



The recession that has been affecting the rest of the US, has been slowly showing itself in Sitka over the past few quarters. Unemployment has risen to 5.7% compared to 5% in 08' for the same time period. Not too terribly bad considering 8.3% in Alaska overall and 9.4% nationwide. Michigan tops the national list with over 15% unemployment. More noticeable are the City and Borough of Sitka's sales tax numbers for the second quarter showing a 15.27% drop over 2Q 08'. Other contributing indicators are the decline in lots sold, building starts, and homes sold (down 34% over 08'). Income freight tonnage is also down over previous years. Cruise ship passenger numbers are down 22% for this current tourist season over 08' and are projected to drop an additional 41% for the 2010 season. All signs point to less money being spent locally, less sales tax revenue to fund city government and an overall declining economic picture.

The local fishing industry felt pressure in both the commercial and chartered sport fish sectors this past summer. Commercial fish prices were on average down 57% for King Salmon, 39% for Coho Salmon, 34% for Halibut, with Sable Fish showing a modest 3% increase over the 08' summer season. The chartered sport fish sector showed a roughly 28% drop in gross receipts.

The good news is Sitkans and Alaskans overall are very resilient, resourceful, and creative people and can weather the economic storm. Additionally, Alaska's new Governor Sean Parnell has announced that the economy will be one of his top priorities. State of Alaska Department of Labor economist, Dan Robinson, suggests that Alaska might not feel the same brunt of the recession as the lower 48 as Alaska has almost none of the types of manufacturing jobs that the nation has been hemorrhaging over the last few years, and the sub-prime mortgage collapse didn't burn Alaska as much as it did other states. <http://www.labor.state.ak.us/trends/home.htm>

Sales Tax and Bed Tax Revenues

City Sales Tax Revenues - NOTE the steady increase through 2007

2008	2007	2006	2005	2004	2003	2002	2001	2000
9,843,364	9,933,481	9,471,791	8,614,969	8,397,965	7,184,404	6,711,965	6,461,151	6,097,246

City Bed Tax Revenues - General steady increase with the exception of 2001 and 2008

2008	2007	2006	2005	2004	2003	2002	2001	2000
381,259	405,208	361,925	358,630	317,456	311,260	274,877	240,225	262,867

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.



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Sitka Economic Development Association

EMPLOYMENT	July 2009	July 2008	July 2007
Total Labor Force – Sitka *	4,871	4,940	4,957
Number Filing Unemployed – Sitka *	280	245	226
Unemployment Rate – Sitka *	5.7%	5.0%	4.6%
Unemployment Rate – Alaska (seasonally adjusted)	8.3%	6.7%	6.2%
Unemployment Rate – National	9.4%	5.8%	4.7%
Positions Open (listings at Sitka Job Center as of 8/25/09) – Sitka	72		
SEARHC (vacancies in Sitka as of 8/25/09)	27		
<i>* Source: Alaska Dept. of Labor - some figures are NOT seasonally adjusted</i>			
FINANCIAL	2006	2005	2004
Per Capita Income – Sitka (Source: US Bureau of Economic Analysis)	\$34,762	\$33,478	\$31,797
	2nd Qtr. 09	2nd Qtr. 08	2nd Qtr. 07
Sales Tax Collected (Source: CBS Finance Department)	\$2,462,658 p	\$3,023,516	\$2,931,787
Bed Tax Collected (Source: CBS Finance Department)	\$97,466 p	\$137,175	N/A
HOUSING	2nd Qtr 2009	2nd Qtr 2008	2nd Qtr 2007
Value of Construction Permits Issued (Source: CBS Building Department)	\$1,882,975	\$4,875,346	\$2,939,358
Dwelling Units Added (Source: CBS Building Department)	5	7	3
Total Homes Sold – all types combined (Source: CBS Property Tax Clerk)	19	25	34
Vacant Lots Sold – Residential (Source: CBS Property Tax Clerk)	7	3	6
Homes Sold – single family (Source: MLS/Davis Realty)	10	19	N/A
Average Home Sale Price – single family (Source: MLS/Davis Realty)	\$431,571	\$389,99	N/A
Median Home Sale Price – single family (Source: MLS/Davis Realty)	\$157,500	\$305,500	N/A
<i>Highest price = \$975,000 and the lowest was \$38,200</i>			
Sales Volume – single family homes	\$2,132,300	\$6,898,200	N/A
July 2009 – 61 single family homes listed - median price \$339,900			
POPULATION	2008	2007	2006
City & Borough of Sitka	8,615	8,602	8,972
Southeast Alaska	69,202	68,971	70,271
State of Alaska (SOA Dept. of Labor & Workforce Development)	679,720	674,510	669,716
COST OF LIVING INDICATORS	Aug. 25 2009	Sept. 2008	Sept. 2007
Gasoline (1 gallon regular) – Sitka (*Source: UAF CES / **pump)	** \$3.07	\$4.36	\$3.25
Gasoline (1 gallon regular) – Anchorage (average anchoragegasprices.com)	\$3.12	\$4.24	\$2.84
Gasoline (1 gallon regular) – Alaska Average (Source: AAA)	\$3.23		
Gasoline (1 gallon regular) – National Average (Source: EIA US Gov.)	\$2.62	\$3.71	\$2.82
Heating Oil (1 gallon No. 2) – Sitka (Source: UAF CES / **vendor)	** \$2.56	\$4.84	\$3.16
Heating Oil (1 gallon No. 2) – Anchorage (Source: UAF CES)	N/A	\$5.28	\$2.61
Heating Oil (1 gallon No. 2) – National Average (Source: EIA US Gov.)	\$2.36	\$3.33 (Oct)	\$2.85 (Oct)
Electricity – Yearly Average	2008	2007	% Change
1000 KWh – Sitka	\$97.97	\$97.97	0.00%
1000 KWh – Alaska	\$160.40	\$147.60	8.67%
1000 KWh - National	\$108.30	\$104.10	4.03%
	March 2009	March 2008	March 2007
Weekly food cost – Family of 4 (2 children) – Sitka	\$176.74	\$162.22	\$144.04
Weekly food cost – Family of 4 (2 children) - Anchorage	\$128.16	\$134.05	\$117.23
Sitka's weekly food cost as a percentage of Anchorage cost	134	121	123
<i>(Source: UAF Cooperative Extension)</i>			
PUBLIC SCHOOL ENROLLMENT	* 2009-2010	2008-2009	% Change
Total student enrollment per school year (* 2009/2010 preliminary count)	1,270	1,310	- 3%