

SEDA'S MISSION STATEMENT

“The Sitka Economic Development Association’s mission is economic development.”

SEDA will:

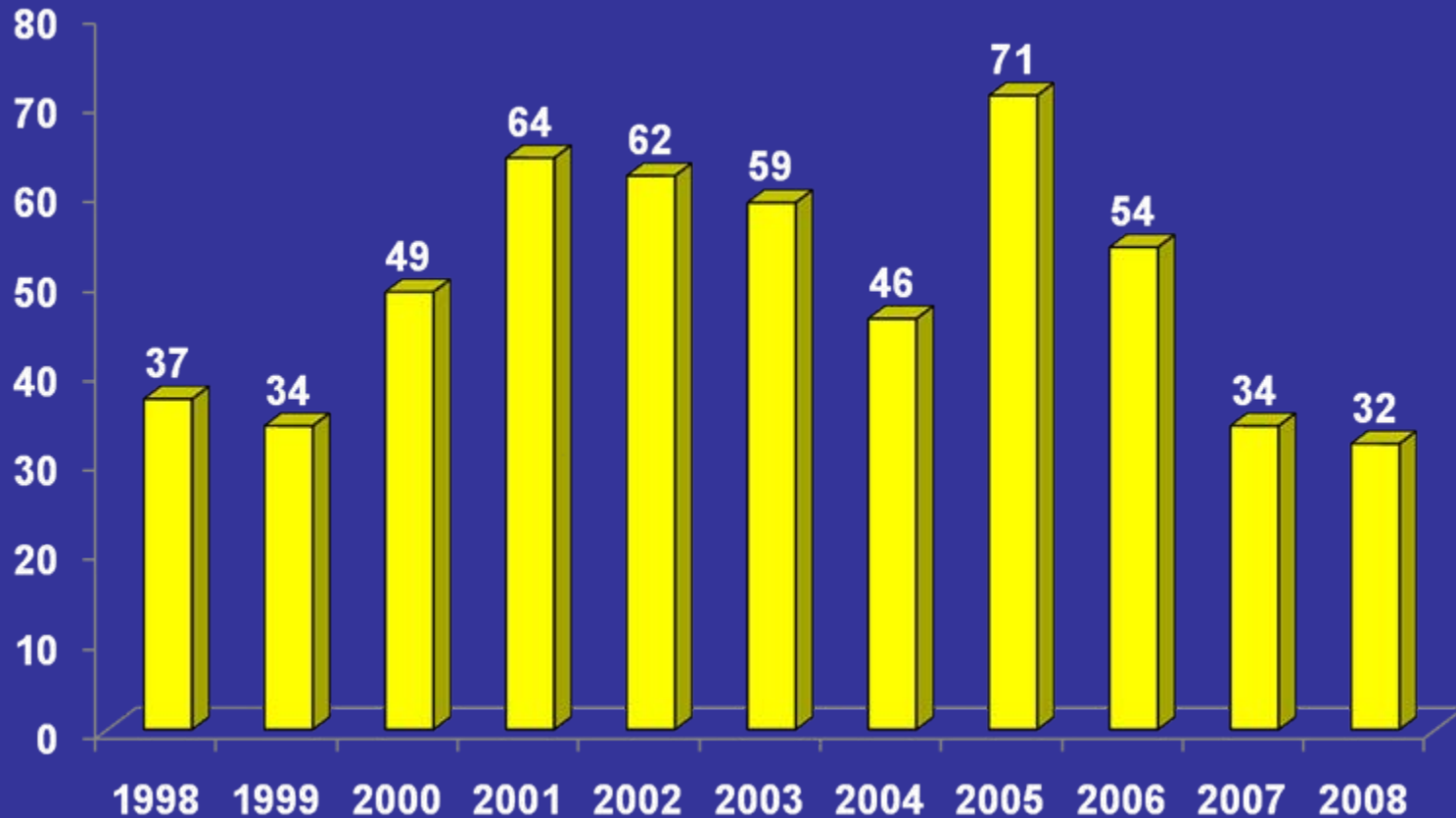
- Foster a business climate that is receptive and conducive to existing and new business
- Help promote the creation of family wage jobs, and
- Enhance the quality of life for Sitkans.

Economic Information

- Annual Report on the State of the Sitka Economy
- Quarterly *Trends Newsletter*
 - ✓ *Sign up sheet*
- *www.sitka.net*

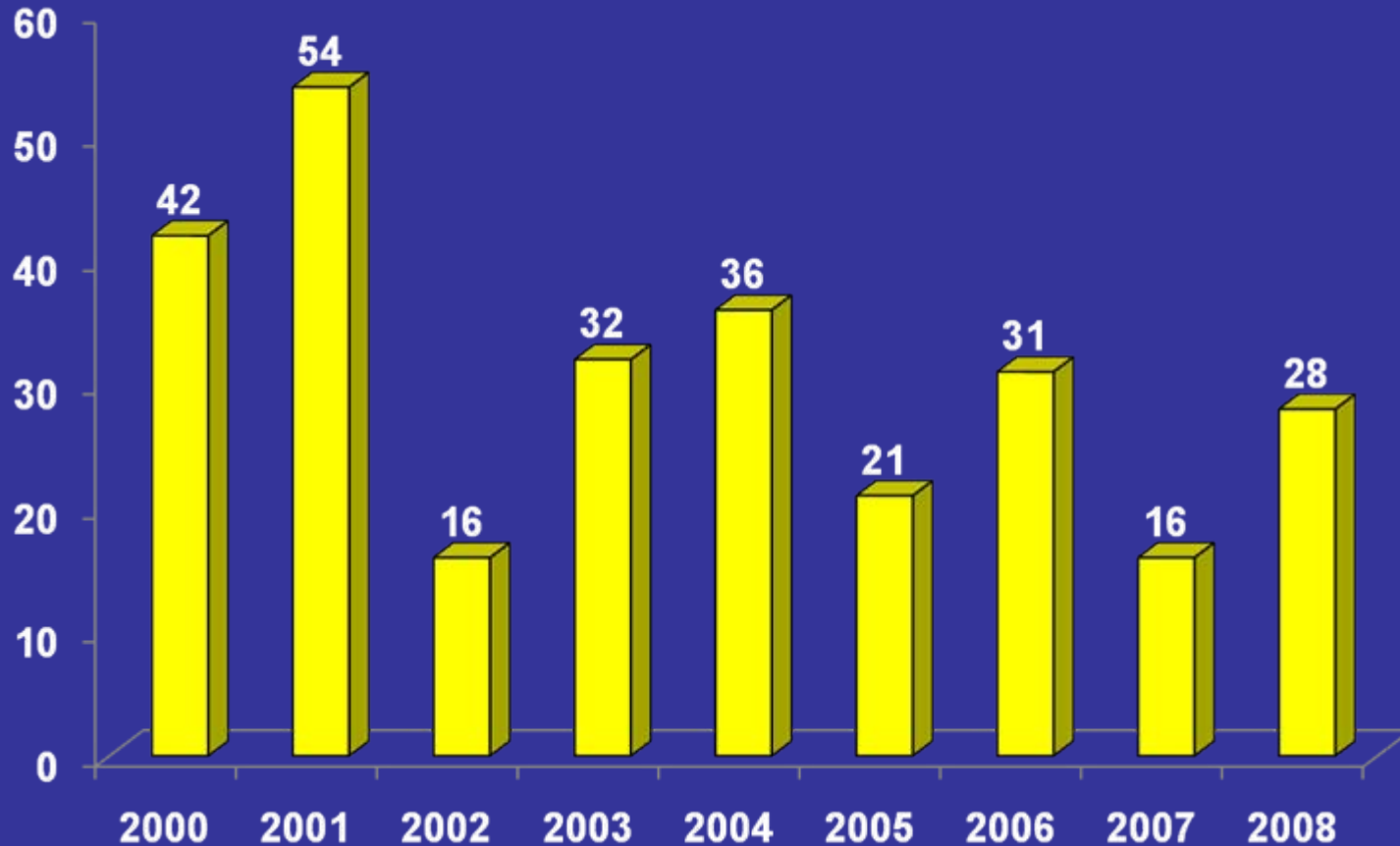
Sitka Construction Activity

Number of New Dwelling Units, 1998-2008



Source: City of Sitka

Number of Lots Absorbed 2000-2008



Source: City of Sitka

Homes Sold

Jan. – Aug. 08	62 homes
Jan. – Aug. 09	34 homes
45% decrease	

Other Data

- Barge Lines down in sales
- Hardware down in sales
- Barber/Beauticians down in sales
- Restaurant/Bars down in sales

- Alaska Airlines – Passenger getting off planes down

Basic Industry

- **Basic industry** brings new money into the economy from outside the local area.
- **Basic industry** sells goods and services to buyers located outside the local area.
- **Basic industry** is the reason for the existence of the local economy and community.
 - What are Sitka's basic industries today?
 - Seafood (harvesting, processing, management, shipping)
 - Tourism (cruise, independent, charter fishing)
 - Alaska Native interests (Shee Atika, Sitka Tribe, SEARHC)
 - National interests (USCG, USFS, NPS)
 - Health care (SEARHC, Pioneers Home)
 - Education (UAS-Sitka, MEHS, Troopers Academy)
 - Nonprofits serving outside markets (Center for Community)
 - Vessel construction

Support Industry

- **Support industry** receives income from local sources, re-circulating existing income.
- **Support industry** sells goods and services to residents, businesses, and government and nonprofit entities located in the local area.
- **Support industry** is not the reason for existence of the local economy, but supports the economy.
 - Sitka's current support industries?
 - Local government (schools, hospital, local government services)
 - Retail serving local markets (food, clothing, marine)
 - Services serving local markets (social, medical, financial, professional, marine)
 - Transportation for locals
 - Housing
 - Nonprofits serving local markets

Economic Multipliers

- **Economic Multiplier** = Direct + Indirect + Induced Impacts
- **Direct Economic Impact** is the initial spending by all employers on wages, benefits, goods and services.
- **Indirect and Induced Impacts** are the impacts following this initial direct spending as the money circulates through the local economy.
 - **Indirect Impacts** result from local spending on goods and services by employers.
 - **Induced impacts** result from local wage spending by employee households.
- A typical **Alaska Economic Multiplier** is about 1.5
 - \$1 in direct impacts generates an additional \$0.50 in indirect & induced impacts, for a total economic multiplier of 1.5.

Sitka needs to support Basic
Industries to enhance quality
of life for all Sitkans

Sales Tax

Funds roughly 39%
of Local Government