

Petersburg Economic Development Council

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Workshops 2

Over 70 residents attended the 2009 Small Business Workshop Series

Update 3

Find out what PEDC has been working on this year.

Board & Staff 5

PEDC's 2009 Board of Directors and officers.

PEDC Online

Visit us @ www.petersburgedc.org

Launched in April, the new PEDC website is designed to provide information about PEDC activities and projects, but also includes relocation information for prospective residents or businesses.

The Projects section provides an overview of PEDC's ongoing projects and activities. It also allows visitors to download PEDC reports, such as the 2008 Economic Trends report, and other documents like the Cold Storage user agreement and pricing guide.

Relocation Information

For individuals or businesses interested in relocating to Petersburg, the site contains details about Petersburg's central location, skilled workforce, competitively priced utilities, transportation options, education, access to quality health care, outstanding recreational opportunities, and communications infrastructure. It also has links to additional local resources such as the City of Petersburg, the Chamber of Commerce, the newspaper, radio



stations, and the library.

Business Resources

For local businesses, there is a section devoted to business resources. This is primarily links to regional, state, and federal resources dedicated to business planning, marketing, and counseling.



Small Business Workshops 2009

Focus on Customer Service and E-Commerce.

From February 27th to March 5th, over 70 Petersburg residents took the opportunity to learn new skills by attending a series of workshops sponsored by the PEDC, the Alaska Department of Commerce, and the Rural Outreach Program for Entrepreneurs (ROPE).

The week kicked off with two Customer Service Workshops with instructor Dru Garson of the Alaska Department of Commerce.

Customer Service

The customer service training program is designed to train participants in how to provide quality customer service. Among other things, participants learned what customer service is, the importance of good customer service, strategies for handling angry or dissatisfied customers and tips on communicating with people with disabilities.

Resolving Complaints

One section of the training emphasized the importance of handling complaints effectively. A 1999 study by a leading customer service research firm found that on average a satisfied customer may tell five people about their experience, but a dissatisfied customer may tell 10 people. In addition, for every complaint received, the average company has 26 customers with similar complaints, who did not actually complain. The good news is if the complaint is resolved quickly, as many as

95% of customers will do business with the company again.

For more information on the Alaska Department of Commerce's AlaskaHost Training, contact PEDC or Dru Garson at 465-2162.

E-Commerce

PEDC co-sponsored two e-commerce workshops: Web Site Feng Shui and Internet Marketing. The workshops were presented by Kristin Lindsey, owner of Apokrisis, Inc, an Anchorage-based internet consulting firm.

Web Site Feng Shui focused on the various elements of a web site and how they need to work together to communicate a single message about your business. The second class focused on Internet marketing tactics. Participants learned some great tricks of the trade to increase traffic to their sites.

Lessons Learned

It's no surprise that the internet has completely transformed consumer behaviors, but, some of the facts and figures presented at the workshop were astounding. In 2008, more people used search engines than the Yellow Pages to find local business information. Over 70% researched a product online before purchasing, and the average internet user searches 5.5 sites before deciding to purchase a product.

Numbers are even higher for the travel industry with 55% of all travel transactions occurring online in 2007. Internet search has surpassed word of mouth as the leading source of travel recommendations.

After giving the us the lay of the virtual land, participants were set to learn about cornerstones of internet success, including search engine optimization (seo), web analytics, pay-per-click advertising, and the importance of relevant content. Copies of these presentations are available from PEDC. Kristin Lindsey can be reached via www.apokrisis.com.

Business Start up/Financing

Lastly, residents had an opportunity to attend a short workshop on starting and financing a small business. This class covered the basic steps to consider when initiating your business, and provided some good insight for those who may be considering self-employment. These workshops were presented through the Rural Outreach Program for Entrepreneurs, or ROPE. They can be reached via their website: www.akrope.org

Next Year

PEDC is interested in your suggestions for future workshop topics, contact us at 772-4042 to give us your idea.



PEDC 2009 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.

Strategic Planning

Good planning is an important aspect of any successful economic development program. Last fall, the PEDC Board of Directors initiated a strategic planning effort to develop a general vision and direction for the organization, and the community. The Board is currently in the process of prioritizing activities for our 2009-10 annual work plan.

As a result of the strategic planning session, the Board adopted the following vision statement for Petersburg: *A vibrant multi-generational small town with a core business district, affordable housing, a world-class seafood industry, strong entrepreneurial sector, and great activities for its citizens.*

Business Development

As we begin to implement some of our new priorities,

we've taken a few steps in the area of business development.

- PEDC sponsored a small business workshops series focusing on customer service, and e-commerce. For details on the workshops, see page 1.
- PEDC staff attended a weeklong Economic Development Finance course.

The class provided an overview of economic development finance programs and involved participants in analyzing and structuring financing to expand operating businesses.

- PEDC partnered with the Public Library and City Manager to submit a grant application to initiate business development training at the Library.

If funded, the Business Development and Leadership @ the Public Library program will offer a series of business classes over the next 18 months, but also recruit local business leaders to teach classes, and mentor new and prospective

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business owners.

- PEDC has applied to become a founding partner of AK SourceLink.

AK SOURCELINK is an online collaboration among business development organizations and agencies throughout the state. It is designed to provide business owners access to the right resource at the right time. PEDC joined with the hope it will provide our local businesses owners access to quality professional services throughout the state.

Promoting Petersburg

In January 2009, the PEDC Board held a public Open House in the City Council Chambers. Throughout 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. The PEDC Board is currently looking at various options in this area. In the meantime,

- PEDC recently launched a new website, which includes a section with information for prospective residents and businesses.
- PEDC, along with its regional partners, received a small grant from the Department of Commerce to sponsor a familiarization and education tour of the central southeast region.

This trip, which is being coordinated by Viking Travel, is tentatively

scheduled for the first week in June. There will be a local reception, which will be the opportunity for members of our visitor industry to meet and showcase their products to these travel industry professionals.

Affordability

Promoting energy efficiency and affordable is critical to attracting, and retaining residents in our community.

- PEDC was instrumental in recruiting the local resident to enroll in the State's energy rater program.

As a result, Petersburg became one of the few communities in the state to have a Certified Energy Rater. This made it possible for residents to immediately participate in the State's Home Energy Rebate Program. Since its inception, over 80 homeowners have had energy ratings and are eligible for \$4-\$10,000 in rebates for energy efficiency improvements to their homes.

- PEDC submitted a joint grant application with the City and the Alaska Community Development Corporation to fund oil-to-electric heat conversions for qualified low-income residents.

This \$550,000 project is pending grant approval from the Department of Commerce. If funded, the project will expand the state's weatherization program in Petersburg by giving qualified homeowners the option of having electric baseboard heat installed in their homes.

- PEDC provided a short report to the Planning and Zoning Commission on housing affordability in Petersburg.

The report showed an increase in 'cost burdened' households, or families paying more than 30% of their gross income for housing. The 2000 census showed some 24% of homeowners are 'cost burdened', which is an increase from the 1990 Census where only 9.4% of households reported being 'cost burdened'. The report also included a summary of available tools for local governments to use to encourage development of affordable housing.

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.

- The cold storage froze close to 1.4 million pounds of product last year, and we are hopeful for higher numbers this season.

As other communities consider developing their own cold storage facilities, Petersburg is often cited as a successful model and resource for their efforts. In other cold storage developments, PCCS is offering an option for non-commercial users to lease a smaller storage area, suitable for two or three fish boxes, for \$15 a month. Also, if you've driven by the PCCS recently, you may have noticed we are nearing completion of a noise barrier between the refrigeration



**2009
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- Leo Luczak**, Secretary
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- Kurt Wohlhueter**

- Staff**

- Liz Cabrera**
Coordinator

- Marv King**
Cold Storage Manager

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units and nearby households.

- This fall, PEDC convened a focus group of local residents, including marine services professionals and fishermen, to assist in developing the framework of a feasibility study for a marine haul out and work yard.

The PEDC contracted with the PND Engineers to develop the feasibility study, which of a market demand study and site analysis. Both elements of the study were presented to the public over the last three months.

Recently, the focus group met to discuss the issue further, and recommend a course of action to the PEDC Board. The group is in the process of creating a conceptual plan for a scaled-down development at Scow Bay Turnaround. They are also awaiting word on an economic stimulus grant to help fund \$7 million in infrastructure improvements necessary for a haul out at Petersburg Shipwrights.

Economic Trends/Data

- In 2008, PEDC released its first annual economic trends report, and we anticipate releasing the 2009 edition in the coming months.

So far, 2008 figures show a continuation of previous year's trends, especially in the area of population and school enrollment. One early bright spot is an increase in the City's sales tax revenue, which

implies in overall increase in taxable sales and services over the previous year. The full report will be available once state and federal agencies release their 2008 figures.

- PEDC will provide socio-economic data for the City's comprehensive plan update.

Recognizing the high cost associated with updating the comprehensive plan, PEDC has committed to providing the City's chosen consultant with necessary socio-economic data for the plan update.

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.

- PEDC sponsored a visit by Dennis McMillian of the Foraker Group, and arranged for several nonprofits to meet with him.

- PEDC staff is a member of the Petersburg Community Foundation's steering committee.

This May, PEDC staff will be attending Rasmuson Foundation sponsored training on Community Asset Building Initiative. As a member of this initiative, the Petersburg Community Foundation (PCF) is in the enviable position of receiving 2 for 1 match for all private donations received through October of 2009. Donations go to fund

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the PCF endowment, which will then be available to support a variety of local projects. Residents interested in making a lasting donation to their community can visit the foundation online by going to www.alaskacf.org and looking for the Petersburg listing on the "Statewide Network" link.

Miscellaneous

- PEDC has written grants for approximately \$8 million worth of projects this year.
- PEDC has forwarded information on over 50 grant opportunities to city departments and nonprofits.
- PEDC is participating in

Southeast Alaska's regional workforce investment board to improve access to existing state training programs and funding for local residents.

- PEDC is exploring opportunities to collaborate with the Juneau Economic Development Council on regional competitiveness, and other issues, including a couple of grant proposals to conduct energy audits for small businesses, seminars on sources of business financing, and other professional consulting services.
- PEDC, through Southeast Conference, is participating in a working group evaluating

the potential benefits of the Port of Prince Rupert Container facility.

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.

PEDC board meetings are open to the public and are held on the second and fourth Thursday at noon in the PEDC office, which is located upstairs in the Romiad Building.



Petersburg Economic Development Council

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