

# Petersburg Economic Development Council

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## Workshops

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This year's workshops focused on financial management.

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Find out what PEDC has been working on this year.

## Board & Staff

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PEDC's 2010 Board of Directors and officers.

## Attracting & Retaining Working Professionals

This winter, the PEDC partnered with Alaska Sea Grant's Marine Advisory Program to survey local working professionals. The survey was designed to understand whether existing services were adequate, what services are unavailable, and how we could better support existing professionals and attract new professionals and entrepreneurs to Petersburg.

While the sample size was relatively small, the results were quite interesting. All of the survey participants have lived in Petersburg

for less than 15 years, and most joined our community less than 2 years ago. When asked where else they considered living, most respondents pointed to other communities in Southeast Alaska. Sitka, Ketchikan, and Haines being mentioned most often.

### Quality of Life

Natural beauty; water accessibility, friendly, supportive populous, and small size were cited as the positive qualities of living in Petersburg. Excellent education and great library were also mentioned. Negative



qualities included the expensive of travelling, lack of health care beyond the basics, and lack of restaurants. Respondents also cited poor customer service, a socially closed or cliquish community, and the weather as other negative factors.

### Working in Petersburg

Participants were asked to list both the greatest opportunities and

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## Small Business Workshops 2010

Focus on Financial Management.

Throughout the last year, Petersburg residents took advantage of PEDC co-sponsored workshops to learn new business skills.

Of the many facets of running an enterprise, many business owners struggle with financial management of their operation. PEDC received several requests for finance-related workshops, and were pleased to be able to provide several opportunities over the last year.

In October, PEDC along with the Petersburg Medical Center, the Petersburg Indian Association, and the ROPE program co-sponsored “Beginning and Intermediate QuickBooks” classes and a “Beginning Microsoft Excel” class. In addition to providing instructors for the class, ROPE was able to loan the community 10 laptop computers to ensure each participant had the necessary equipment to complete the coursework.

### QuickBooks

QuickBooks is the standard financial management software program used by small businesses. It is both a powerful tool for tracking finances and the bane of many small business owners. This two-day class covered the basics of getting started using this program.

### MS Excel

For some, QuickBooks has much more functionality than the business owner

needs. MS Excel provides an easier platform to track income and expenses, inventory, and other financial metrics.

### One-on-One Counseling

In addition to the financial workshops, local residents had an opportunity to meet privately with a specialist in small business development to discuss business ideas, loan financing, marketing strategies, and other issues.

### Profit Mastery Seminar

Through PEDC’s relationship with the ROPE program, Petersburg business owners, who had participated in an one-on-one business counseling session in the last year, were given an opportunity to attend a “Profit Mastery” class in Juneau. The cost of the class and travel was covered by ROPE.

“Profit Mastery” is an intensive 2-day seminar designed to teach business owners how to read a balance sheet, track their financial position, plan for growth, conduct a break-even analysis, and how to approach banks and lenders for financing.

### Business Expo

Through its partnership with AKSourceLink, PEDC was able to bring this organization to town along with state and regional business resource providers for a one-day business expo in May.

The expo offered a series of free workshops. Two of the workshops were designed with aspiring entrepreneurs in mind: “Self-Assessment: Starting a Business” and “Writing a Business Plan”. Established business owners had an opportunity to attend “Marketing in Petersburg” and “Loan Financing for your Growing Business”. In addition to the workshops, participants had an opportunity to learn about the AKSourceLink online resource, UAS Online MBA program, and reduced cost business consulting services provided through the Juneau Economic Development Council.

### Upcoming

This fall, the PEDC is partnering with the Marine Advisory Program, Wells Fargo, and First Bank to offer a workshop on “Buying and Selling a Successful Fishing Operation”. The workshop will include presentations from local and out of town experts.

### Past Workshop Topics:

2008, “Make a Plan, Make More Money” (Marketing)  
 2009, “Customer Service Essentials”  
 2009, “Starting a Business in Alaska”  
 2009, “Financing a New Business”  
 2009, “E-Commerce Essentials”  
 2009, “Marketing Your Website”

Have a suggestion for a future workshop topic? Contact us at 772-4042



## PEDC 2010 Annual Report

**The last year has been an active one for the Petersburg Economic Development Council. Following is a summary of our activities over the last 12 months.**

### **Infrastructure**

The year started off with exciting news - PEDC worked with City Administration to develop a grant proposal for \$1 million in renovation and improvements to the Port Dock facility. The Economic Development Administration awarded a Recovery Act grant to the City in September, and the project was under contract by January.

Currently, the first phase of the project was substantially completed on schedule and under budget. PEDC is working with EDA and City staff to ensure we are able to utilize all of the excess funds, which will likely require extending the grant into 2011.

PEDC has been the city's liaison to EDA and responsible for ensuring the project complies with federal regulations, including completing the additional reporting requirements required under the American Recovery and Reinvestment

Act. Thanks to excellent cooperation from the City and the contractors working on this project, the City has completed all reports on time.

### **Buy Local**

PEDC worked with the Chamber's retail committee to initiate a "buy local" campaign. A combination of ads in the local paper and small posters in retail establishments debuted just before the Little Norway Festival. The message is simple: when you buy local, you make a positive contribution to our community.

In addition to the buy local message, PEDC developed a flyer for local processors to accompany fisherman's settlement checks reminding them of the importance of selling their catch locally. Thanks go to Icycle Seafoods and Tonka Seafoods for partnering with us on this project.

### **World-class Seafood industry**

With 47% of local jobs related to the seafood industry, PEDC recognizes the importance of keeping this sector competitive, and innovative.

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The cold storage froze close to 2.25 million pounds of seafood last summer, which was a new record high for the facility. Since we do not anticipate a repeat of these volumes this summer, we have instituted some changes in operation and pricing at the PCCS for 2010.

For some time, we have been working with the Alaska Department of Environmental Conservation to eliminate obstacles for direct marketers and smaller processors. Previously, customers were required to obtain a separate DEC permit to use the facility. This year, the PCCS will hold the DEC permit. This will reduce our customers' costs, eliminate duplicate paperwork, and hopefully attract new users to the facility.

In an effort to remain competitive with other cold storage facilities in the region and encourage use of the holding room, we have instituted volume pricing. The more product stored in the facility each month, the greater percentage discount the customer realizes.

Lastly, we generally hire a second full-time seasonal employee and a year-round part-time billing clerk. Both of these positions have been eliminated for the 2010 season to save on personnel costs.

#### **Scow Bay Turnaround**

The City has been trying to acquire the Turnaround since 1993. Over the last year, PEDC has renewed the effort to acquire ATS 258.

The process requires multiple agencies, both state and federal, to

review the proposed project, provide for public comment period, and issue favorable findings. At this point, we have secured a consistency determination from the state's Coastal Management Program, and a letter of permission from the Army Corps of Engineers. The only remaining portion is for DNR to complete the actual conveyance of the property.

PEDC continues to believe development of Scow Bay offers the best opportunity to increase economic activity in our community.

#### **Economic Trends/Data**

In 2008, PEDC released its first annual economic trends report, and we anticipate releasing the 2010 edition in the coming months.

Demographic data shows a continuation of past trends in regard to decline in population and school enrollment.

On the positive side, average annual employment increased in 2009 over the previous year by 1.6%. This runs contrary to both regional and statewide data, which both showed a decline in employment figures. Average annual wage also increased for most industries. Increases ranged from less than 1% to over 20%. Exceptions were seafood processing (-3%), manufacturing (-3%), and retail trade (-1.5%).

The full report will be available once state and federal agencies release their 2009 figures this summer.

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## **What is Community Branding?**

To a certain degree, every community has a "brand". It is reflected in how people perceive a place, its culture, its reputation, and the things people say about it.

- Community branding is a tool communities use to define themselves, shape perceptions, and attract positive attention.
- Successful branding creates a strong and distinctive message defining a community's essential assets, and then markets that message.
- It reinforces a strong community identity for existing residents and businesses, lures visitors seeking shopping, recreational, and cultural opportunities, and attracts new employers, businesses, and residents to locate in the community.
- Branding can be a huge asset for a community to leverage what is "special" or competitive about the community.

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### Why Create A Brand for Petersburg?

An effective branding project communicates our story to a wider audience within and outside of Petersburg.

- Petersburg is competing with other communities for talented workers, professionals, visitors, new residents, and businesses. In order to attract and retain people, Petersburg needs to be able to 'tell its story' about who we are and where we are going.
- In terms of the visitor industry, it's not enough to boast spectacular scenery. Every Alaskan tourist destination can offer travelers a similar experience. So what's the marketing solution for Petersburg?
- For our fishing industry, other ports can offer the same or better services, What is our advantage in this market?
- Most small communities in Alaska can boast about their quality of life and are great places to raise a family. We need a qualified and talented workforce. Why should they come to Petersburg?

### Promoting Petersburg

In January 2009, the PEDC Board held a public Open House in the City Council Chambers. Through the many discussions held that evening, the Board heard various iterations of our community needing to do a better job of promoting itself to visitors, and more importantly, to potential residents and businesses.

This spring, the PEDC along with the Chamber of Commerce began exploring the idea of undertaking a community branding effort. The organizations have met with two different branding companies and are in the process of establishing a joint steering committee to oversee this project (see sidebars on pages 4-5). As we move forward, we are hopeful the city will also become a partner in this effort.

### Regional Marketing

PEDC along with the City of Wrangell and the Prince of Wales Chamber of Commerce have partnered on a number of promotional activities for the central southeast region, also known as Alaska's Rainforest Islands. In the last year, this group was able to send a representative to attend the Alaska Media Road Show in California. Our agent met with travel writers and journalists from leading newspapers and magazines, such as the Chicago Sun-Times, MSNBC Travel Online, and National Geographic.

In addition, this summer we are hosting a travel writer, who is contributing editor to the American Airlines magazine, as well as a frequent writer for print and online travel outlets.

PEDC and partners are pursuing additional grant funding this year to enhance the region's online presence, specifically to improve the Rainforest Islands web site and implement a marketing and monitoring program to track online visitors.

### Nonprofits

The nonprofit sector provides many important services in our community and is an important part of our local economy. PEDC is working to support this sector through training, grant research, and development of a local community foundation.

The Community Foundation secured two \$50,000 matching grants from the Rasmuson Foundation during 2009. The Foundation's current endowment is just over \$170,000.

Recently, the Rasmuson Foundation surprised everyone by awarding the Petersburg Community Foundation a third challenge grant. Contributions received by July 4<sup>th</sup> were eligible for a 1:1 match, up to \$50,000.

### Miscellaneous

- PEDC continues to forward information on grant opportunities to city departments and nonprofits.

- PEDC secured the support of SE Conference on behalf of two local priorities: Funding for Marine Advisory Program and Funding for improvements to the Crystal Lake Hatchery to improve survivability of Chinook smolt. Both projects received funding.

### More Information

This report provides a brief summary of our activities, but please feel free to contact us with questions or suggestions at 772-4042.

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challenges to operating their business in Petersburg. Opportunities included job flexibility, variety, and experienced co-workers to learn from. The greatest challenges included cost of shipping, limited customer base and hiring pools to draw from, and residents who are resistant to change. When asked what additional resources they would like to have available, respondents listed more educational opportunities, specifically business classes, increased community involvement to tackle complex community-wide issues, and promoting of Petersburg were the top three answers.

**Retaining Professionals**

About 50% of participants

indicated they would probably still be living in Petersburg in five years. Another 25% declared they definitely would be living here, and an equal number said they didn't know whether they would be living in Petersburg in five years. The most common reasons for possibly leaving were family obligations and job promotion.

**Recommendations**

PEDC plans to address some of the recommendations resulting from the survey, especially continuing to offer business-related workshops and improving the community's promotional efforts through our branding project.

**Thanks** go to Cynthia Wallesz for her work on this project.

**2009-2010  
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