



# Sitka Trends

## Economic Newsletter

SEDA - Putting the Pieces Together

March 2014

### SITKA'S RETAIL SECTOR

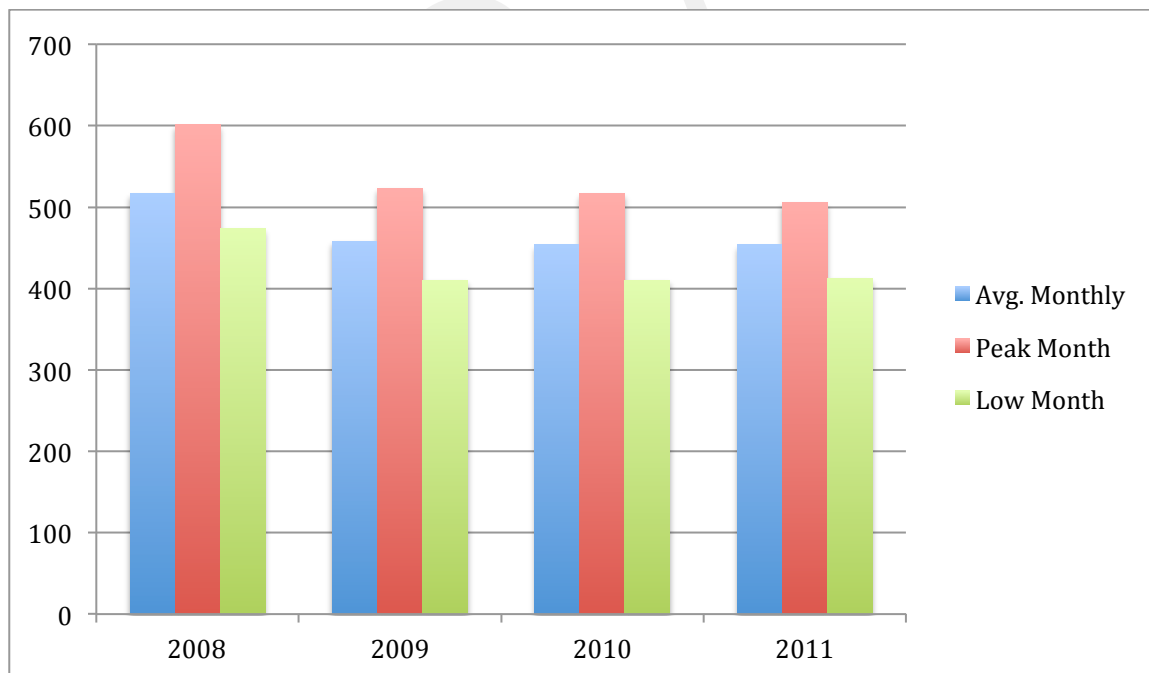
The March 2014 issue of *Alaska Economic Trends* features an article titled [Retail Sales Workers, 10 Years Later](#). The article presents findings from a study of retail sales workers in Alaska over a 10-year period, from 2002 to 2012. According to this study, the vast majority of “Alaskans who worked in retail sales in 2002 are now working in diverse occupations from retail managers to teachers and engineers.” The largest number of retail sales workers comes from the 18 to 24 year old age group.

(You can read the entire on-line at: <http://labor.state.ak.us/trends/mar14.pdf>)

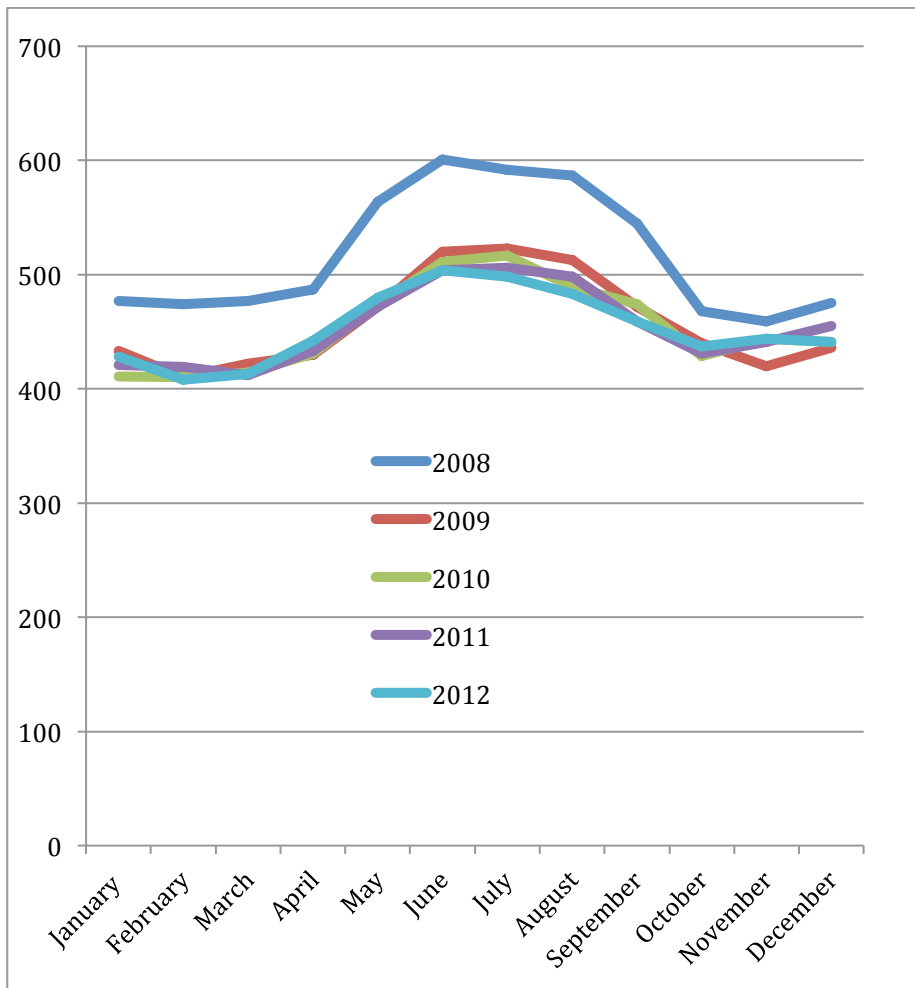
So why look at retail jobs?

- Retail jobs are often the first jobs for young Alaskans entering the workforce.
- These entry-level jobs provide opportunities to gain critical skills and experience that will build a foundation for success in future jobs. The state study indicates that at least four out of five retail sales workers will move on to other employment sectors within ten years, many in high-wage occupations.
- Due to the surge in the number of these jobs available during the summer visitor season, college students can find the temporary work they need to help pay for their education.
- A healthy local retail sector supports these retail sales jobs. As retail businesses close, these jobs and the opportunities they provide are lost.

### All Retail Employment in Sitka, 2008 – 2012<sup>1</sup>



The above chart reflects a 12.38% decrease in Sitka’s retail payroll employment between 2008 and 2012.



The chart on the left shows the change in monthly retail employment throughout the year.

The peak month for retail jobs in Sitka is June or July and the month with the lowest number of retail jobs is February.

The peak retail employment period is May through September and coincides with the summer visitor season.

Between 2008 and 2012 retail employment in Sitka dropped 16.10% during the visitor season, May through September, and dropped 9.16% for the non-visitor months, October through April.

*Note: Cruise ship passenger volume dropped 61.79% during this same period and a number of retail stores supported by the visitor industry closed.*

NOTE: the State of Alaska Department of Labor under the "Service-Providing" classification tracks Retail payroll employment.

### Retail Business

A robust and diverse local retail sector helps slow the leakage of money out of the local economy by providing goods and services to the community and by bringing new money into the economy through the sales of goods and services to non-resident customers.

LEARN how a local economy works, the importance of new money and about economic leakage GO TO: [http://www.sitka.net/Learning/Local\\_Economy.html](http://www.sitka.net/Learning/Local_Economy.html)

### Gross Retail Business Sales (all types)<sup>2</sup>

FY2008	FY2009	FY2010	FY2011	FY2012
\$148,905,621	\$151,921,138	\$137,774,562	\$127,078,920	\$138,148,838

FY = Fiscal Year. The fiscal year for the City and Borough of Sitka runs from July 1<sup>st</sup> through June 30<sup>th</sup> each year.

### Sales Tax Receipts – Retail Trade (all types)<sup>2</sup>

FY2008	FY2009	FY2010	FY2011	FY2012
\$5,535,101	\$5,376,039	\$4,991,535	\$4,989,084	\$5,138,245

FY = Fiscal Year. The fiscal year for the City and Borough of Sitka runs from July 1<sup>st</sup> through June 30<sup>th</sup> each year.

<sup>1</sup> Quarterly Census of Employment and Wages (2008, 2009, 2010, 2011, 2012), Alaska Department of Labor and Workforce Development

<sup>2</sup> Comprehensive Annual Financial Report, Year Ended June 30, 2012, City and Borough of Sitka

EMPLOYMENT (not seasonally adjusted) – Annual Average	2013	2012	2011
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Total Labor Force – Sitka (Source: Alaska Dept. of Labor)	4,583	4,611	4,617
Number Filing for Unemployment – Sitka (Source: Alaska DOL)	232	257	283
Unemployment Rate – Sitka (Source: Alaska Dept. of Labor)	5.1%	5.6%	6.1%
Unemployment Rate – Alaska (Source: Alaska Dept. of Labor)	6.3%	7.0%	7.6%
Unemployment Rate – National (Source: US Bureau of Labor Statistics)	7.4%	8.1%	8.9%
<b>Job Openings</b>	<b>Mar. 18, 2014</b>	<b>Mar. 18, 2013</b>	<b>Mar. 20, 2012</b>
Job orders at Sitka Job Center (includes SEARHC)	73	91	89
SEARHC job openings in Sitka	26	52	43
<b>Quarterly Census Employment &amp; Wages</b> (Source: AK Dept. of Labor)	<b>3<sup>rd</sup> Qtr. 2013</b>	<b>3<sup>rd</sup> Qtr. 2012</b>	<b>3<sup>rd</sup> Qtr. 2011</b>
Average Monthly Payroll Employment – July through September	5,177	5,036	5,019
Average Government Employment – July through September	1,147	1,123	1,150
Average Private Ownership Employment – July through September	4,030	3,913	3,869
<b>NOTE: July – September is the peak employment period for Sitka</b>			
<b>FINANCIAL</b>			
<b>City Revenues</b> (Source: CBS Finance Department, 2013, 2012, 2011 CAFR)	<b>FY2013</b>	<b>FY 2012</b>	<b>FY 2011</b>
Sales Tax Collected – Total Remitters	\$9,093,596	\$8,804,619	\$8,708,484
Bed Tax Collected – Total Remitters	\$354,158	\$325,351	\$307,890
Property Tax Collected – Total Remitters	\$6,095,558	\$6,069,078	\$6,003,008
Raw Fish Tax – Received into Harbor Fund	\$1,183,956		
<b>Gross Sales</b> (Source: CBS Finance Department, 2012 CAFR)	<b>FY2013</b>	<b>FY 2012</b>	<b>FY 2011</b>
Total Gross Sales – All Industries	\$395,118,816	\$390,377,278	\$366,459,195
<b>Per Capita Personal Income</b> (Source: US Bureau Econ. Analysis)	<b>2012</b>	<b>2011</b>	<b>2010</b>
Sitka	\$50,583	\$49,192	\$44,845
Ketchikan	\$56,477	\$54,462	\$52,209
Alaska	\$49,436	\$48,114	45,725
United States	\$43,735	\$42,298	\$40,163
<b>COST OF LIVING INDICATORS</b>			
<b>Transportation – Regular Gasoline per gallon</b>	<b>Mar. 18, 2014</b>	<b>Mar. 18, 2013</b>	<b>Mar. 20, 2012</b>
Sitka (Source: average pump price 3 vendors)	\$4.16	\$4.31	\$4.19
Juneau (Source: AAA)	\$3.92	\$4.01	\$4.23
Anchorage (Source: AAA)	\$3.75	\$3.93	\$4.15
Alaska Average (Source: AAA)	\$3.84	\$4.03	\$4.24
National Average (Source: AAA)	\$3.52	\$3.69	\$3.84
<b>Heating Oil</b> (based on 100 gallons delivered excluding sales tax)	<b>Mar. 2014</b>	<b>Mar. 2013</b>	<b>% Change</b>
#1 Heating Oil Sitka – per gallon (Source: vendor average)	\$3.99	\$4.24	- 5.90%
#2 Heating Oil Sitka – per gallon (Source: vendor average)	\$3.90	\$4.10	- 4.88%
#2 Heating Oil – National Average – per gallon (Source: US EIA)	\$4.21	\$4.01	+ 4.99%
<b>Housing - HUD Fair Market Rent – Sitka</b> (Source: U.S. HUD)	<b>2014</b>	<b>2013</b>	<b>% Change</b>
Efficiency	\$790	\$861	- 8.25%
One-Bedroom	\$838	\$913	- 8.21%
Two-Bedroom	\$1,134	\$1,235	- 8.18%
Three-Bedroom	\$1,580	\$1,720	- 8.14%
<b>Comparison</b>			
<b>Housing - HUD Fair Market Rent – Ketchikan</b> (Source: U.S. HUD)	<b>2014</b>	<b>2013</b>	<b>% Change</b>
Efficiency	\$574	\$656	- 12.50%
One-Bedroom	\$741	\$847	- 12.51%
Two-Bedroom	\$965	\$1,102	- 12.43%
Three-Bedroom	\$1,422	\$1,624	- 12.44%
<b>Housing – Construction and Sales</b>	<b>2013</b>	<b>2012</b>	<b>2011</b>
Value of Construction Permits Issued (Source: CBS Building Department)	\$13,051,176	\$14,605,467	\$19,585,316
Dwelling Units Added (Source: CBS Building Department)	20	14	14
Total Homes Sold – all types combined (Source: CBS Assessing Dept.)	97	60	74

Vacant Lots Sold – residential (Source: CBS Assessing Dept.)	29	16	17
Homes Sold – single family (Source: Davis Realty MLS)	53	22	46
Average Sale Price - single family home (based on total sold)	\$301,413	\$394,612	\$323,464
Sales Volume – single family homes	\$15,974,900	\$8,681,462	\$14,879,345
<b>Housing – Sales for Most Recent Month Available</b>	<b>Feb. 2014</b>	<b>Feb. 2013</b>	<b>Feb. 2012</b>
Homes Sold – single family (Source: Davis Realty MLS)	4	4	1
Average Sale Price - single family home (Source: Davis Realty MLS)	\$415,063	\$240,625	\$350,000
Sales Volume \$ – single family homes (Source: Davis Realty MLS)	\$1,660,2	\$962,500	\$350,000
Homes Listed – single family homes (Source: Davis Realty MLS)	37	52	27
Average List Price – single family home (Source: Davis Realty MLS)	\$401,686	\$483,379	\$549,812
Median List Price – single family home (Source: Davis Realty MLS)	\$350,000	\$390,000	\$469,000
Volume \$ Listed - single family home (Source: Davis Realty MLS)	\$14,862,400	\$25,135,700	\$16,641,800
<b>POPULATION</b>	<b>July 2013*</b>	<b>2010 Census</b>	<b>2000 Census</b>
City & Borough of Sitka (Source: US Census Bureau, *AK Dept of Labor)	9,039	8,881	8,835
Southeast Alaska (Source: US Census Bureau, *AK Dept of Labor)	74,382	71,664	73,082
State of Alaska (Source: US Census Bureau, *AK Dept of Labor)	736,399	710,231	626,931
<b>PUBLIC SCHOOL ENROLLMENT – Sitka School District</b>	<b>Oct. 1, 2013</b>	<b>Oct. 1, 2012</b>	<b>Oct. 1, 2011</b>
Total student enrollment KG-12 (Source: AK Dept. of Education)	1,395	1,322	1,350

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- *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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 Promote the creation of family wage jobs; and Enhance the quality of life for Sitkans.*

**Sitka Economic Development Association**

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