46	10	28

Sitka's Economy

- When asked to rate Sitka's economic condition on a 1-to-10 scale, businesses gave an average rating of 4.7. Most responses (66 percent) fell in the "moderate" range of 4-to-7. Nearly one-third gave "weak" ratings of 1-to-3, while only 4 percent gave "strong" ratings of 8-to-10.

Table 6. Overall, how would you rate the current condition of Sitka's economy, using a scale of 1 to 10, where 1 means "very weak" and 10 means "very strong"?

	% of Total
Strong: 8-10	4
10 – Very strong	-
9	2
8	2
Moderate: 4-7	66
7	16
6	17
5	16
4	17
Weak: 1-3	31
3	22
2	5
1 – Very weak	4
Don't know	1
Average	4.7

- Businesses were generally pessimistic about the future of Sitka's economy, with over half (57 percent) saying they expect it to decline over the next five years, and another 25 percent saying they expect it to stay about the same. Only 14 percent expect it to improve.

Table 7. Over the next five years, do you expect Sitka's economy to improve, decline, or stay about the same?

	% of Total
Improve	14
Decline	57
Stay about the same	25
Don't know	5

Sitka’s Business Climate

- When asked to rate Sitka’s overall business climate on a 1-to-10 scale, businesses gave an average rating of 4.4. Similar to the previous rating question, about two-thirds (64 percent) gave “moderate” ratings of 4-to-7, 28 percent gave “poor” ratings of 1-to-3, and 6 percent gave “good” ratings of 8-to-10.
- When asked to rate the business climate for their particular sector, businesses gave a slightly higher average rating: 5.0. About half (52 percent) gave “moderate” ratings; 30 percent gave “poor” ratings, and 15 percent gave “good” ratings (over twice as many as the 6 percent who rated the overall business climate as “good”).

**Table 8. How would you rate the overall business climate in Sitka today, using a scale of 1 to 10, where 1 means “very poor” and 10 means “very good”?
How would you rate the business climate in Sitka today for your particular sector, using a scale of 1 to 10, where 1 means “very poor” and 10 means “very good”?**

	Overall Business Climate	Your Particular Sector
Good: 8-10	6	15
10 – Very good	-	3
9	-	3
8	6	9
Moderate: 4-7	64	52
7	10	16
6	8	8
5	25	17
4	21	11
Poor: 1-3	28	30
3	13	13
2	7	7
1 – Very poor	8	10
Don't know	1	2
Average	4.4	5.0

- These questions were followed by an open-ended question: *What recommendations do you have for improving the business climate in Sitka?* There were 74 responses, all of which can be found in the Appendix. There were several common themes:
 - Make City government more business-friendly.
 - Support new businesses and industries.
 - Encourage local spending.
 - Reduce utility costs.
 - Support increased tourism.

Barriers to Growth

- The number one barrier to business' growth was cost of living, with 56 percent saying this is a significant barrier and another 36 percent saying this is a moderate barrier. Other barriers rated as highly significant by businesses were availability of employee housing (47 percent significant), condition of the state's economy (45 percent), shipping costs (42 percent), health insurance costs (41 percent), and energy prices (40 percent).
- Barriers that appeared to be least significant for businesses were availability of capital/investment funding (significant for 11 percent); quality of telecommunications services (13 percent); federal regulations (17 percent), availability of child care services (17 percent); and local taxes (18 percent).

Table 9. To what extent are the following factors a barrier to your business/organization's growth?
In order of "very significant" responses

	Significant Barrier	Moderate Barrier	Not a Barrier	Not Applicable	Don't Know
Cost of living	56	36	4	3	1
Availability of housing for employees	47	32	8	10	3
Condition of the state's economy	45	46	7	2	-
Shipping costs	42	41	13	4	-
Health insurance costs	41	21	22	16	1
Energy prices	40	41	15	2	2
Transportation linkages with suppliers and markets	26	38	28	5	2
Availability of professional/technical workforce	25	47	18	8	3
Job readiness of entry-level workforce	25	41	19	13	3
Cost of commercial lease/rental property	25	31	21	18	5
Local government (CBS) regulations	25	30	38	4	3
Availability of commercial/industrial property	21	22	32	21	5
Cost of labor	20	38	31	9	2
Availability of commercial/industrial waterfront property	20	15	36	25	4
Local (Sitka) taxes	18	34	41	6	1
Availability of child care services	17	34	19	23	8
Federal regulations	17	28	46	5	4
Quality of telecommunications services	13	35	44	6	2
Availability of capital/investment funding	11	17	46	21	6

- These questions were followed by an open-ended question: *Are there any other barriers that constrain your business' or organization's growth?* There were 46 responses, which are provided in the Appendix. There were several issues raised more than once:
 - State budget cuts
 - Limited labor force
 - Online shopping
 - Threatened cuts to ferry system
 - Hospital merger.

Governmental Regulations

- When asked how government regulations, policies, and practices support their operations, businesses most commonly stated that regulations were “somewhat supportive”, including 52 percent for federal government, 49 percent for state government, and 41 percent for local government. Among the three entities, businesses were most likely to rate local government regulations as “not supportive”, followed by state government (31 percent), then federal government (26 percent). About one in ten businesses rated any of the three entities’ regulations as “very supportive.”

Table 10. Government regulations, policies, and practices can have an important impact on local business development.

For federal, state, and local government, would you say current government regulations, policies and practices are very supportive, somewhat supportive, or not supportive of your operations?

	Very Supportive	Somewhat Supportive	Not Supportive	Don't Know/ Not Applicable
Federal government	9	52	26	13
State government	9	49	31	11
Local government	12	41	41	6

City and Borough of Sitka Permitting

- Nearly half of businesses (47 percent) said they had sought permits from the City and Borough of Sitka in the last five years.

Table 11. Has your business or organization sought permits of any kind from the City and Borough of Sitka in the past five years?

	% of Total
Yes	47
No	38
Don't know	15

- Among businesses that had sought permits, ratings for the permitting experience were mixed, with around half (between 43 and 55 percent) giving positive ratings to each aspect. The highest-rated aspect was overall customer service, with 55 percent rating it as good or very good, and 34 percent rating it as poor or very poor. The lowest rated aspect was turn-around time, with 43 percent giving a positive rating and 52 giving a negative rating. (Note that the sample size for this question was smaller than for other questions at 47.)

Table 12. Thinking back to your last permit experience, how would you rate the following aspects of the permitting process?

Base: Sought permits from CBS; n=47

	GOOD (NET)	Very Good	Good	POOR (NET)	Poor	Very Poor	DK/NA
Overall customer service	55	17	38	34	19	15	11
Timeliness of inspections	52	9	43	26	15	11	23
Cost of the permitting process	49	4	45	43	26	17	9
Clarity of the permit application process	47	11	36	45	28	17	9
Communications throughout the permitting process	44	6	38	47	32	15	9
Clarity of application requirements	43	11	32	49	32	17	9
Clarity of the review and approval process	43	11	32	49	32	17	9
Turn-around time for permit approval/denial	43	11	32	52	26	26	6

Additional Suggestions

The survey concluded with several open-ended questions. All responses to the above questions are included in the Appendix.

- *Are there any specific measures the Sitka city government could take to improve the business climate in Sitka?* Among the 63 responses, several suggestions came up multiple times:
 - Improve efficiency and communication
 - Promote buying local
 - Support school district
 - Lower/do not raise taxes
 - Streamline permitting process.
- *Are there any specific measures the Sitka city government could take to support economic development in Sitka?* Among the 62 responses, some echoed responses to the previous question; additional repeated suggestions included:
 - Support affordable housing
 - Build a deep-water dock
 - Incentivize new businesses
 - Invest in infrastructure
 - Support SEDA.
- *Is there any other information you would like to provide related to business and economic development in Sitka?* The most common theme among the 41 responses was complaints about City government and Assembly processes and leadership, but there was a wide range of comments.

Which of the following best describes your business/organization? (Others)

Federal Non-Profit (Credit Union)
Power company

Which of the following best describes your position with your business/organization? (Others)

Associate broker
Board member
Board member
Employee
Faculty
HR assistant
Member
Office manager
Problem solver
Retired
Staff

Which sector best describes your business/organization? (Others)

Boat repair and general fabrication
Community
Retired forester
Tailoring and alterations

What recommendations do you have for improving the business climate in Sitka?

A way to generate jobs and revenue with employees that have school-aged children.

Advocate for income or other tax to stabilize the Alaska economy.

Assembly and CBS Administration have not been listening to community. Decision to close Sitka Community Hospital will greatly hurt the community and economy for years into the future. CBS needs to start looking out for the community's needs.

Assistance for new businesses. Incentive for existing local businesses.

Be open to creative economic opportunities. Heritage preservation is a multi-billion dollar industry across the country & Sitka is behind. Although your new Visit Sitka booklet is graphically gorgeous, the historic resources content is sorely lacking. As chamber member, found it biased toward some businesses.

Better facilities for small boat charter vessels including harbor recycling of plastics and tin. Haul-out facility in Silver Bay. Wastewater pump-out for large vessels. Better fisheries protection including ending the commercial herring harvest. Improve degraded hiking trails like Sadie Lake.

Change the city management to be more business and opportunity friendly.

Change zoning laws, increase property tax, consider consequences of every assembly decision – intended and unintended – on local businesses. Study cities that treat businesses well and learn from them. Elect some older assembly members for the young members to learn from.

Citizens need to work together to say "yes" instead of always "no" for funding of services available to citizens (i.e., tax increase, etc.).

City discriminates against sportfishing industry. Assembly constantly swayed by the com. fishing sector. For example, our fish box taxes collected from sportfishing industry should not be given to a political entity opposed to our industry (i.e. ALFA). This irks me to no end! There are more examples.

City government needs to be business friendly. Need to control City spending.

City government needs to make sure our waterfront municipal properties and facilities are being used as effectively as possible to support maritime commerce - both tourism and fishing.

City government to be more conducive to business. Assembly should recognize the importance of business at a time when State monies are drying up.

City Hall needs to quit getting in the way. They seem to go out of their way to find problems instead of solutions. There is poor communication and moving targets with respect to rules and regulations.

City has to control costs and have a balanced budget. City has to be proactive with housing, such as smaller lots etc. City has to support economic development, not stifle it. With the upcoming hospital merger, the assembly has set Sitka up for decline in people living here.

City needs to be open/welcoming to new growth and whatever it takes to make Sitka attractive to new businesses. Help the current business stay. City needs to take care of and encourage those here, not discourage people with high taxes and bills to the point where they are not able to even think about buying a home here, etc.

City should stay out of fisheries politics. Advocating for one special interest group while condemning a large segment of the fishing fleet is completely inappropriate.

City staff need to prioritize economic growth by looking for solutions rather than putting road blocks in the way of business ideas.

Comp plan could support development. Reach out to large companies in PNW, and develop Alaska campus as more exotic alternative location.

Cooperative regional marketing with other southeast communities.

Defeat the Governor's budget, end the oil development tax credit and implement a progressive income tax.

Deregulate, provide similar incentives to small businesses involved in tourism as is offered to the Seafood industry (Silver Bay Seafoods, NSRAA, etc). Taxes kill us, bed tax, sale tax, property tax, tideland leases, increasing utilities, etc. Building department is a major barrier to development.

Diversify: Commercial fishermen have supported this town for a very long time yet go unrecognized until some part of the town needs more funds. We needed a good haul-out yard that offered services. That request/idea was ignored over and over whereas another town (Wrangell) took full advantage.

Don't hire and fire non-problem solvers.

Encourage business to come to Sitka. Improve relations with cruise lines and visitor industry. Cultivate a business-friendly attitude in our town. Educate that public regarding the revenue that business generates for their city. Lower utility bills. Lower property taxes. Provide incentives for business.

Encourage Sitkans to do business locally whenever possible.

End reckless spending by the City. Lower all utility rates. Stop treating the community like an ATM. End boondoggles like SEDA and the Visitors' Bureau that use so much resource for so little return. Prioritize permitting and inspections for commercial properties.

Exploring new avenues of sustainability, while keeping the cost of living down. Sitka needs to focus on becoming more attractive to long-term residents and investors.

Get a new industry.

Get the idiot governor out of office.

Government agencies need to not only accommodate businesses they need to advocate for them

Housing for young people. The Assembly and other groups talk, talk, talk.... It is probably the major detriment to Sitka's economy growing. It is very, very discouraging to hear of young people leaving due to housing. Dunleavy's crazy budget proposal is going to cost Sitka over 100 jobs.

I have no idea what this question purports to measure. I have much experience in tests and measurements and I would discard this item as useless.

I understand resources are limited, but an initial inspection of the planned site, with a few pages of 2012 IBC and IMC containing what the city needed with our specific project emailed to us would have drastically sped things up. We felt the goalposts were being moved.

I'm eager to see Sitka strengthen our sustainable sources of income. We need to extend the reach of our business community to generate stable income and protect the precious wild we still have. I work with artists who develop creative problem solving and I believe innovation is the key to success.

Implement a sales tax on competing retail items bought outside of Sitka and coming into Sitka. Would help to level the playing field.

In general, business activity is promoted in the community and government, but the cost of living is a barrier to attracting seasonal workers and keeping valuable workers, so the city needs to work on affordable housing and loosen any barriers to promoting the tourism and local business industry.

Incentives for local hire/retention. Short term help/aid for local start-up companies.

Ensure we get new Coast Guard ship and increase number of small business, reduce electric costs on new small business and add tax incentives for small business.

It would be nice to have downtown retailers organize and collaborate on events and hours to make shopping events fun. The creativity is lacking and retailers are not a cohesive group working together. Everyone is out for themselves and there's not a sense of community among retailers.

Less city government interference. We need a City staff that activity supports business rather than finding ways to hinder growth.

Less municipal regulation—our local government is self-inflicted inflation.

Local government should support business – nonprofit and for profit – versus constantly throwing roadblocks in the mix and beating down success. Government needs to facilitate and support businesses to the maximum.

Lower our cost of doing business, bring in more tourism by making Sitka affordable to visit or have conventions.

Lower utility costs.

More affordable retail (downtown)/manufacturing space. More affordable freight/barge shipping.

More business-friendly city attitude— seems every move forward is a different tax or fee.

More conventions to fill our beautiful Harrigan Hall. Seek more cruise ships (need local government to want this) and go after more cruise lines.

More sharing of expertise about how to use internet and social media most effectively; ongoing analysis of RRR changing climate and logistics locally (effective management of print media).

More small space for offices or at least common area to do basic office tasks. We used to go to SEACC career center and get help or use copier. But it was taken over by Pre school. It also used to train people and help do resumes. Help start business. Ms. Martinsen helped so many of us get started.

More support for economic development and creating an environment where new businesses can start-up without barriers and the existing businesses can expand.

More trained skilled personnel in business, accounting, and management.

Provide tax exemptions for new business during first couple years of startup. Provide more services and cater to those small business in the area. Greater networking events with small businesses.

Public sector needs to do a better job of facilitating and supporting business development. By the nature of ambivalence, indifference, or outright opposition to business development, it handcuffs development and cultivates community anti-development sentiments.

Quit spending money we don't have. Quit raising property assessments and increasing utility costs. Have buy local drives and advertisements with special sales to keep people buying locally.

Recognition that nonprofit business is different than for-profit business and that charitable contributions and fundraisers should not even be considered as taxable items. Plus other strategies for supporting a philanthropic culture to sustain high quality of life.

Recognize business as economic engine, embrace gradual growth of business as beneficial to all. The Retail/tourism sector is not supported by the over half of Sitka's employment from government. City Government is not supportive of independent business.

Reduce the cost of living!

Reduce utility costs. Improve flexibility of zoning.

Replace republicans with progressives at the local, state, and national level. The major things wrong in the economy are due to the imaginings of republicans.

Run Local government more efficiently.

Sitka is changing quickly. The more we can understand which business are thriving and how wealth is shifting, the better we can prepare for the future.

Sitka needs to start thinking strategically about its future and start putting these plans in place to ensure there will be a Sitka. Tourism can be fickle and climate change is going to affect our fisheries.

Streamline local government processes and regulation to help ensure reasonable codes and prompt responses so the private sector can move in a reasonable time frame. Current approvals and responses from the CBS are extremely cumbersome, expensive and tend to take so long that many projects go elsewhere.

Streamline the business regulations and permitting process at city government. CBS assistance for business incubation and startups. CBS investment in various economic dev. and marketing. Improve CBS follow-through, accountability and delivery on RFPs and contracts.

The chamber should reach out to anchor businesses or entities such as Coast Guard, UAC, SEARHC, etcetera to encourage them to spend money locally. While their procurement policies may require going out of town for many bid items there is much within their control that they could choose to do locally.

The city needs good paying jobs, such as for the school district or university. These jobs will disappear if the Gov.'s proposed budget cuts go through to the UA system and K-12. Fewer people will have jobs, people will leave Sitka, and I will not have as many locals to eat at my restaurant.

The city needs to work better with new businesses and have a more common-sense approach to dealing with and regulating business. There needs to be a better way to house seasonal employees that come to Sitka. Better yet, local Sitkans and youth need to be taught to work and have a good work ethic

The city of Sitka has treated the charter guide services in Sitka as whipping post for special taxes and targeted taxes more than any user group. The animosity & loathing toward our industry is unbelievable. Our industry that has now been asked to do the heavy lifting to support the community.

The cost of living here is very high, thus we have fewer people who can stay and therefore less workforce to draw from. This in turn creates a hardship on business owners and they seem to pull back on being aggressive. And of course, less people means less money circulating which means tougher climate.

To stabilize utility cost would help regenerate a confidence in those that want to start-up.

Uniformity.

We need more cruise ship passengers to visit downtown. They often don't realize that there is anything downtown because they dock out the road. We also need to revitalize/reinvent the downtown area to make it more vibrant and inviting.

Work towards opening up more non-retail commercial spaces. We have to be in an informal sublease in another group's space because there was literally one space open that could have worked for our needs last we looked. We need more space outside of downtown.

Are there any other barriers that constrain your business' or organization's growth?

Anti-tourism sentiment, anti-cruise ship faction, and general anti-business environment.

Ability to keep employees. Many are wanting to leave and discouraged with Sitka living.

City lacks vision in developing new industries and bringing new dollars in from out of town.

City of Sitka taxes the entire Island of Baranof as a tax base and offers little in support of these remote locations. The city float plane dock is dilapidated and unusable as a float base to support us living remote of Sitka but within the tax base.

City-owned enterprise funds competing with private sector.

Community support and lack of a real understanding of what commercial fishing entails.

Congress is a major problem, but not much to be done with that.

Current Assembly priorities are not resonating with CBS Administration and staff. CBS is not business friendly
Decreasing school district enrollment since we primarily serve youth in our program.

Federal small business regulations keeping us to 50 FTE or less has helped to prevented us from growing beyond our present size of 49 FTE.

High school & entry level workers have NO preparation to join the real world of work with regard to professional conduct, task performance and regard for authority and no standard of excellence in conduct or work ethics.

Hospital merger will put too many houses on the market with not many buyers. Values will go down.

Hotel prices and availability in Summer. Sporadic and reduced AMHS ferry service. Food/grocery costs. I answered the above based on the total environment-not just my business.

Just the City planning not allowing creative housing. Smaller lots for affordable living.

Lack of access to cruise ship passengers. Online shopping hurts local business.

Lack of city support to encourage small business growth

Lack of consistent Ferry service and pricing.

Lack of millage rate increases over time that limits the City's available revenue to support City services.

Limited affordable or public facilities for storage and launch of human-powered craft

Local government is the barrier.

Mail order and Amazon.

Micromanagers.

My management skills.

Not at the moment.

Not my business, but all businesses in Sitka are under threat by Dunleavy's insane budget proposal. No ferry service (nobody runs an economy without transportation)... Insane. Government jobs.... Cuts, cuts, cuts. We need to invest. We need some form of taxation (income tax is fairest).

Remote location.

Runaway cost of living is driving our young family customers out of town.

SEARHC's takeover of various cottage industries and healthcare options in Sitka makes for an unsteady business climate with less independent business opportunities.

Sportfishing regulations become more and-more restrictive for guided anglers every year. The value of the sportfishing industry is not recognized for what it does in bringing outside revenue into this town's economy each year.

State and Federal government lack of concern for the little gals and guys.

State budget.

State budget cuts of education, public transportation.

Subjective application and enforcement of rules and regulations at the local and state level. Cost of electricity is concerning. Continued cost of living, due to utilities is making it hard to find and keep employees for planned growth

The availability of natural resources (salmon) is a limiting factor, at times.

The cost of shipping food and supplies to Sitka is too high. Finding good hardworking employees is a challenge.

The lack of an entrepreneurial ecosystem: No one to help, no one with experience, no one to hire, and limited investors. No forward thinking.

The visitor industry growth or decline affects my business. Local economy and attitude affect local spending.

Trash pick-up could use some streamlining.

Uncertainty surrounding State budget cuts and how they will affect Sitka. It is causing our customers to buy less in this state of flux.

Unstable economic environment statewide.

Utility costs.

Vision. The irrational expectation that Alaskans should not have to pay taxes like the rest of the adult world.

Water constraints at reservoirs.

When regulations become overbearing beyond normal expected regulations on development. When local government budget expenses exceed income and the desire of elected body and staff is to consider raising rates and taxation and not work in a more high-profile way of tightening their belt first.

Are there any specific measures the Sitka city government could take to improve the business climate in Sitka?

A downtown shuttle during summer season.

Advertise that commercial operators and guides need permits on City land and how to get them. Clean up derelict properties on Lincoln St and others. Protest reduced Ferry service.

Advocate the legislature to stabilize the economy. Advocate to redirect the PFD to local government.

Affordable housing.

Allow 'pop-up' vendors/food trucks/entry level businesses a place to set up for summer traffic. Everyone needs to start somewhere.

Allow sales tax exemptions for out of town sales and especially wholesale.

Assign consumer advocates in each department to help people figure out what they need to do or who can help them do what they need.

Be more of a partner in helping businesses to succeed.

Better cooperation between city staff and non-profits.

Better late than never: Get educated on what is keeping this town afloat (pardon the pun).

Better small business outreach to outline services available and support available to them.

Buy Local initiative.

Case workers available upon request for a fee, private sector or city, to visit pending sites as needed, to relieve the burden/expedite communication to the City Building Department as projects are on-going.

Continuing to develop online capabilities.

Coordinate better between departments to make it easier to start or grow a business.

Develop a better system for dealing with historic preservation questions. By ordinance adopting secretaries' guidelines and empowering historic preservation Commission to deliver requirements to building officials for enforcement.

Develop and implement a plan to improve the business climate.

Develop business incentives rather than create barriers

Economic development needs focus get budget in contract, lower costs to live here Listen to citizens

Educate the public of the value of independent business. City officials and government need to speak positively of business. Less dependence on government funding and jobs.

Elected body should actively show support for successful business atmosphere. Tax revenue is the lifeblood of local government. Choking businesses is not a way to ensure a healthy revenue stream for local government. Leadership be willing to show support for the business community on a consistent basis

Establish incentives for local business not barriers and extra costs.

Fees are being charged for a city position that is already being funded by the city IE: application fee JUST for consideration is 600\$ --just for consideration--no action on this no move forward. You have to pay just to get your name on the waiting list for a slip in the harbor.

Free up land and process contracts quickly.

Become more efficient and stop relying on fee increases. Better communication to the public. City Government needs to be reminded that they are there to serve the community, not do what's best for city hall.

Get out of debt.

Have better qualified people working in the building, planning and permits departments.

Increase local government's trust in the business community.

Have the Chamber of Commerce contact cities and businesses in Alaska to find out what they are doing to bring business to Alaska and build business in Alaska.

Hire knowledgeable people in the field

I'd like one sales tax rate year-round. We have auto billing and the switch makes that difficult in our CRM.

Incentives to create new businesses, new jobs, and therefore more revenue.

Increase the efficiency of City Government to help reduce costs and begin to support private projects that may have a positive impact on our local economy. There are projects like the NSRAA expansion that have a huge impact on local families and the economy and they had to wait 12+ months!

Invest in the future. Think ahead. Be proactive, not reactive.

Keep the city running, keep the schools running, help the police department, support the nonprofits.

Lessen/eliminate sales taxes for out-of-Sitka customers (who buy from Sitka-based businesses)

Make barriers of entry (permits, etc) less cumbersome/expensive if necessary. Control utility, property taxes, and other expenses.

More positive input and interaction with the local businesses and the chamber to improve the "image" of shopping local.

Promote an efficient commercial fishing boat repair infrastructure. Support the public schools.

Protect our schools so that families move and stay in Sitka.

Publish/mail/send a resolution of absolute opposition to Dunleavy's crazy budget proposal. It is nuts. It will start a recession SE Alaska and in Sitka.

Quit targeting the sport fishing industry with taxes and loathing. Other commercial fishing industry needs to pay their shares. A Fish tax that brought the roof down last spring at the City public meeting and the city board folded, have some courage to do what is right.

Recognize importance of economic engines that are revenue and tax source.

Reduce energy costs.

Relax the rules that are higher than national levels.

Sell land. City Administrator and Assembly should attend Chamber of Commerce meetings and local community organization meetings. Listen to business owners.

Sitka decided to get all into regulations. We used to have a permit within days. Now it's some huge ordeal. They have gotten too big for their britches.

Speed up the process for getting permits and focus less on taxing industry.

Stop raising rates for everything.

Stop raising taxes and cost of services! Exemption went from \$3,000 to \$12,000 in one year. Utilities, moorage, city services keep increasing! Stop!

Stop trying to raise bed tax. Think about port infrastructure. Meet with the cruise lines and see how we can partner while spending their per person head tax. What do they want/need us to spend it on?

Stop wasting funds on unnecessary studies. Improve internal policies to reduce lawsuits, but reduce available capital for development.

Streamline and simplify licensing and permitting processes as much as possible.

Streamline permitting change ordinances for food trucks Allow pop-up businesses. Encourage lower commercial rental rates in downtown through credits or tax breaks.

Streamline processes. Stop trying to make processes so difficult. Facilitate growth and support the public's endeavors.

Streamline the permitting process. There are too many stories about business having to come back multiple times to meet new requirements. City staff seems to be looking for reasons why they can't do something. Find a way to help customers move forward.

Strong leadership able to make decisions, not a threatening atmosphere, unity to solve Sitka problems

Survey for most needed new business.

Tax ourselves instead of choking the public sector.

Terminate employment of individuals that are not helpful toward citizens development needs

Welcome tourism by not over taxing the guests

Yes. Oppose the Governor's budget. We need ferries and funding for education.

Are there any specific measures the Sitka city government could take to support economic development in Sitka?

1. Sponsor downtown merchants group. 2. Evaluate making Lincoln St. a walking mall with mixed use. Require part-time downtown businesses to keep lights/displays in windows in off season. 3. Colored crosswalks, sidewalks leading through downtown.

Affordable housing.

Allow 'pop up' vendors/food trucks/entry level businesses a place to set up (not permanent, daily) for summer traffic. Everyone needs to start somewhere & downtown retail space is cost prohibitive for new businesses. Keep commercially zoned as such & not move it to residential.

Be more responsive to infrastructure for the marine industry.

Be open to ideas for new businesses.

Be open to opportunities.

Build a deepwater dock downtown Sitka! Improve waterfront, specifically Katlian street, and put a walkway there. We are starving in Sitka economically; tourism is the future.

Build lower-cost housing options.

Bulk water sales could be a major revenue source. City needs to fix whatever needs to be fixed to make this happen.

Cheaper, more available land/housing for young families.

Continuing to develop online capabilities.

Cost of living is quite high, more affordable housing, especially for young people.

Create a "Community Development Financial Institution" (CDFI)

Develop a comprehensive recycling program that is housed in Sitka.

Diversify but also strengthen what you have, and that means not just tourism.

Downtown dock, dock on other side of island

Economic development may or may not be advisable. Quality of life should be the goal. Health care, healthy lifestyles.

Focus on improving infrastructures necessary for growth such as the industrial park and tourism attractions. Rebuilding the library was not a necessary project, for example.

Fully utilize lodging funds to maximize marketing reach of Sitka

Get a business and career center back! Help with training. Call Mrs. Martinsen who helped so many of get our starts. Not just construction, but bookkeeping, cooking, arts, etc.

Good budgets and money management.

Have a positive attitude a willingness to work with new ideas.

Have the Chamber of Commerce contact cities and businesses in Alaska to find out what they are doing to bring business to Alaska and build business in Alaska.

If/when SCH or schools consolidate, those locations could be great spots to open up to businesses leasing part of the buildings.

Incentives for local hires and year-round businesses.

Incentives for small businesses that are not a non-profit

Incentives to create new businesses, new jobs, and therefore more revenue

Incentivize business to grow and to come to Sitka

Increase property taxes to sustain the public sector.

Invest in efforts for development.

Keep supporting the schools — that is economic development.

Make sure every employee knows that how they deal with businesses will have an impact on the survival and/or of businesses.

New float plane base to support remote business in Sitka Borough. Last year we switched all our float plane transfers to Juneau.

Open more land for development. Lessen restrictions. Help SEDA.

Provide a year-round energy rate for businesses.

Provide tax incentives to incoming businesses. Lower utility rates. Market Sitka in the Lower 48 aggressively. reduce energy costs.

Sitka should consider subsidizing part of the cost of inbound Airline and Ferry Tickets during special events.

Spend our tax dollars more responsibly! They get a low grade in my book! Stop being so liberal and become more conservative in their approach to management of this city.

Start investing in economic development outside water sales. There is a big entrepreneurial movement happening all over the state except in Sitka.

Stop push back on process. HELP versus OPPOSE. SUPPORT versus OPPOSE! The sky really isn't falling. TRUST SUCCESS!

Stop raising taxes so significantly on housing. My house taxes DOUBLED in 8 years.

Stop spending money they don't have.

Stop stonewalling potential projects within the bureaucratic walls of the City and various Departments and allow viable projects to move ahead. Truly support business by encouraging investment, not by more burdensome codes and processes for approval.

Streamline permit approval processes. Reduce regulations where they can. Ask city employees how to improve economic development.

Stronger support for SEDA. Also, support others who are involved in economic development. Staff under the Administrator fight or stall efforts by SEDA which makes no sense. If SEDA succeeds, the City gets added tax revenue.

Support community hospital.

Support SEDA and the GPIIP Board.

Support SEDA, look to use GPIIP to support new business, water leases etc.

Support Seda's efforts. Get a boat haul out at the industrial site. Stop putting up road blocks.

They definitely have to earmark a seek and find mission for federal grant money or other subsidies available to help locals with the prohibitively high utility rates.

Trust the business community.

Use cruise ship tax to enhance businesses that support tourism, instead of spending on "revitalization", sea walks, and \$300,000 bathroom facilities.

Utilize the property they own wisely to bring in new business, make it happen.

We need fiber optics to businesses and with an option to homeowners.

Work more positively and collaboratively with local businesses and federal, state and local economic development agencies, particularly SEDA.

Work on strong ferry system. Support quality of living and schools.

Work with business owners/developers to solve problems, rather than creating more things that slow down progress.

Yes — signage on Centennial Hall.

Is there any other information you would like to provide related to business and economic development in Sitka?

Always assess the upside and public benefits. Stop looking at CBS's liability but look at the upside and community benefit!

As a business owner, I strive to offer the best benefits and competitive pay, but it's difficult to have the high expense and still be unable to attract quality employees who stay in town. It's so expensive to live here that it drives good workers who struggle to make ends meet away.

At one point SCVB was very successful at marketing Sitka. The elimination of SCVB was a mistake. The current set up does virtually no good. Independent travelers are essential to the economy. Bring back SCVB and fund it well.

Attract retirees. Let econ development take its own course and advocate for Sitka being an attractive place to live.

City assembly and city government tend to be anti- business; as most employment in Sitka Government related. Self-employment and entrepreneurship not respected or recognized as revenue producers and vital employment opportunities.

City has not been supportive of business activity in general.

City needs to attract a major electrical user or a several users.

Continue to freely provide information about hospital merger, and actively solicit public participation in decision-making

Denial of economic realities will cause a continued decline in the business environment.

Discontinue the practice of allowing carpetbaggers to be involved in the decision-making process of our future.

Don't use a useless survey like this which produces no real usable information, but have direct, extensive interviews with businesspeople at all levels to compiled real information about what is happening in the day to day of being in business.

Every time a tourist takes a picture of anything in Sitka & shares with all their friends on social media, it is free advertising for Sitka! Can be good or bad advertising depending on the pics & messages posted. Better presentation of Sitka is needed!

Find ways to inform City government of the disconnect between the businesses and the government.

Get assembly members who understand economic development. Get department heads that understand economic development. Listen to citizens.

Get [name redacted] educated on how important small businesses (operating on city lands and using city owned infrastructure) are to the economic vitality of the City.

Giving a certain group of residents a tax-free base for others to cover is not good for an economic base.

I believe, without deep investigation, that Alaskans pay the lowest taxes in the western world yet somehow think that they are overtaxed.

I know of many people that are frustrated in dealing with city hall. People in Sitka have good ideas and are willing to work hard. City hall seems to not want these people to succeed as they are worried about causing staff more work.

If someone can't afford to live in Sitka, they cannot start or work for businesses in Sitka. Electrical rates are crazy high along with taxes on land and developments.

It is incredibly important for CBS to view economic development as an investment and not an expense.

Keep supporting the Chamber and visitor section of the Chamber.

Learn how jobs are created and work to enhance job creation.

Mistakes have been made now we all are paying for them. Change statewide and city wide can and must happen so Sitka again will prosper

Need for more public art in downtown area.

Promote infill development and encourage smaller lot size and economical dwelling construction.

Seda should be called Industrial Park. They don't serve Sitka in general.

Sitka has an active democracy, so many decisions get made at the assembly table which necessarily means everyone gets heard. Sometimes multiple times. Therefore, it is difficult to speed up the process. At times it can look like tyranny of the minority.

Sitka needs to be thinking towards the future and what it can do to support the industries we have and expand those with opportunities to grow, such as tourism, fisheries, mariculture, small business, tech.

Sitka's strength is its community and quality of life. Any way we can play to our strengths will keep people living and fighting for Sitka.

Small business is the foundation of a healthy economy. Instead of watching one small business after another close we need to start asking how we can attract more, make Sitka a hot spot for entrepreneurial growth. We have had good success establishing the arts here but there are other possibilities.

Some respect for the sport fishing Industry that we have earned and payed for over and over again.

Support and problem solving toward local challenges is what is needed from the City, not barriers and excuses.

Support it. The increase in rates from city hall is driving Sitkans, and business, away. Don't be shy and the leadership needs to be frank about the need for success of private sector in Sitka - or we will continue to slide down an ever-increasing slippery slope of less taxpayers in Sitka.

The city government seems very against new ideas.

The old sawmill should be made into a marine service facility with haul-out yard.

The relationship between the City and SEDA and GPIP needs to be one of cooperation and mutual assistance and support. Right now, it is not.

There needs to be incentives to startup businesses. City needs to give a little if they want new businesses to start up in town. Focus more on Sitkans & less outside businesses that will flee once they figure out the high costs & lack of dependable labor force.

These expensive studies are part of the problem. They are touted as gospel, yet you can't be bothered to actually come here and interview people. I am not interested in SEDA following up with me even though I am leaving my name so you won't just toss my response.

Understand that people are leaving in larger numbers than ever before due to the high cost of living in town.

Sitka is a very expensive place to live and work, but there has to be something that can be done to allow everyone working together to make that situation more palatable.

We need better connectivity and not so punitive on new buildings/improvement to existing buildings. No more grandfathering and everything regardless of age needs to be built up to code. There can be no leeway — that is too expensive.