



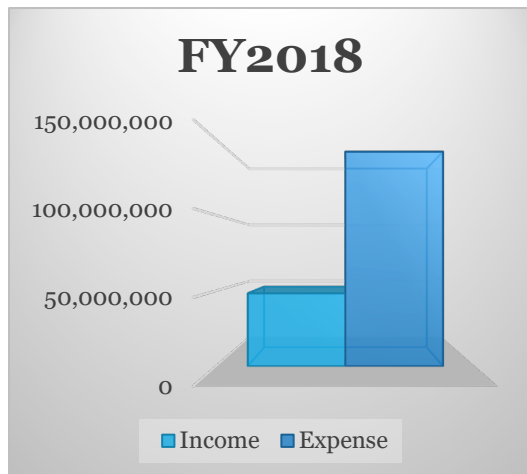
Sitka Trends

Economic Newsletter

March 2019

ALASKA MARINE HIGHWAY SYSTEM

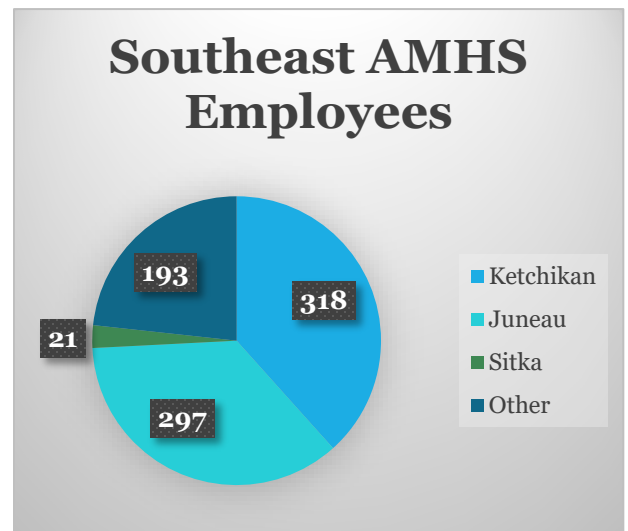
The Alaska Marine Highway System (AMHS) is a necessity to those of us who live in Sitka. It is our highway; it connects us to our neighboring communities. We travel the ferry system for many reasons including work, health care, to visit family, to vacation, to shop, for school trips and many other reasons. Our current ferry system is on the edge of collapse. The system needs significant change if it is to survive. Coastal Alaska needs this vital link for economic opportunities and transportation.



In 2016, the Southeast Conference established the Alaska Marine Highway Reform Initiative. The goal of the reform project is to find a more sustainable way for the AMHS to

operate. Information about the reform can be found at www.amhsreform.com.

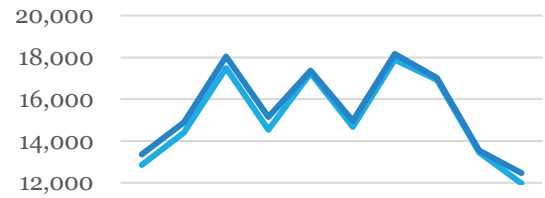
Southeast Conference hired the McDowell group to conduct an economic analysis of the Alaska Marine Highway system. They found a return of more than two to one in economic activity from the State of Alaska's investment to the ferry system. The study showed that AMHS had 1,017 employees. 95% of these employees live in Alaska and 829 or 82% live in Southeast Alaska. Of these 829 employees, only 21 live in Sitka. These 21 people bring a total payroll and benefit of \$2,107,000.00 to Sitka's economy. 318 live in Ketchikan and 297 live in Juneau. Haines, Wrangell, and Petersburg all have more AMHS employees than Sitka. This report can be found at: <http://www.dot.state.ak.us/amhs/reports.shtml>



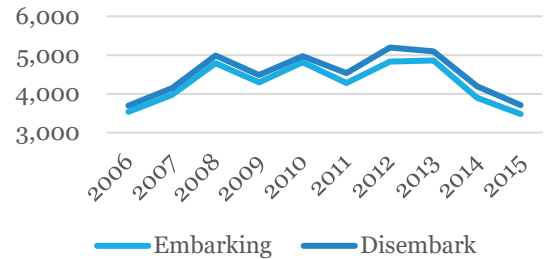
ALASKA MARINE HIGHWAY

The latest data report on the Alaska Marine Highway System website is from 2015. This report shows that both passenger and vehicle traffic in Sitka have declined. The most recent peak in traffic was 2012 with 18,164 passengers and 5,194 vehicles disembarking in Sitka. By 2015 passengers dropped to 12,467 and vehicles to 3,707. This is a 31% drop in passengers and 29% drop of vehicle traffic to Sitka. The disembarking numbers are slightly higher than the embarking numbers showing that more people and vehicles travel to Sitka on the ferry than leave Sitka on the ferry.

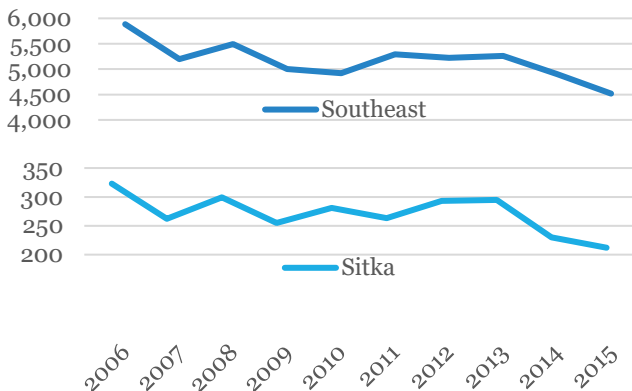
Sitka Passenger Traffic



Sitka Vehicle Traffic



Port Departures



The decline in traffic reflects the reduce number of Sitka departures. Southeast Alaska has had reduced departures from 5,885 in 2006 to 4,519 in 2015. This is 23% fewer departures throughout Southeast Alaska. Sitka's departures have gone from 323 to 212, which is 34% fewer. Between 2012 and 2015, the dates of traffic, departures declined from 5,225 to 4,519, or 14% decline in all of Southeast. Sitka took a harder hit of a 28% reduction in departures from 293 in 2012 to 212 in 2015. This is logical to see that with fewer departures Sitka will have less traffic.

Live – Work – Play – Ride the ferry!

CONTACT US



Would you like to discuss what you read in this addition of The SEDA Trends? Do you have an economic development idea that you would like to discuss? We at Sitka Economic Development Association are here to help, feel free to get in touch!

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Sitka Trends

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The data below are the most recent available from the various sources.

EMPLOYMENT (not seasonally adjusted) – Annual Average	2018	2017	2016	2015
Total Labor Force – Sitka (Source: Alaska Dept. of Labor)	4,422	4,449	4,425	4,599
Number Filing for Unemployment – Sitka (Source: Alaska DOL)	187	208	192	216
Unemployment Rate – Sitka (Source: Alaska Dept. of Labor)	4.3%	5.6%	4.3%	4.8%
Unemployment Rate – Alaska (Source: Alaska Dept. of Labor)	6.7%	8.1%	6.6%	6.6%
Unemployment Rate – National (Source: US Bureau of Labor Statistics)	3.9%	4.5%	4.8%	5.2%
Job Openings	March 21, 2019	March 21, 2018	March 21, 2017	March 18, 2016
Job orders at Sitka Job Center (includes SEARHC)	123	106	86	87
SEARHC job openings in Sitka	48	48	30	31
Quarterly Census Employment (Source: AK Dept. of Labor QCEW)	2018 3rd Qtr	2017 3rd Qtr	2016 3rd Qtr	2015 3rd Qtr
Average Monthly Employment	4,949	5,021	4,893	5,568
Average Government Employment	1,076	1,085	1,101	1,131
Average Private Ownership Employment	3,873	3,937	3,792	4,437
Average Monthly Wage (Source: AK Dept. of Labor- QCEW)	2018 3rd Qtr Avg.*	2017	2016	2015
All Sectors	\$3,939	\$3,624	\$3,616	\$3,572
Government Total	\$4,549	\$4,521	\$4,565	\$4,433
Federal Government	\$7,117	\$6,606	\$6,228	\$6,262
State Government	\$4,107	\$3,923	\$4,067	\$3,948
Local Government	\$4,287	\$4,436	\$4,496	\$4,342
Private Sector	\$3,770	\$3,302	\$3,268	\$3,273
<i>*3rd Qtr is the most recent for 2018</i>				
City Revenues – most recent calendar quarter (Source: CBS Finance Dept.)	3rd Qtr. 2018	3rd Qtr. 2017	3rd Qtr. 2016	3rd Qtr. 2015
Sales Tax Collected – Total Remitters	\$5,082,865	\$4,031,276.12	\$3,775,093.50	\$3,409,126
Bed Tax Collected – Total Remitters (preliminary number*)	\$262,958*	\$231,937.55	\$231,965.10	\$193,172

City Revenues – Fiscal Year (July 1 st - June 30 th)	2019*	FY2018	FY2017	FY2016
Sales Tax Collected – Total Remitters	\$12,780,000	\$12,088,012	\$10,815,993	\$10,187,353
Bed Tax Collected – Total Remitters	\$577,000	\$543,697	\$503,302	\$472,900
Property Tax Collected – Total Remitters	\$6,866,000	\$6,647,375	\$6,661,674	\$6,484,038
Raw Fish Tax – Received into Harbor Fund	\$972,390	\$1,279,885	953,323	\$879,793
<i>*Budgetary numbers</i>				
Per Capita Personal Income (Source: US Bureau Econ. Analysis) Includes all forms of income: rent, retirement, employment, etc.	2017	2016	2015	2014
Sitka	\$65,745	\$62,537	\$64,122	\$61,202
Juneau	\$66,367	\$63,070	\$62,694	\$61,600
Ketchikan	\$65,034	\$63,222	\$63,235	\$60,957
Alaska	\$57,179	\$55,646	\$56,147	\$54,582
Average Per Capita Net Earnings (Source: US BEA)	2017	2016	2015	2014
Sitka	\$41,355	\$39,073	\$42,079	\$43,107
Juneau	\$44,846	\$43,822	\$43,455	\$43,103
Ketchikan	\$42,174	\$41,994	\$42,264	\$41,536
Alaska	\$37,177	\$36,976	\$37,841	\$37,169
<u>COST OF LIVING INDICATORS</u>				
Transportation – Regular Gasoline per gallon	March 21, 2019	March 21, 2018	March 21, 2017	March 23, 2016
Sitka (Source: average pump price 3 vendors)	\$3.94	\$3.76	\$3.29	\$2.62
Juneau (Source: AAA)	\$3.64	\$3.65	\$3.13	\$2.73
Anchorage (Source: AAA)	\$2.71	\$3.11	\$2.64	\$2.21
Alaska Average (Source: AAA)	\$2.84	\$3.23	\$2.80	\$2.25
National Average (Source: AAA)	\$2.60	\$2.47	\$2.29	\$1.99
Housing - HUD Fair Market Rent – Sitka (Source: U.S. HUD)	2019	2018	2017	% Change
Efficiency	\$916	\$903	\$895	1.44%
One-Bedroom	\$1,050	\$1,007	\$989	4.27%
Two-Bedroom	\$1,253	\$1,261	\$1,278	-0.63%
Three-Bedroom	\$1,786	\$1,753	\$1,774	1.88%
Housing - HUD Fair Market Rent – Ketchikan (Source: HUD)	2019	2018	2017	% Change
Efficiency	\$854	\$801	\$836	6.62%
One-Bedroom	\$1,005	\$944	\$1006	6.46%
Two-Bedroom	\$1,330	\$1,255	\$1317	5.98%
Three-Bedroom	\$1,785	\$1,649	\$1722	8.25%
Housing – Construction and Sales	2018	2017	2016	2015
Value of Construction Permits Issued (Source: CBS Building Department)	\$11,195,147	\$11,634,472	\$33,709,580	\$22,685,676

Dwelling Units Added (Source: CBS Building Department)	16	29	25	27
Total Homes Sold – all types combined (Source: CBS Assessing Dept.)	104	271	211	114
Vacant Lots Sold – residential (Source: CBS Assessing Dept.)	34	18	46	30
POPULATION	2018	2017	2016	2015
City & Borough of Sitka (Source: *US Census Bureau, AK Dept. of Labor)	8,652	8,748	8,920	8,929
Southeast Alaska (Source: *US Census Bureau, AK Dept. of Labor)	72,876	72,915	73,812	74,395
State of Alaska (Source: *US Census Bureau, AK Dept. of Labor)	736,239	737,080	739,828	737,625
PUBLIC SCHOOL ENROLLMENT – Sitka School District	2018/19 year	2017/18 year	2016/17 year	2015/16 year
Total student enrollment KG-12 (Source: Sitka School District)	1,243	1,256	1,276	1,315

SEDA's Mission is to:

*Foster a business climate that is receptive and conducive to existing and new business;
promote the creation of family wage jobs; and enhance the quality of life for Sitkans.*

Sitka Economic Development Association

329 Harbor Drive, Suite 212, Sitka, Alaska 99835 *** Phone: 907-747-2660 *** Website: www.sitka.net

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