

Southeast Alaska Business Climate Survey 2022



**SOUTHEAST
CONFERENCE**

June 2022



By Rain Coast
Data

PARTNERSHIPS ACROSS SOUTHEAST ALASKA



SEDA

SITKA ECONOMIC
DEVELOPMENT
ASSOCIATION



**City of
Ketchikan**



Skagway
Development
Corporation



Spruce Root
COMMUNITY DEVELOPMENT



**PETERSBURG ECONOMIC
DEVELOPMENT COUNCIL**

Table of Contents

Summary	Page 1
Business Climate Respondent Profile	Page 2
Business Climate Survey Results	Page 3
• Survey Results by Year Page 4	
• Survey Results by Industry Page 5	
• Survey Results by Community Page 6	
Economic Outlook	Page 7
• Economic Outlook by Community and Industry Page 8	
• Industry Outlook Quotes Page 9	
Job Projections	Page 12
• Job Projections by Community and Industry Page 13	
Business Barriers and Benefits	Page 14
• Barriers:Year-to-Year Comparison Page 16	
• Benefits:Year-to-Year Comparison Page 17	
• Breakout Examples Page 18	
Housing Elements Impacting Businesses	Page 20
Services that Would Assist Expansion	Page 22
Top Projects to Advance Economic Growth	Page 23
Rating Quality of Life in Southeast Alaska	Page 24
Rating Alaska’s Economic Future	Page 25
Should there be a Constitutional Convention?	Page 26
Southeast Private Business Investments	Page 27
• Investments by Sector Page 28	
• Investments in CEDS areas Page 28	

Appendix: Open Ended Responses **Page 29**

Agriculture - Page 30; Alaska Native Organizations - Page **30**; Arts - Page **31**; Communications / IT - Page **32**;
Construction,Architecture, Engineering - Page **33**; Energy - Page **35**; Financial Activities - Page **36**; Food, Beverage
Sector - Page **37**; Health Care - Page **39**; Mining - Page **40**; Manufacturing - Page **41**; Non-profit - Page **42**;
Professional & Business Services - Page **42**; Real Estate - Page **44**; Retail / Wholesale Trade - Page **45**; Seafood,
Maritime - Page **48**; Social Services, Education, Child Care - Page **51**;Transportation (non-tourism) - Page **52**; Visitors,
Tourism - Page **53**; Other - Page **58**.

Southeast Alaska Business Survey Results 2022

Each year Southeast Conference conducts a regional business climate survey in order to track Southeast Alaska business confidence. The survey was developed in a partnership between Southeast Conference and organizations across the region and state. Rain Coast Data designed the survey instrument on behalf of the partnership. Southeast Alaska business owners and top managers are invited to participate. The web-based survey was administered in April and May 2022. A total of 440 regional business leaders responded to the survey.

Survey analysis includes the following findings:

- **Best Business Climate Since 2017:** Nearly two-thirds (62%) of regional business leaders currently have a positive view of the Southeast Alaska business climate, the highest positivity rating since 2017, and a dramatic increase from a year ago when 80% of business leaders called the business climate “poor” or “very poor”. While all sectors and communities have a positive perspective, those in small rural communities are the most likely to say that the regional economy is “very good.”
- **Outlook is Even Better:** Almost half of respondents expect their prospects to be better (34%) or much better (16%) over the next year, making this the most positive outlook recorded. The economic outlook for the tourism and food, beverage sector are most positive moving into 2023, followed by retail. Communities with the most positive outlook include Hoonah, Skagway and Sitka.
- **Businesses are Hiring:** More than a quarter (29%) of regional businesses are in hiring mode and expect to add employees over the next twelve months. Job gains will be most prevalent among Alaska Native organizations, mining, and financial sectors.
- **Housing is the Region's #1 Economic Problem:** Business leaders identified housing as the top need to advance economic growth in the region. Economic expansion in Southeast Alaska is currently limited by a lack of housing availability paired with prohibitive pricing, directly contributing to worker shortages.
- **Top Barriers and Benefits Similar Over Time:** The region's **quality of life**, **recreation**, **culture**, and **arts** are the top business benefits to the region; while high **freight costs**, **lack of housing**, and overall high **cost of living** remain the region's top business barriers. Surveys from 2010 and 2015 show similar top barriers and benefits.

The following pages summarize survey findings.

Southeast Business Respondent Profile

440

Business
Leaders

The 440 responding businesses represent more than 10,500 Southeast Alaska workers, and a combined 12,900 years of business experience.

Responding Businesses Profile

Responding Businesses = **440**

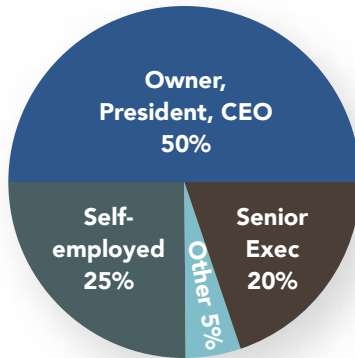
Average Employees Per Business = **24 Workers**

Total Workers Represented by Survey = **10,524**

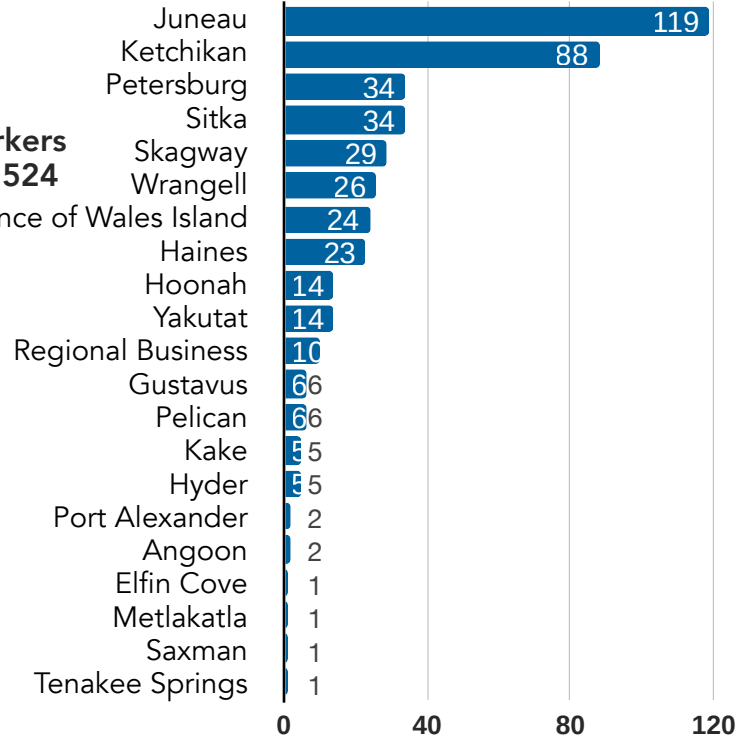
Average Years Operating = **29 Years**

Total Years Operating = **12850 Years**

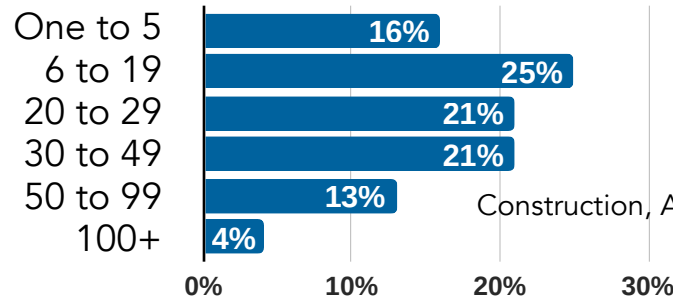
Respondent by Position



Respondents by Community



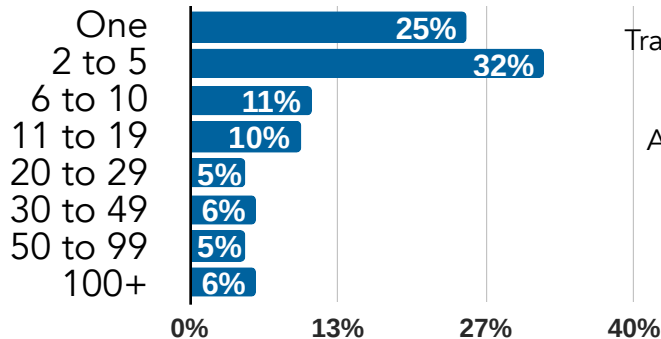
Years in Operation



Respondents by Sector



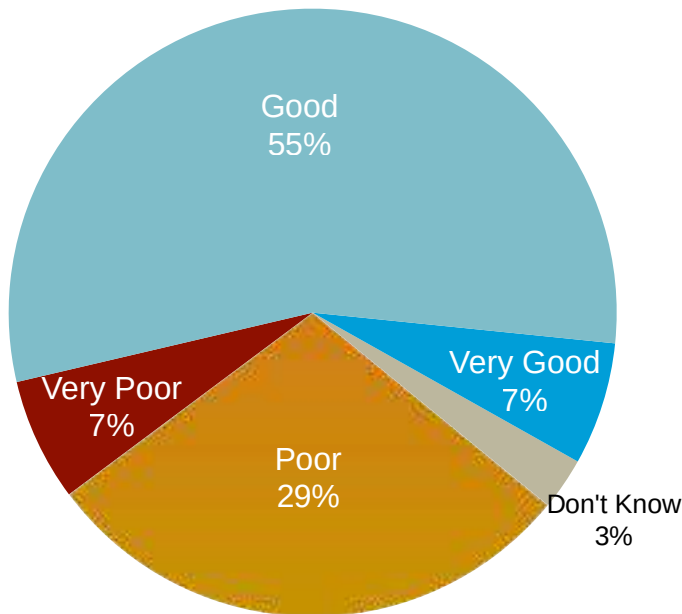
Total Workers



Southeast **Business** Climate Survey Results 2022

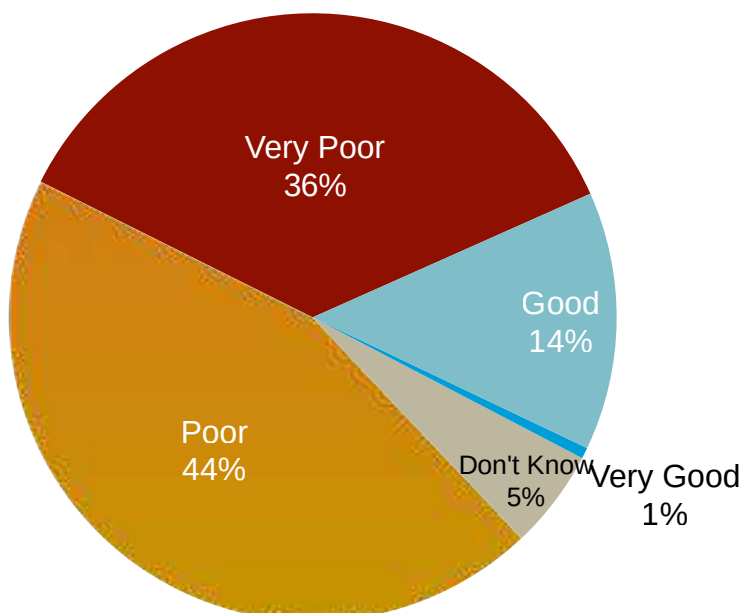
April/May **2022** Southeast Alaska: **How do you view the overall business climate right now?**

62% Positive / 36% Negative



April **2021** Southeast Alaska: **How do you view the overall business climate right now?**

15% Positive / 80% Negative



Southeast Alaska Annual Business Climate Survey

In April and May of 2022, 440 Southeast Alaska business owners and top managers from 27 communities responded to Southeast Conference's Business Climate Survey.

Economy Now: How do you view the overall business climate right now?

What a difference a year makes!

A year ago, 80% of business leaders called the business climate "poor" or "very poor" (which was an improvement over 2020).

In 2022, nearly two-thirds (62%) have a positive view of the Southeast business climate, making it **the best business climate since 2017**.

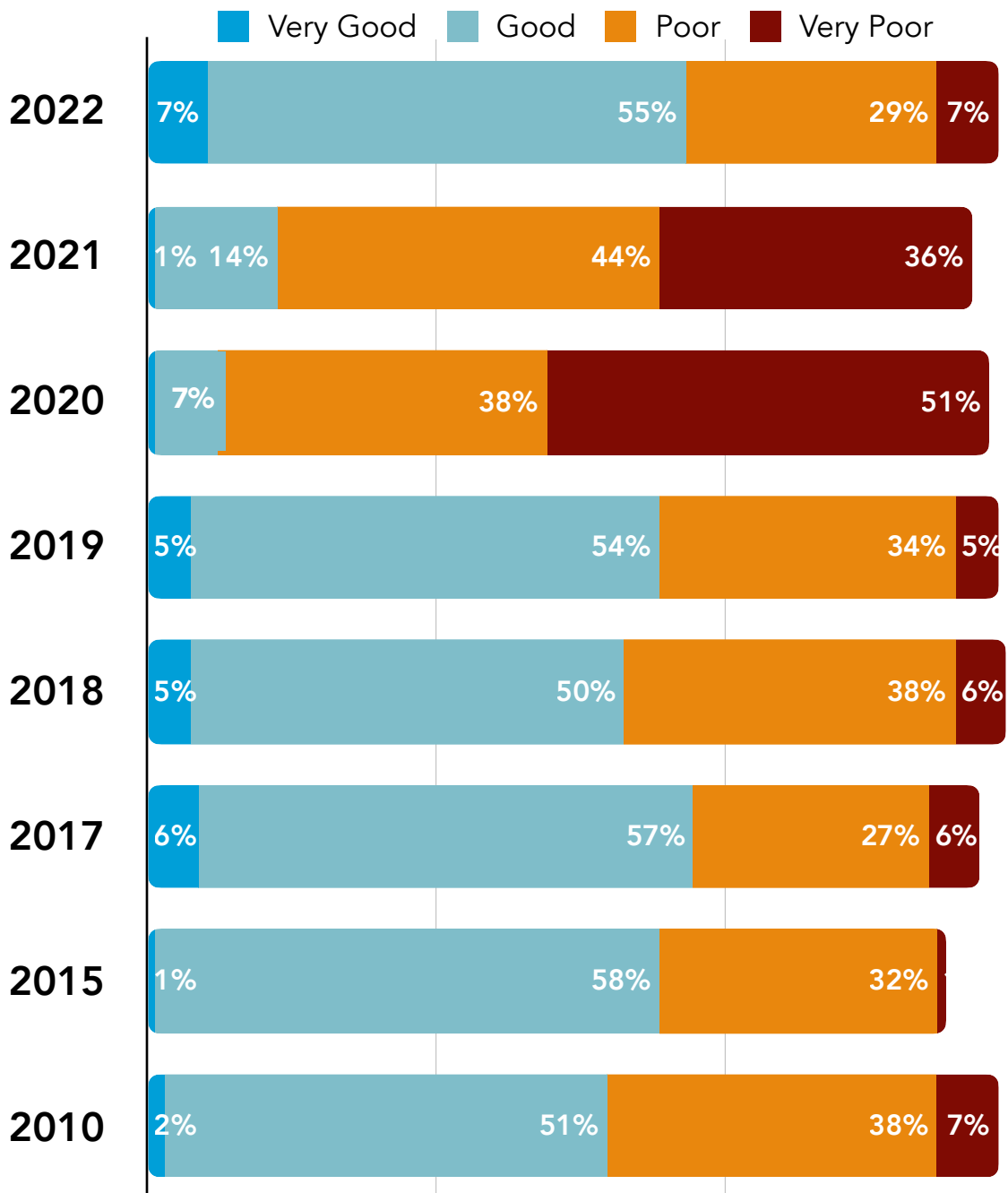
While all sectors and communities have a positive perspective on the current economy, those in **small rural communities**, and in the Construction/Engineering sectors, were the most likely to say that the regional economy is **very good**.

Those in the Arts and in Manufacturing were most likely to say the economy is poor; along with those located in **Wrangell, Ketchikan, and Juneau**.

Southeast Business Climate Survey Results: by Year

Southeast Alaska businesses are rating the current 2022 business climate as the best business climate since 2017. The current business climate is the 2nd highest since the survey began in 2010, but was just a tad better than an average pre-covid year. The last two years, 2020 and 2021, were demonstrably negative outliers.

How do you view the overall business climate right now?

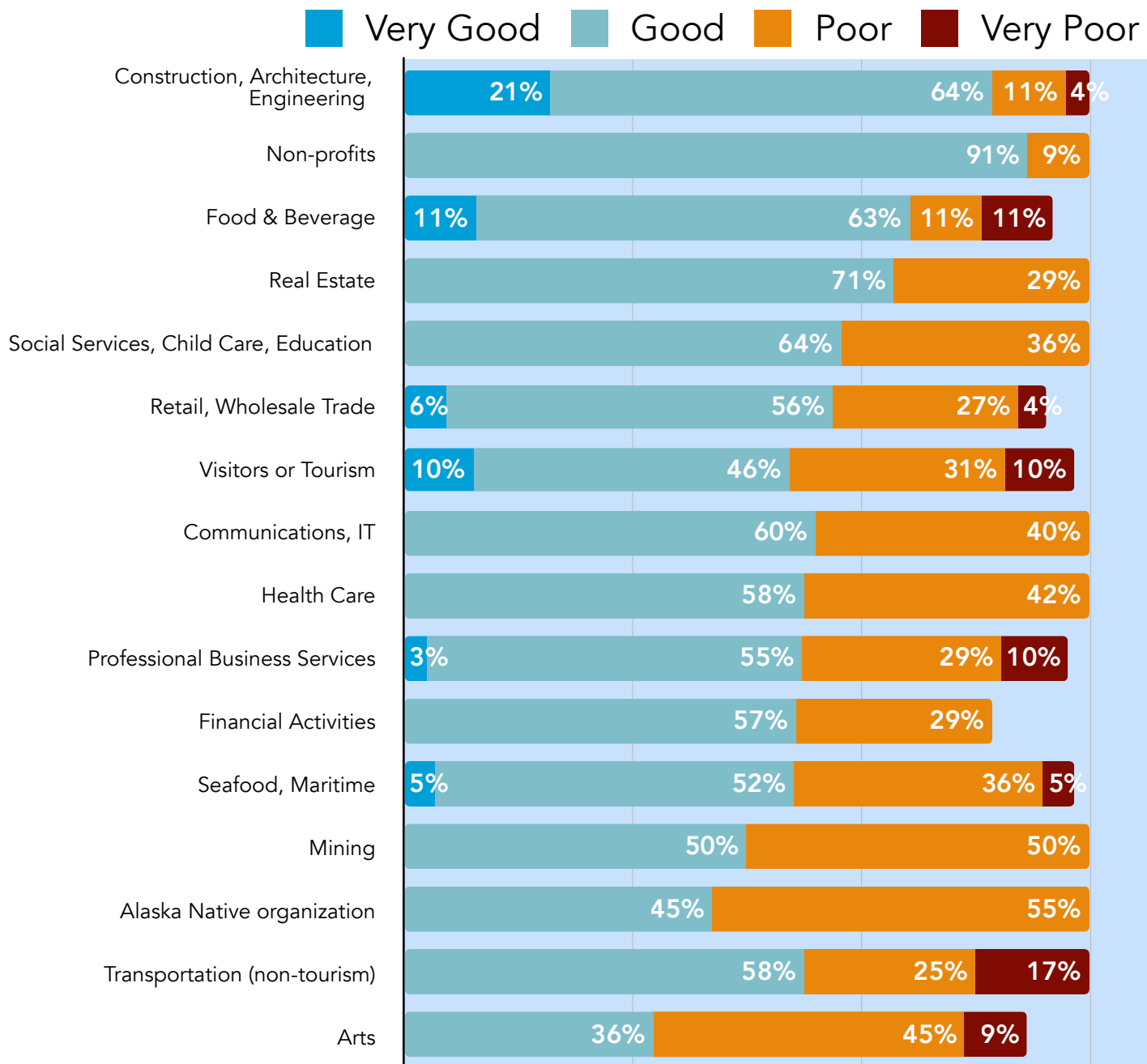


The "don't know" category has been excluded from this chart.

Southeast Business Climate Survey Results 2022: by Industry

The following graphic breaks out how the current Southeast Alaska business climate is viewed by each sector. The construction/engineering, nonprofit, and food/beverage sectors are most likely to call the current economy good or very good; while the arts and transportation sectors are most likely to call the economy poor or very poor.

April/May **2022** Southeast Alaska: **How do you view the overall business climate right now?**

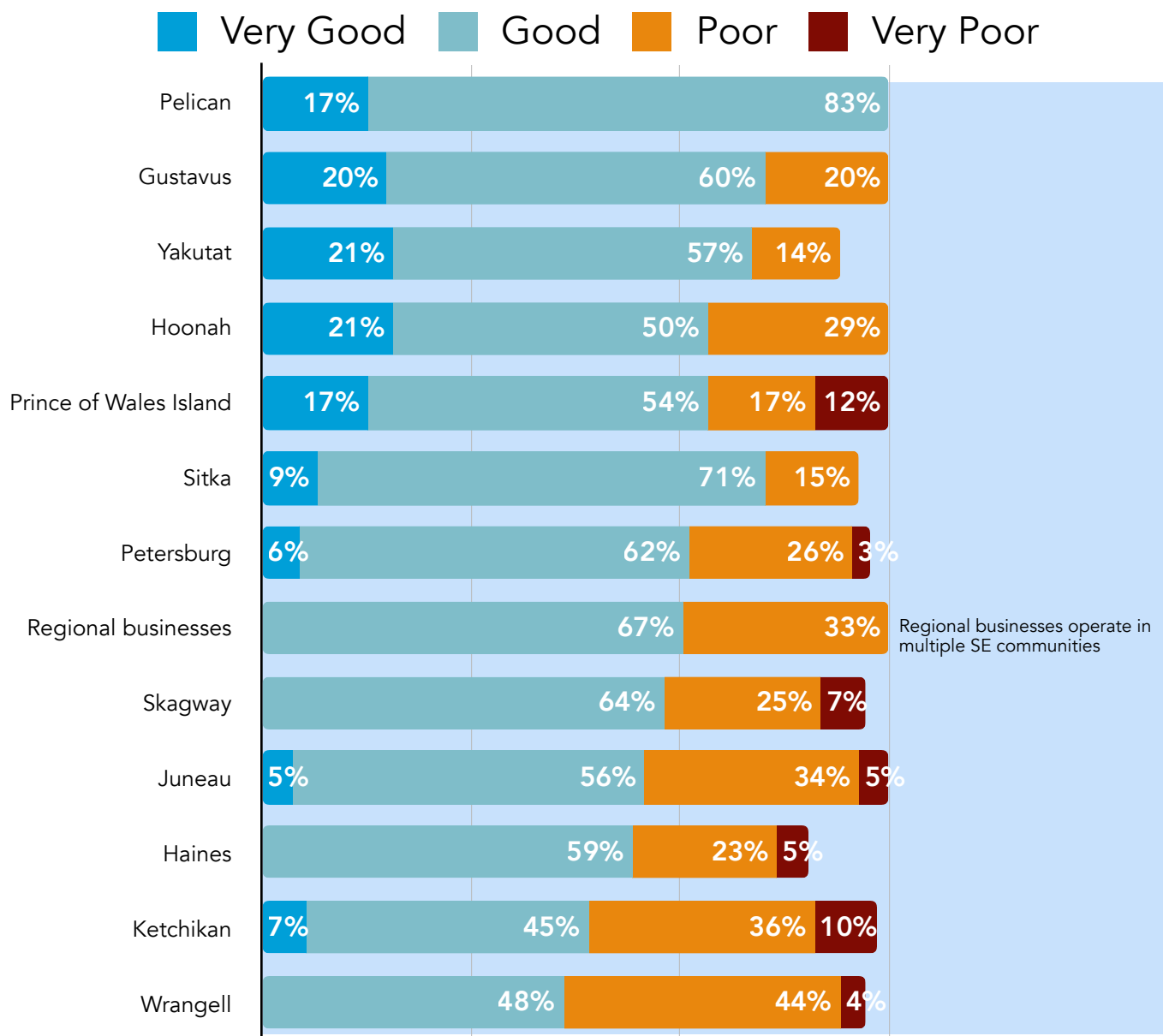


The "don't know" category has been excluded from this chart.

Southeast **Business** Climate Survey Results 2022: **by Community**

The graphic below shows how the current regional business climate is being experienced by business leaders in each community. Skagway moved from a 96% negative view of the economy last year to a 64% positive view in 2022. The region's smallest, most rural communities have the most positive views of the economy, along with Sitka; while Wrangell, Ketchikan, and Juneau have the most negative current perspective.

May **2022** Southeast Alaska: **How do you view the overall business climate right now?**



The "don't know" category has been excluded from this chart.

Southeast Economic Outlook

What is the economic outlook for your business/industry over the next year (compared to the previous year)?

Southeast Alaska Economic Outlook

Economic Future: In 2022, four-fifths of respondents describe the economic outlook for their business or industry over the next 12 months as positive. This represents a dramatic change in a positive direction over the last two pandemic years.

Half of survey respondents expect their prospects to be better (34%) or much better (15%) over the next year, and 30% expect their prospects to be the similar in a positive way.

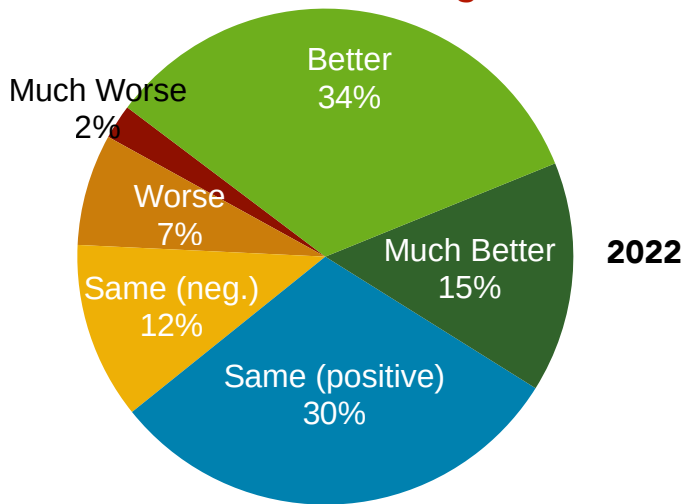
Only 9% expect the outlook for their businesses to decline in the coming year.

The economic outlook for the tourism and food, beverage sector are most positive moving into 2023, followed by retail sector. The transportation (non-tourism) sector has the largest "much worse" outlook.

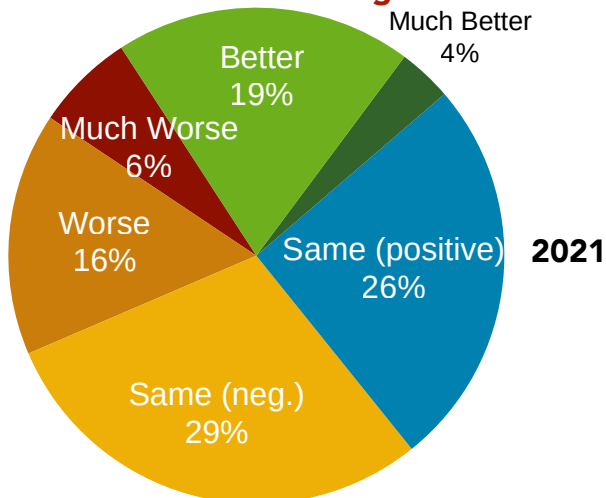
The communities with the most positive outlook include Hoonah, Skagway, and Sitka. (Last year, a quarter of Hoonah businesses expected the economic outlook to become **much worse** in the next 12 months, an example of one of many major swings).

Wrangell and Prince of Wales have the most negative outlook moving forward (Prince of Wales had the most positive outlook just a year ago).

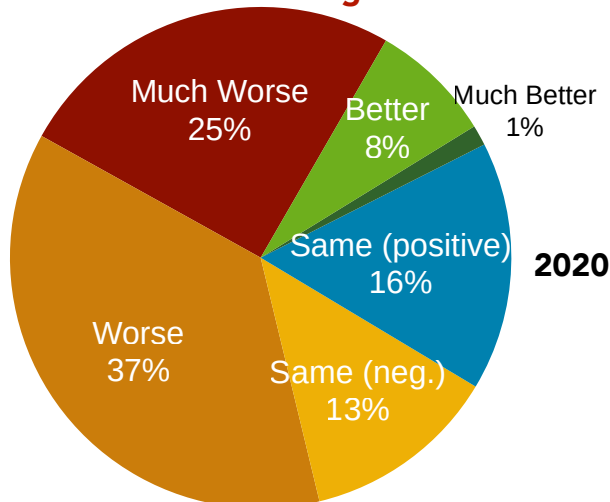
79% Positive / 21% Negative



49% Positive / 51% Negative



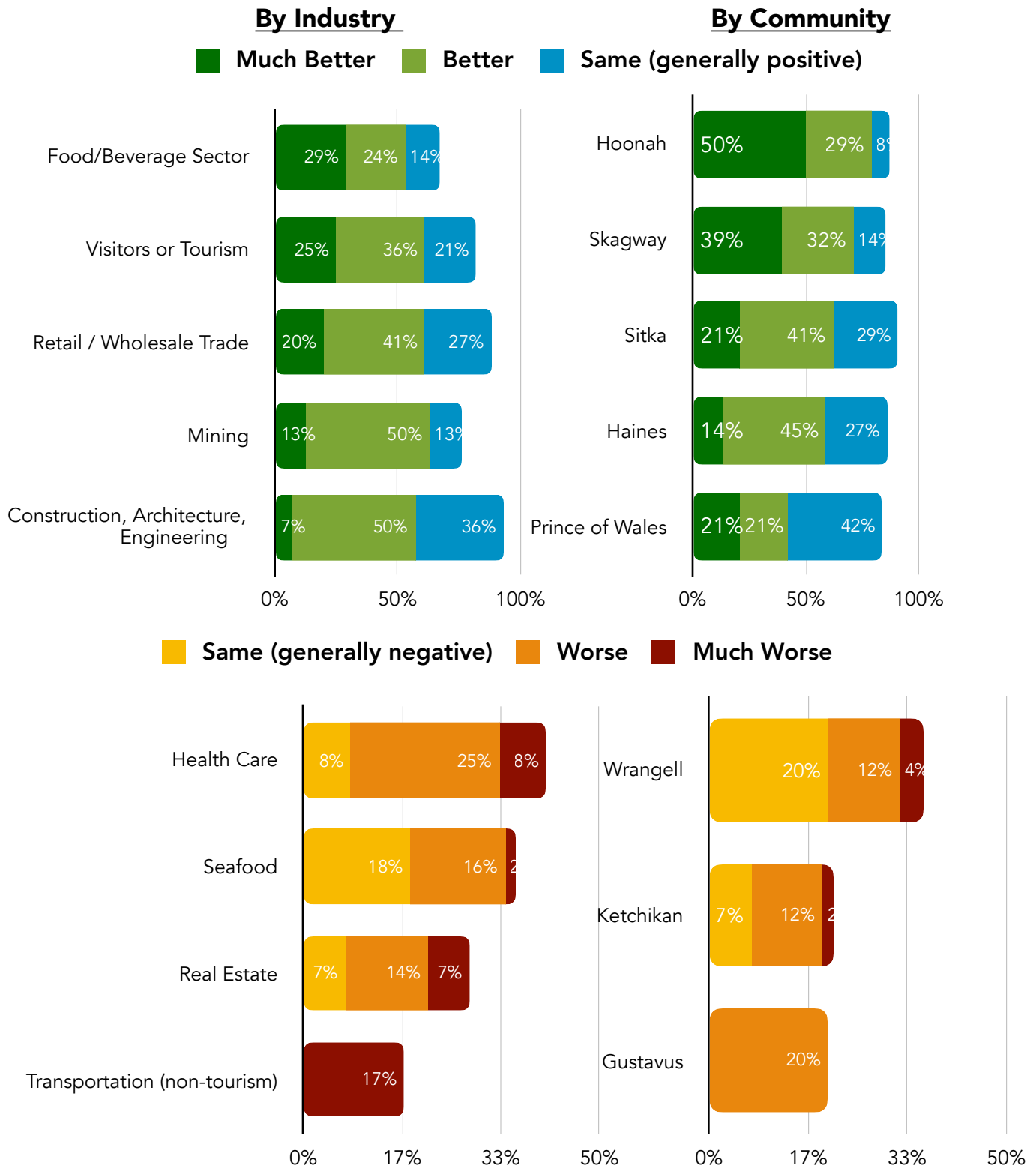
25% Positive / 75% Negative



Southeast Economic Outlook: by Community and Industry

The below graphics show economic outlook breakdowns for the next year by industry as well as by community.

2022: What is the economic outlook for your business or industry?



Southeast Economic Outlook: by Industry

Please elaborate on the outlook for your business or sector over the next year.

In some ways, no collection of charts is more valuable than the words of the business leaders themselves. More than 230 businesses took additional time to write about their expectations and needs for the upcoming year. The most frequently used word, among the 12,000 written, was housing. Indicative quotes for selected sectors are presented below:

- **Visitors, Tourism:** *"We are experiencing more demand than we can accommodate. With less long-term staff after the pandemic, rebuilding is challenging due to competitive hiring environment, housing expense/availability & transportation challenges."*
- **Seafood, Maritime:** *"The price of fish is going up. The price of fuel is going up. The fish resource has stabilized. We need additional haul-out options for vessel maintenance."*
- **Food, Beverage:** *"The restaurant industry is thriving in Southeast. The only problem is finding skilled workers. A barrier to this is their ability to find affordable housing."*
- **Construction, Architecture, Engineering:** *"Planning, design, and construction continues to be strong, however with shortfalls in human resources a lot of work is being exported out of region/state."*
- **Retail, Wholesale Trade:** *"There is a lot of opportunity to continue to grow in the coming years. The high cost of doing business, lack of affordable housing, and the increasing cost to ship goods are all barriers to growth."*
- **Real Estate:** *"The problem is that supply and demand are so unbalanced right now. Supply is low, demand is off the charts, and building costs are high."*
- **Transportation (non-tourism):** *"Fuel costs and employee expenses to retain them will not be sustainable after federal infrastructure funds dry up."*

Southeast Economic Outlook: by Industry

- **Communications, IT:** *"I am unable to bring new employees in due to extremely high costs and low availability of housing."*
- **Health Care:** *"We are having significant challenges providing healthcare and social services to patients and clients due to a lack of workforce. While this issue is affecting businesses nationwide, the challenge is exacerbated in Southeast by lack of affordable housing, lack of child care, and high cost of living."*
- **Arts:** *"We are impacted by the cost and difficulty in moving ourselves, products, and customers throughout the region. Pathetic Alaska Marine highway service is crippling to our region and commerce. The cost of freight to get materials and move product is challenging."*
- **Mining:** *"Our issue now is finding recent earth science graduates, and responsible, dependable laborers."*
- **Financial Activities:** *"With extreme housing limitations, potential economic growth will be limited."*
- **Energy:** *"Power costs are historically very low for hydroelectric communities, but those costs are increasing as infrastructure ages and renewal is required."*
- **Alaska Native Organizations:** *"Some of our Federal funding comes with many restrictions, which makes it difficult to accomplish many of our endeavors."*
- **Professional Services:** *"There is a lot of funding in the works for the coming years."*

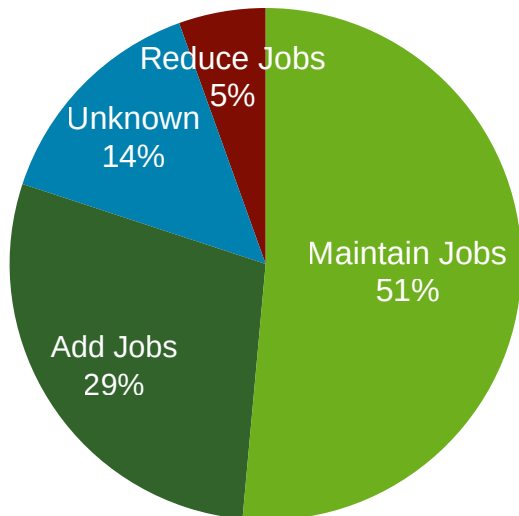
Southeast Economic Outlook: by Industry

The following table shows a detailed economic outlook by industry.

What is the economic outlook for your business or industry?						
Sector	Much Better	Better	Same (generally a positive statement)	Same (generally a negative statement)	Worse	Much Worse
Visitors, Tourism	25%	36%	21%	11%	3%	3%
Food/Beverage Services	29%	24%	14%	14%	14%	5%
Retail, Wholesale Trade	20%	41%	27%	6%	4%	2%
Alaska Native Organizations	18%	18%	64%	0%	0%	0%
Mining	13%	50%	13%	13%	13%	0%
Construction, Architecture, Engineering	7%	50%	36%	0%	7%	0%
Other manufacturing	38%	13%	0%	38%	0%	13%
Arts	18%	27%	9%	45%	0%	0%
Professional & Business Services / Consultant	13%	29%	39%	16%	3%	0%
Social Services, Child Care, Education	8%	17%	42%	25%	8%	0%
Financial Activities	0%	57%	43%	0%	0%	0%
Other Non-profit	0%	58%	42%	0%	0%	0%
Communications / Information Technology	6%	24%	47%	12%	12%	0%
Transportation (non-tourism)	8%	42%	33%	0%	0%	17%
Real Estate	19%	13%	44%	6%	13%	6%
Seafood, Commercial Fishing, Maritime	2%	23%	40%	17%	17%	2%
Health Care	8%	17%	33%	8%	25%	8%

Jobs Projections in 2022 and 2023

2022: Jobs Outlook



Over the next 12 months, do you expect your organization to add jobs, maintain jobs, reduce jobs, or are you unsure (For those business with staff)

Employment changes in the next year

When asked about staffing expectations, nearly one-third (29%) expect to add employees (or add employees back after pandemic declines), and more than half of business leaders (51%) expect to maintain job levels in the coming year.

Just 5% of business leaders expect to reduce staffing levels in the upcoming year.

The expected job gains will be most significant in Alaska Native Organizations, mining, and financial sectors.

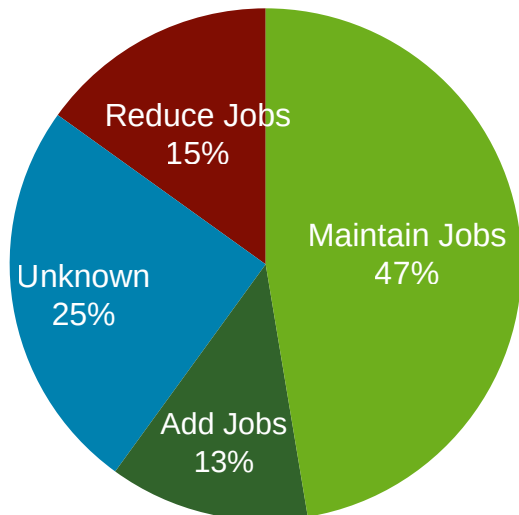
Employment reductions will be concentrated in manufacturing, health care, and social services.

Business leaders in Gustavus, Haines, and Sitka expect the greatest job gains for their businesses moving forward.

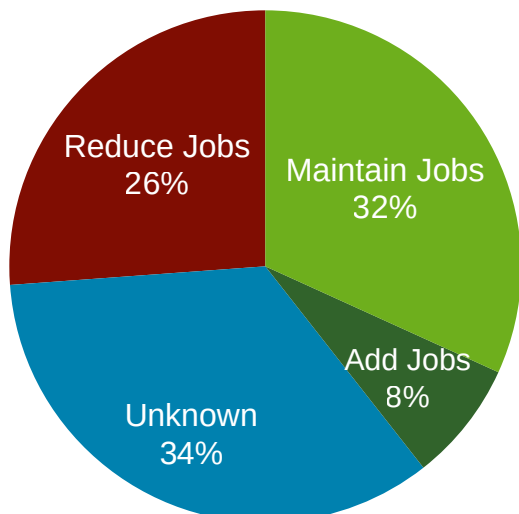
Ketchikan and regional businesses have the most negative job outlook in the coming year.

Wrangell businesses have a tremendous amount of uncertainty, with nearly half of all businesses unsure if they will add or cut jobs in the next year.

2021: Jobs Outlook



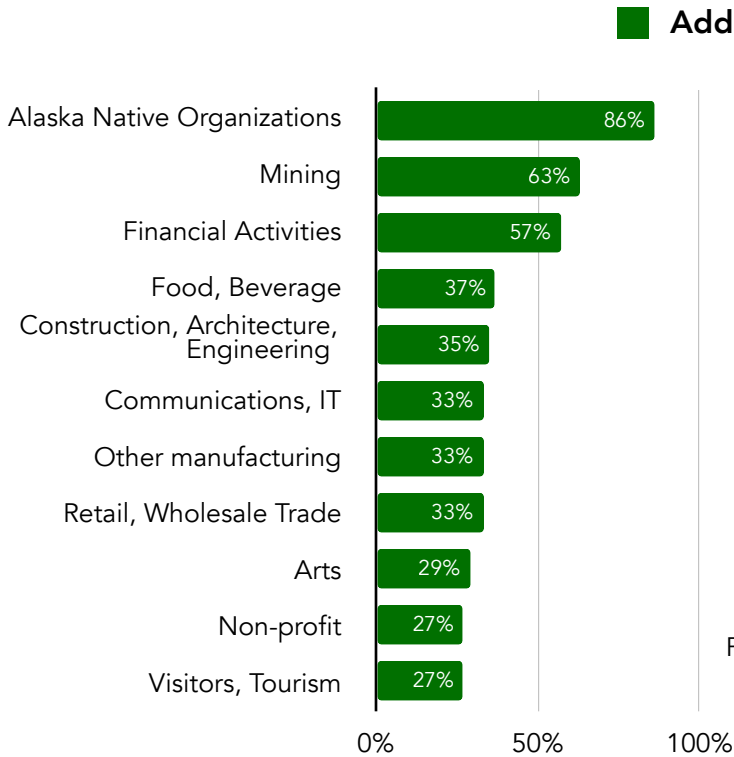
2020: Jobs Outlook



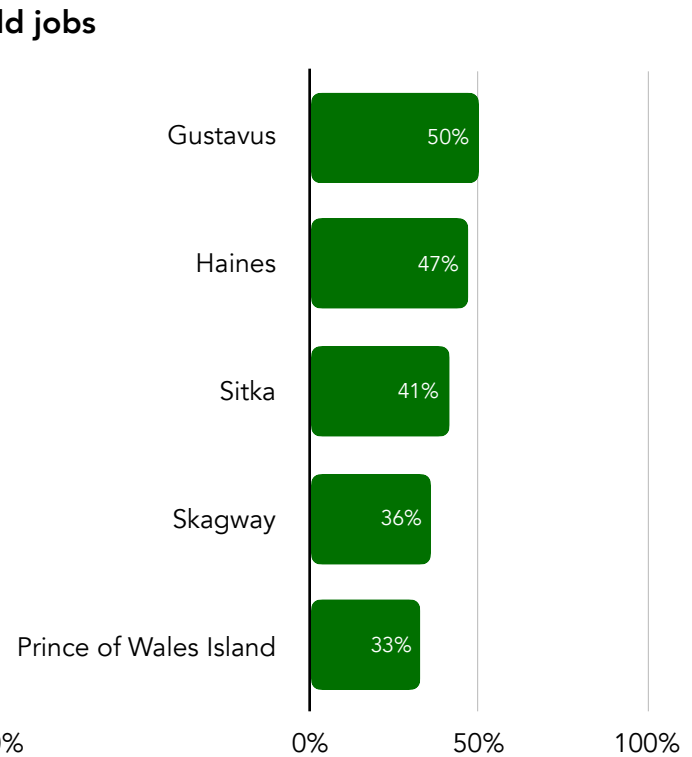
By Community: Jobs in Next 12 Months

Over the next year, do you expect your organization to add jobs, maintain jobs, reduce jobs, or are you unsure?

By Industry

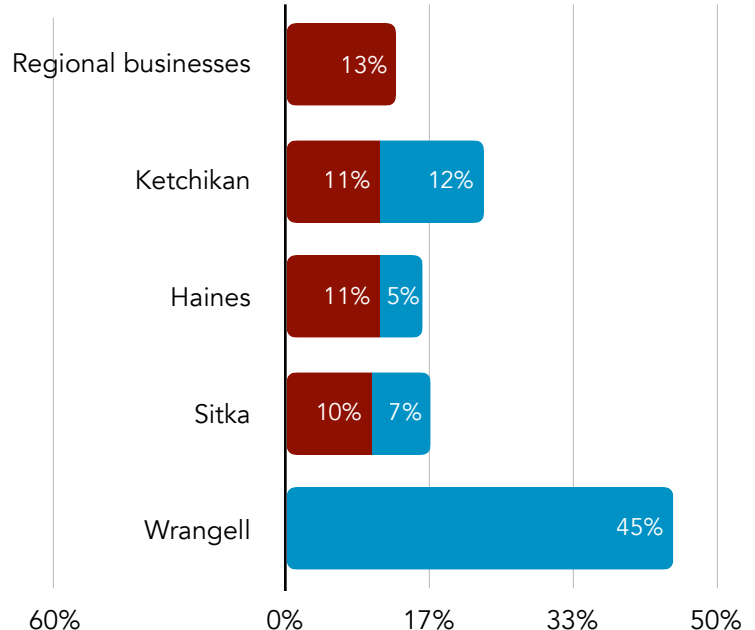
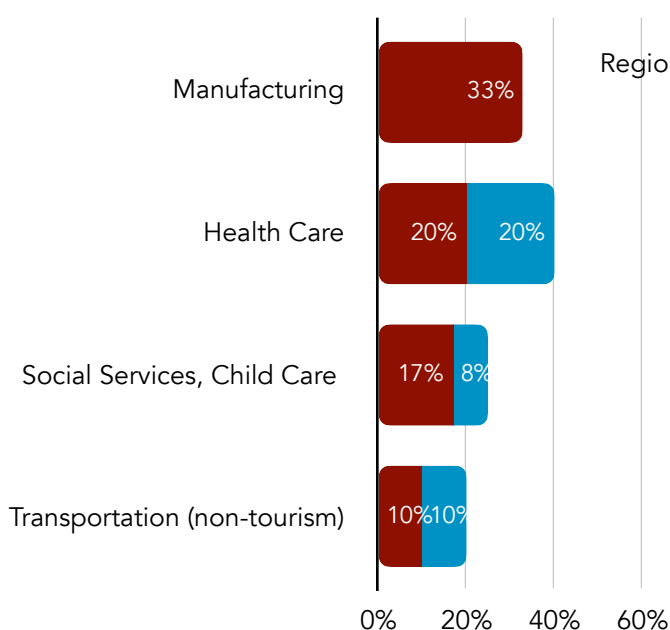


By Community



■ Reduce total jobs

■ Unknown at this time



Barriers and Benefits: How do these elements impact your Southeast Alaska business?

Southeast Alaska business leaders were asked to rank the impact of 27 elements on their businesses. This is a weighted ranking of their responses. Some breakout data is also highlighted.

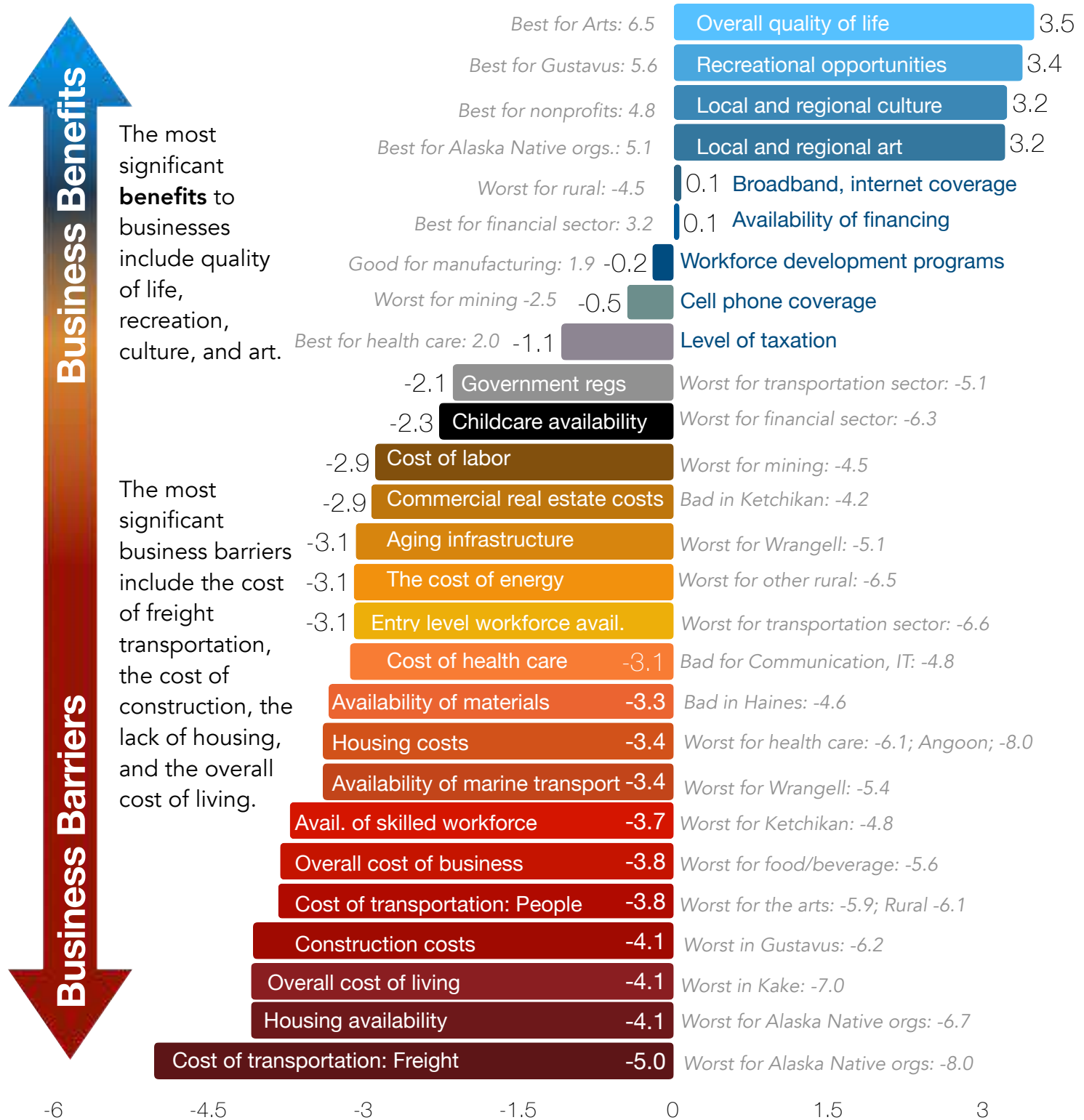


Chart shows weighted responses. Full tables on following pages.

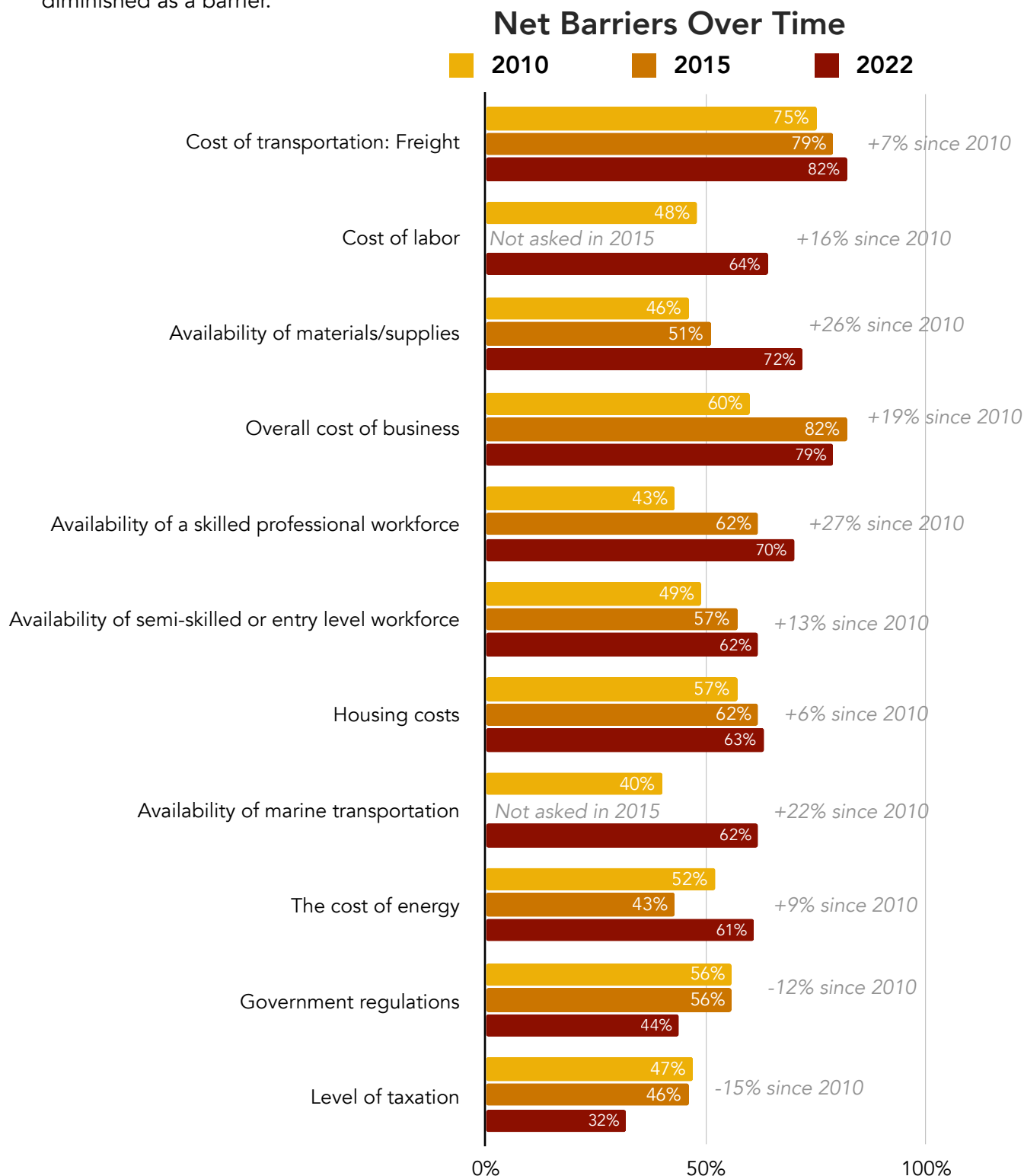
Barriers and Benefits: How do these elements impact your Southeast Alaska business?

Business leaders say the overall quality of life, access to recreation, local culture, and art help their businesses the most; while the lack of housing and the high cost of freight in the region represent the most significant business barriers.

Southeast Alaska Business Barriers and Benefits					
Element	Significant Benefit	Moderate Benefit	Not A Barrier Or Benefit	Moderate Barrier	Significant Barrier
Cost of transportation: Freight	2%	1%	13%	29%	56%
Housing availability	2%	3%	23%	23%	49%
Construction costs	1%	2%	22%	31%	44%
Overall cost of living	1%	2%	14%	47%	37%
Cost of transportation: People	1%	1%	22%	37%	38%
Overall cost of business	1%	3%	15%	50%	32%
Availability of a skilled professional workforce	2%	2%	22%	35%	39%
Availability of marine transportation	3%	4%	24%	30%	39%
Housing costs	2%	3%	27%	30%	37%
Availability of materials/supplies	2%	1%	22%	46%	30%
Cost of health care	1%	1%	33%	32%	33%
Availability of semi-skilled or entry level workforce	1%	4%	28%	36%	31%
The cost of energy	2%	5%	24%	37%	32%
Aging infrastructure	1%	2%	32%	34%	32%
Cost of labor	1%	2%	31%	40%	26%
Childcare availability	1%	1%	48%	21%	29%
Commercial real estate costs	2%	2%	32%	33%	31%
Government regulations	3%	5%	40%	25%	27%
Level of taxation	5%	7%	44%	28%	16%
Cell phone coverage	12%	15%	28%	29%	16%
Local/regional workforce development programs	3%	15%	52%	20%	10%
Availability of financing	5%	18%	50%	15%	12%
Broadband, internet coverage	14%	18%	28%	26%	14%
Local and regional art	26%	28%	42%	3%	1%
Local and regional culture	30%	26%	38%	4%	2%
Recreational opportunities	33%	22%	37%	6%	2%
Overall quality of life	35%	33%	19%	11%	2%

Barriers: How do these elements impact your Southeast Alaska business? 2010, 2015, 2022

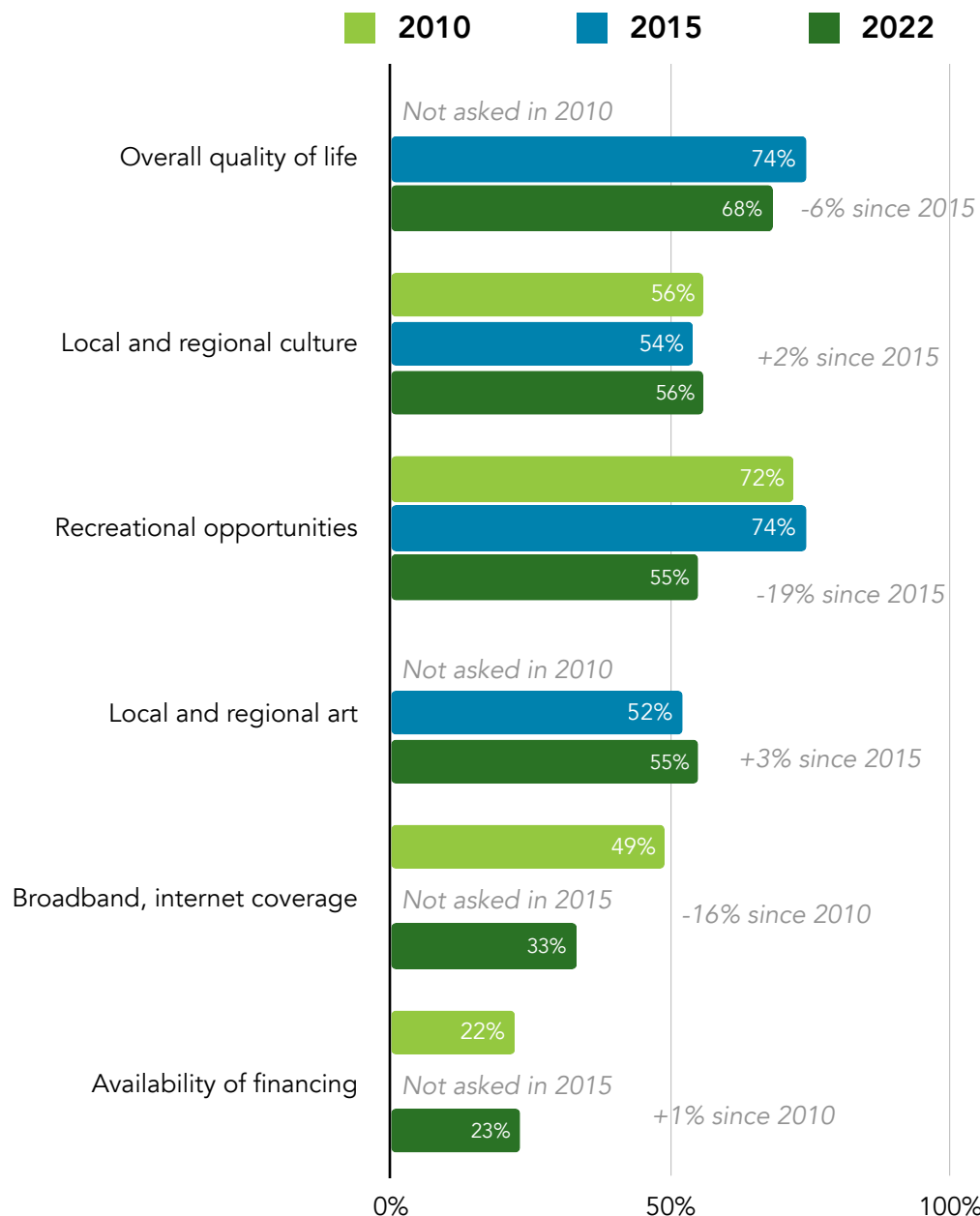
Comparing net barriers across time (moderate barrier + significant barrier responses), freight costs continue to be a top barrier, workforce availability has significantly increased as a barrier, as has the availability of supplies and access to marine transportation. Government regulations and taxation has diminished as a barrier.



Benefits: How do these elements impact your Southeast Alaska business? 2010, 2015, 2022

After the hard pandemic years, business leaders were less likely to rate overall quality of life and recreation as business benefits as they have in the past. However, arts and culture were valued slightly more as business benefits. In the “significant benefit” category, both arts and culture increased by 4% over 2015 ratings. Net benefits adds together ratings of moderate benefit and significant benefit.

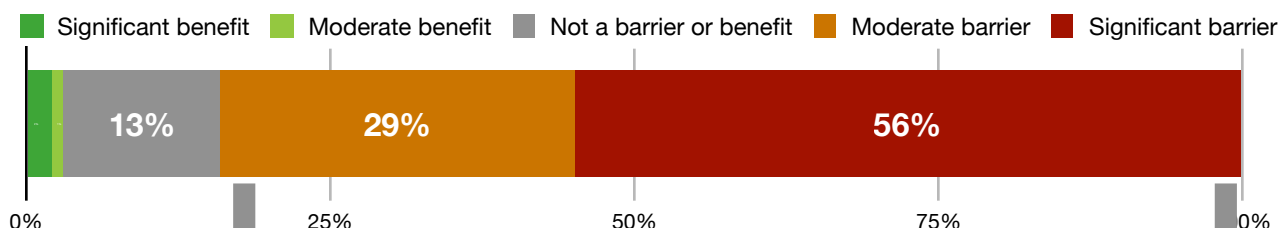
Net Benefits Over Time



Barriers and Benefits: Breakout Examples

With so much data, many different breakouts can be developed to pinpoint and fine-tune how to best improve the overall health of any regional sector or specific community. The below example delves into freight transportation. The top business barrier selected by regional businesses overall is the cost of freight.

How does the cost of freight transportation impact your business?



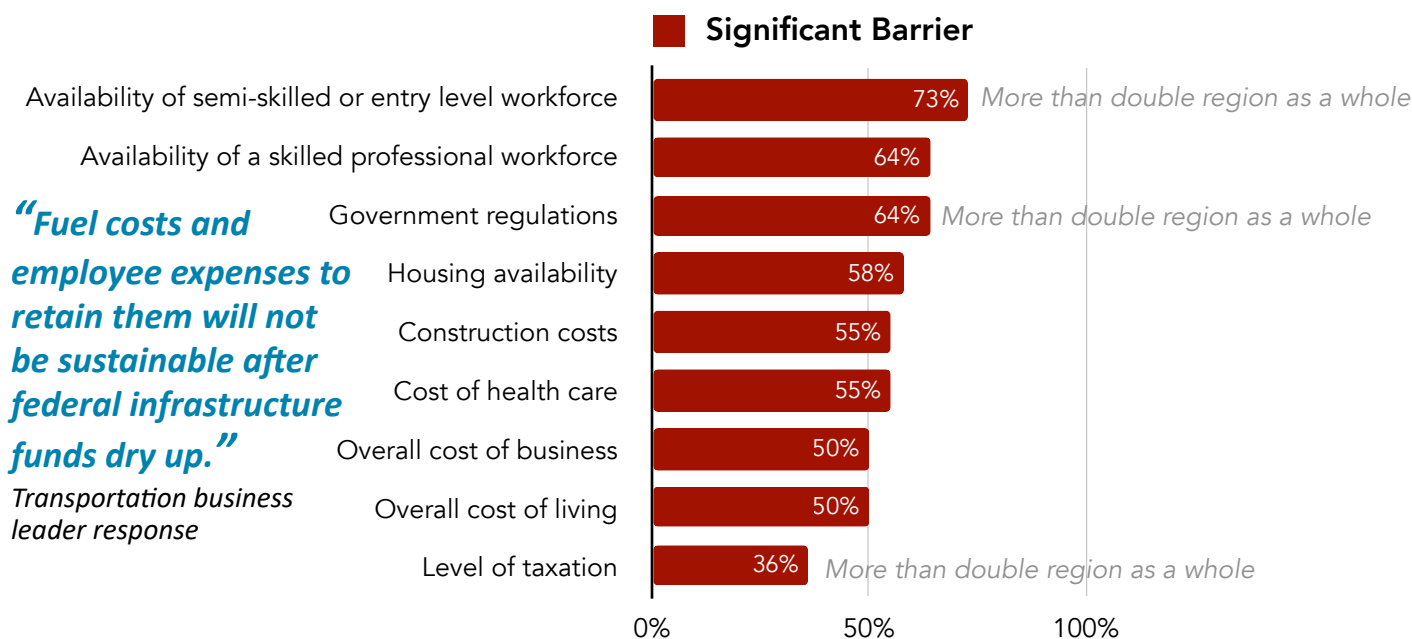
85% of business leaders say that freight costs are a **barrier** to their business.

85%

Recognizing and alleviating the magnitude of barriers for the non-tourism transportation sector should conceptually help all sectors, therefore the transportation sector is looked at independently below. The non-tourism transportation sector identifies eight areas in which half to three-quarters of respondents called a "significant barrier" to business. These are led by a workforce availability, government regulations, and housing availability for workers.

Breakout Sector: Transportation (non-tourism)

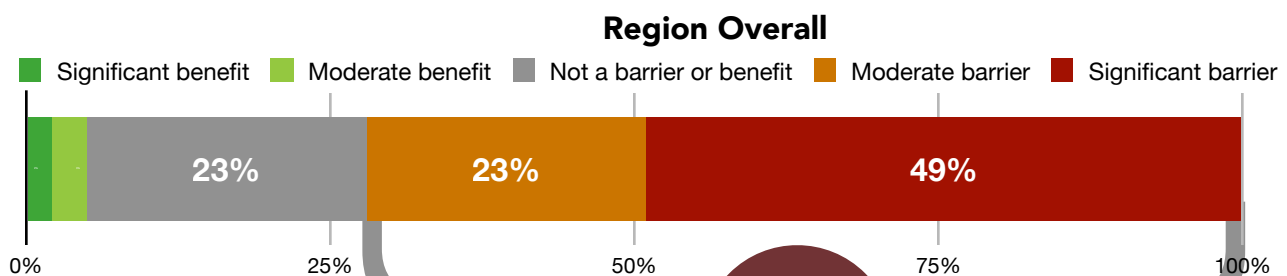
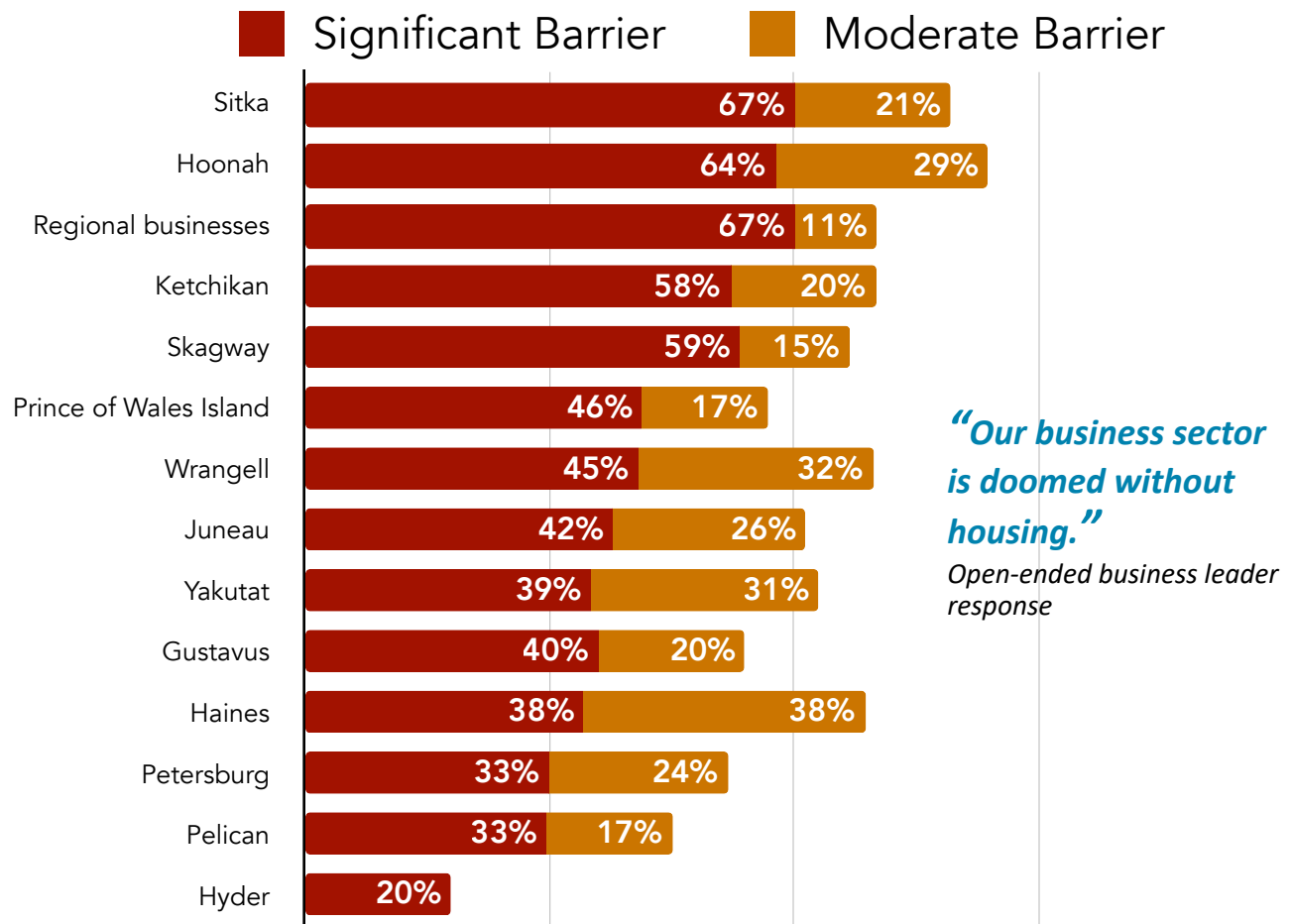
Responding Transportation Businesses = **13**; Total Workers Represented = **750**; Average Years Operating = **26 Years**



Barriers and Benefits Breakout Example: Housing Availability

Housing is a significant problem for businesses across the region, and 72% of business leaders say that the lack of housing is a business barrier. Sitka has the most acute housing problem, followed by Hoonah, Ketchikan, and Skagway. Owners of regional businesses are especially struggling with the impact of the lack of housing on their businesses in Southeast.

How does housing availability impact your business in Southeast Alaska?



72% of SE business leaders say that lack of housing availability is a **barrier** to their business.

72%

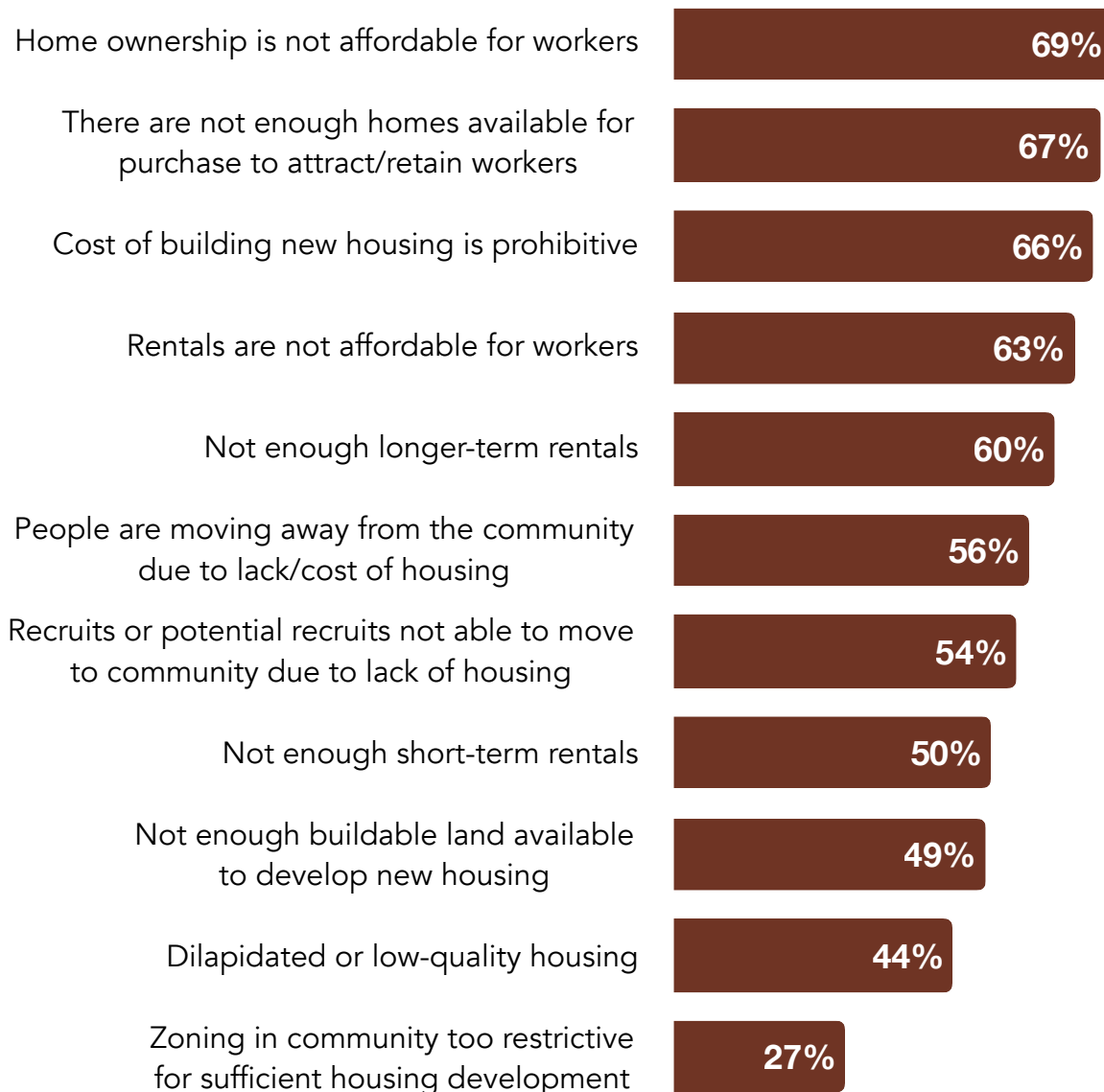
Housing: Which of the following impact your business? (check all that apply)

Housing is a problem repeatably mentioned by business leaders across the region. To better understand the scope of the problem, business leaders were ask to identify which housing issue specifically impact their own business.

Not Affordable: 69% of respondents say that home ownership prices are too high for their staff; and 63% say rental prices are too high.

Not Enough: 67% say there are not enough homes on the market to attract and retain workers; and 60% say there are not enough rentals to meet the housing needs of their workforce.

Housing Elements Impacting Businesses



Housing: Which of the following impact your business? Top Impacts

The severity of housing shortages and high costs across the region are limiting the ability of communities and industries to attract and retain a sufficient level of workforce to consistently meet operating needs. The highest area needs by community and sector for the top five housing concerns are presented below. However the impacts are cross region and industry.

By Community

Home ownership is not affordable for workers 69%

Regional Businesses 89%
Ketchikan 76%
Petersburg 74%
Skagway 72%
Sitka 70%
Rural 69%
Juneau 67%

By Industry

Financial Activities 100%
Mining 100%
Manufacturing 100%
Alaska Native Organizations 88%
Communication/IT 82%
Food/Beverage Sector 79%
Transportation 73%

There are not enough homes available for purchase to attract/retain workers 67%

Regional Businesses 89%
Sitka 88%
Prince of Wales 87%
Wrangell 86%
Petersburg 70%
Rural 69%
Ketchikan 65%

Alaska Native Organizations 88%
Financial Activities 83%
Communication/IT 82%
Transportation 82%
Real Estate 82%
Nonprofits 73%
Social Services 70%

Cost of building new housing is prohibitive 66%

Regional Businesses 78%
Hoonah 75%
Petersburg 74%
Sitka 73%
Haines 72%

Real Estate 91%
Financial Activities 83%
Alaska Native Organization 75%
Communication/IT 73%
Arts 70%

Rentals are not affordable for workers 63%

Regional Businesses 78%
Sitka 76%
Juneau 70%
Ketchikan 69%
Hoonah 67%

Manufacturing 100%
Food/Beverage Sector 89%
Alaska Native Organizations 75%
Communication/IT 73%
Arts 70%

Not enough longer-term rentals 60%

Sitka 82%
Prince of Wales 79%
Wrangell 76%
Haines 72%

Alaska Native Organizations 88%
Health Care 80%
Manufacturing 80%
Transportation 73%

Which of the following services would help your organization expand in Alaska? (check all that apply)

The service that regional businesses say would help the most their businesses expand is increased housing available for their workforce, followed by transportation infrastructure improvements, and increased childcare availability.

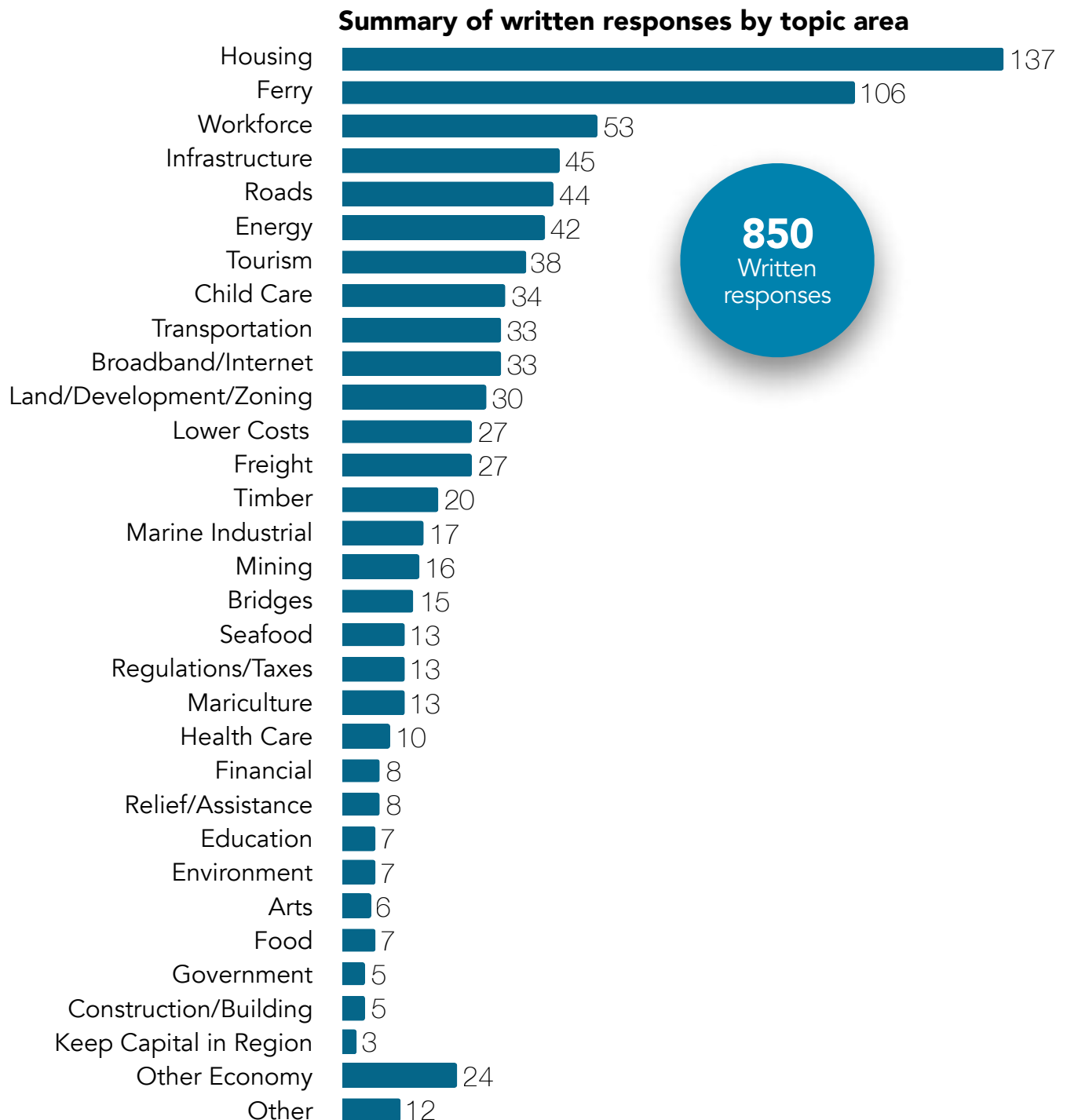
Services That Would Help Organizations Expand



What are the 3 most important projects to advance economic growth in Southeast?

(Open-ended written responses)

When asked about the most important project in the region that would advance economic growth, the top responses were focused on housing, ferry service, and workforce development. Respondents provided more than 700 written responses to this prompt.



How would you rate the **Quality of Life** in Southeast Alaska?

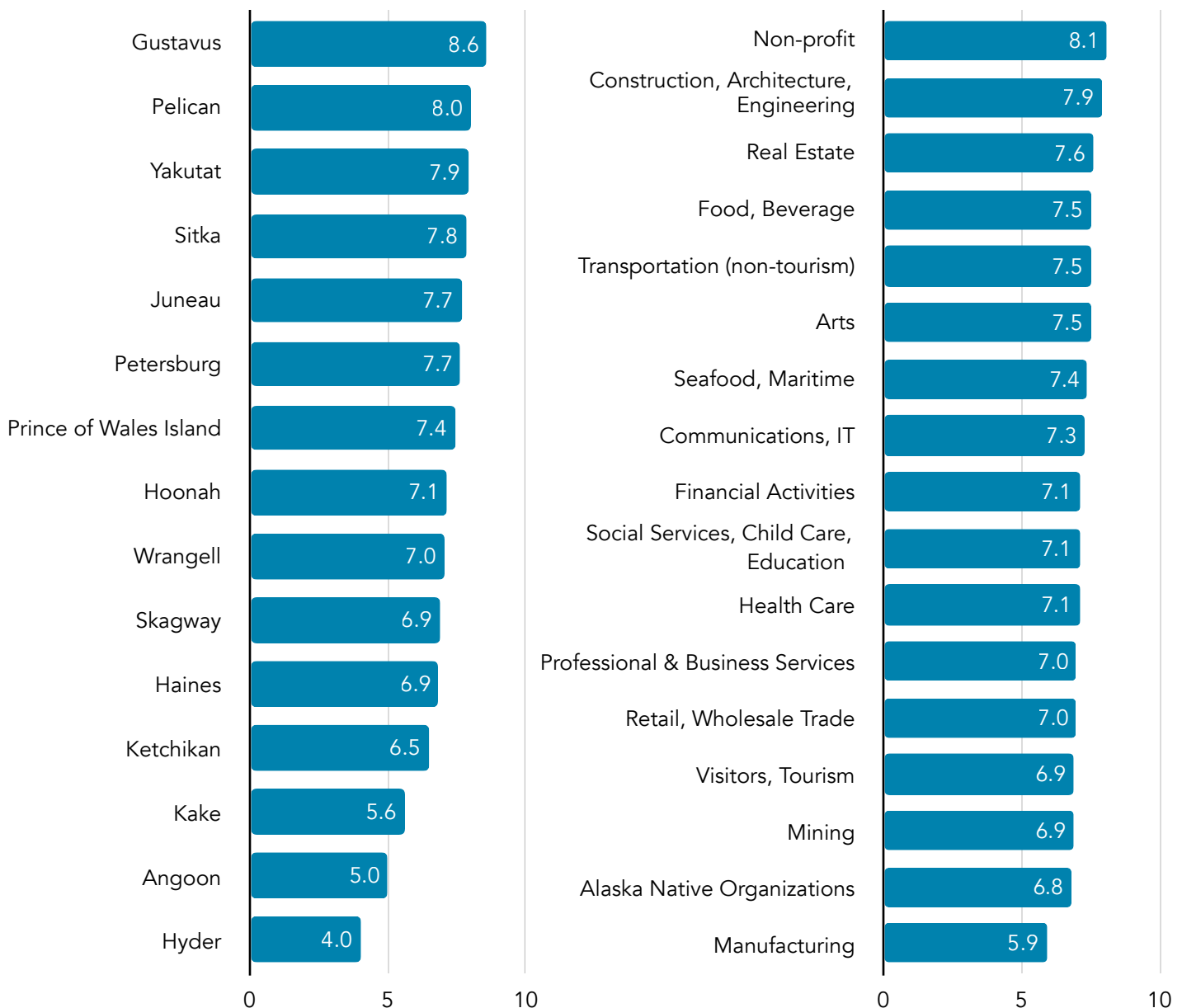
Southeast Alaska is known for its high quality of life ratings. Among business leaders, the overall quality of life rating is 7.2 out of 10. Gustavus, Pelican, and Sitka business leaders give the region the highest ratings, while Kake, Angoon, and Hyder have the lowest. Those in the nonprofit sector and the construction/architecture/engineering sector provide the highest ratings, while those in tourism, mining, Alaska Native organizations, and manufacturing provide the lowest ratings.

7.2
SE Quality of Life

By Community

By Industry

■ Southeast Quality of Life



What is your general feeling about Alaska's economic future?

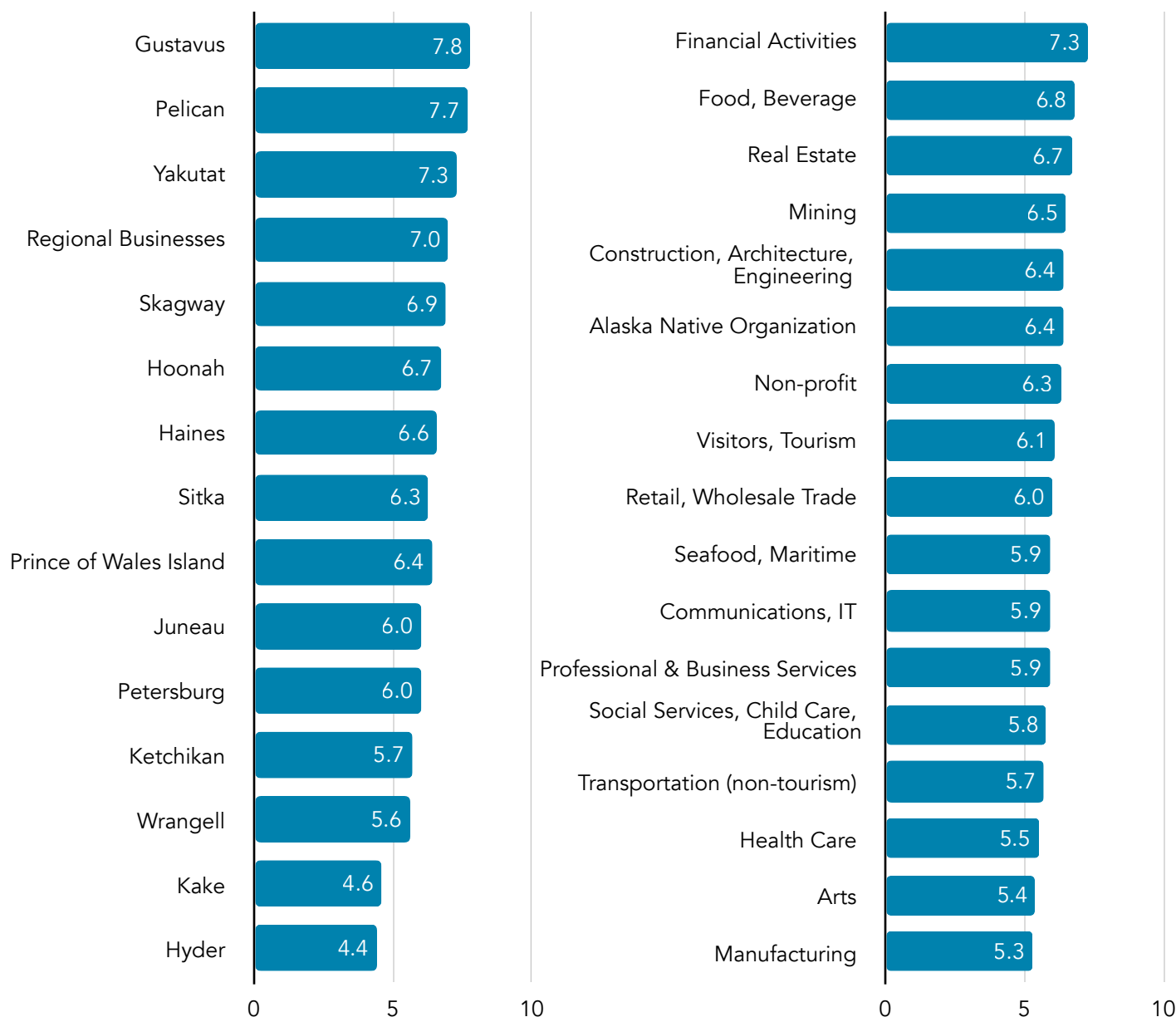
Regional business leaders rated Alaska's economic future 6.1 out of 10, with 10 being the highest. Comfortingly, Financial Activities provided the highest rating, followed by the food and beverage sector. The lowest ratings were provided by health care, arts, and manufacturing sectors.

6.1
AK Economic
Future

By Community

By Industry

■ Alaska's Economic Future



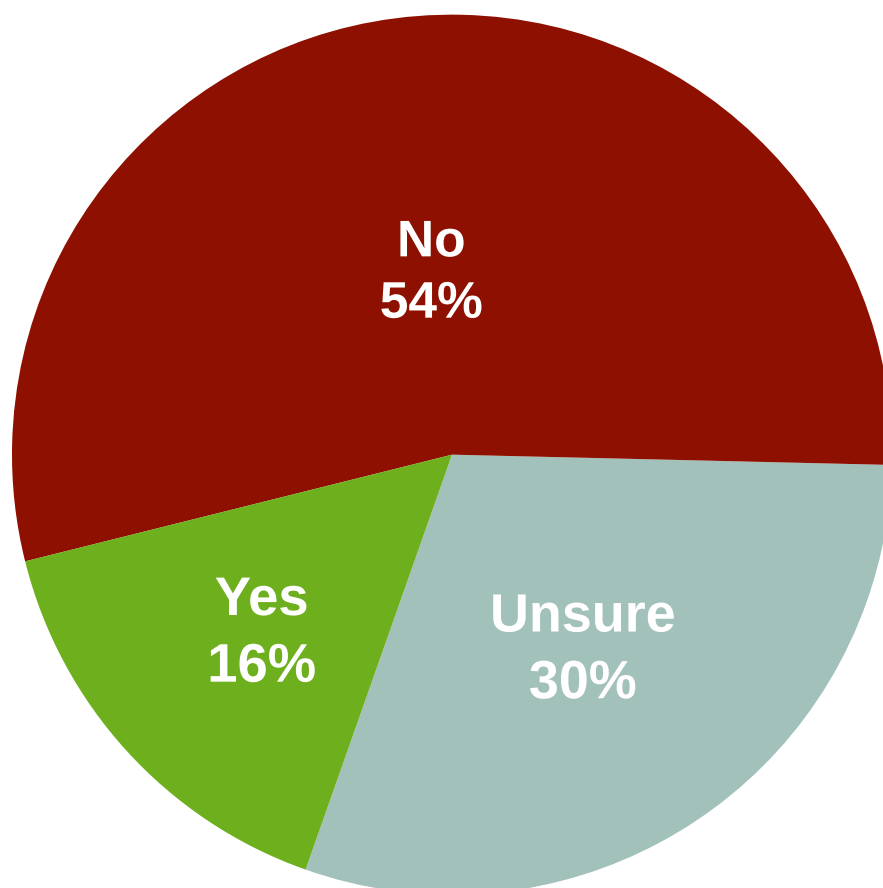
Should there be a Constitutional Convention?

This year a polling question was also added: A constitutional convention consists of elected delegates proposing changes to the state's constitution, opening up the entire constitution for revision. Article XIII, section 3 of the Alaska Constitution provides that "if during any ten-year period a constitutional convention has not been held, the lieutenant governor shall place on the ballot for the next general election the question: "Shall there be a Constitutional Convention?" Alaska voters rejected the call for a constitutional convention in 1972, 1982, 1992, 2002, and 2012. Alaska voters will be asked to vote on whether to convene a constitutional convention at the next general election on November 2, 2022.

Southeast Businesses:

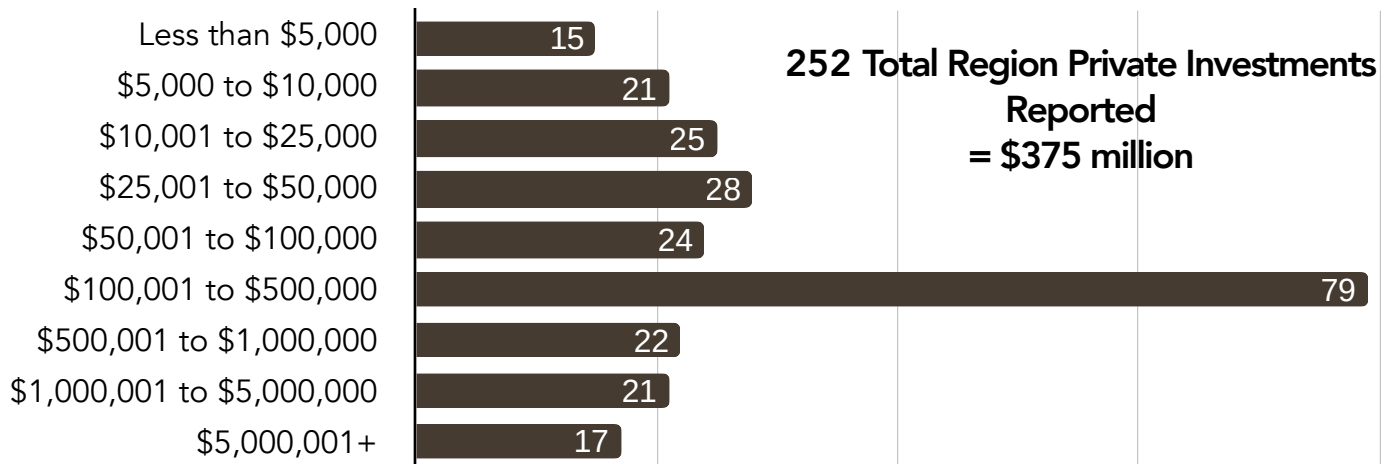
Should there be a Constitutional Convention?

16% Positive / 54% Negative



Southeast Private Investments

Participating Southeast businesses said they invested \$375 million in their businesses over the past 12 months. Investment is considered any expenditure beyond typical business and payroll expenses. Investments were most likely to fall into the \$100,000 to \$500,000 range. Tourism, mining, Alaska Native organizations, transportation, and energy companies invested the most in projects over the last year.



Reported Investment by Sector 2022

Sector	Investment
Visitors or Tourism	\$64,128,179
Mining	\$52,235,390
Alaska Native organizations	\$51,181,882
Transportation (non-tourism)	\$47,903,268
Energy	\$39,059,270
Financial Activities	\$25,925,000
Communications / Information Technology	\$17,414,326
Seafood, Commercial Fishing, Maritime	\$14,835,710
Child Care, Education, Social Services	\$13,185,960
Construction / Architecture / Engineering	\$10,704,771
Other manufacturing	\$9,632,000
Retail / Wholesale Trade	\$9,046,138
Food/Beverage Services	\$7,923,746
Real Estate	\$2,494,792
Professional & Business Services / Consultant	\$2,132,066
Health Care	\$1,499,167
Other Non-profit	\$1,184,911
Arts	\$321,397
Agriculture	\$45,000
Other	\$4,000,000
Total	\$375 million

Investment in CEDS Areas

One of the purposes of this survey is to allow us to track investments into projects that are part of the regional economic plan, also called the Comprehensive Economic Development Strategy (CEDS). Of the 252 private investments that were reported, 115 were invested in CEDS priority objective areas, including 15 project funded by the EDA and 40 projects funded by other federal sources. \$172 million was reported to be invested into the Southeast Conference designated CEDS priority objectives over the past year.

**Total Region Private Investment Reported 2021
= \$375 million, including \$172 million in CEDS priority areas**

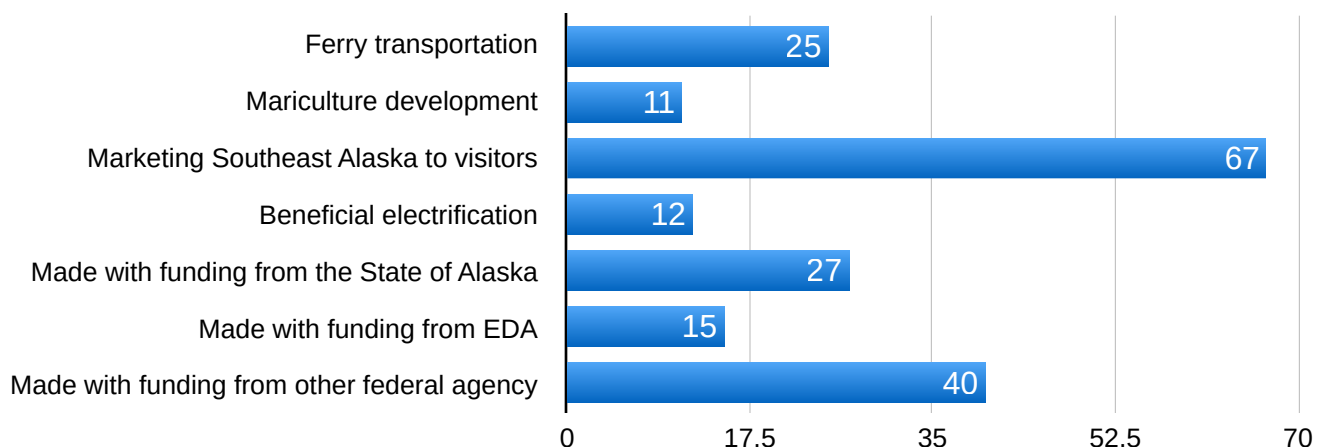
Was your investment specifically in one of the areas below?

Answer Options	Number of Investments
Beneficial electrification	\$58,162,435
Ferry transportation	\$15,838,121
Mariculture development	\$6,288,882
Marketing Southeast Alaska to visitors	\$91,647,289
Total	\$172 million

Did your projects use funds from any of the following sources?

Answer Options	Total Investment
State of Alaska	\$42,779,672
EDA (US Economic Development Administration)	\$44,842,487
Other Federal Agency	\$56,960,764

Count of Project by CEDS area and investment source





Appendix

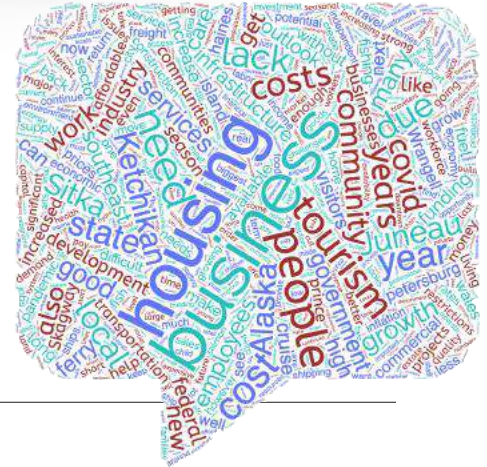


Open Ended Responses

Please elaborate on the outlook for your business or sector over the next year.

More than 230 businesses took additional time to write about their expectations, hopes, concerns, and needs for the upcoming year. The most frequently used word, among the 12,000 written, was housing.

The full comments of business leader are presented below:



Agriculture

Gustavus

Business looks good for commercial sales of produce as long as there are strict PFAS regulations and mitigation plans put into place.

Alaska Native Organizations

- Tourism returning to Southeast with large cruise ships will increase prosperity for all businesses and local governments.
- We are hitting the SBA 8a very hard, but that does not really promote the economy for Southeast Alaska. Projects like waste to energy, biomass development, waste heat to operate green houses. These examples are not like exporting gold or oil, but one thing they do create is a lot of jobs.
- Tourism sector is on the rebound. During the hiatus several cultural and arts related programs have made considerable capital and human resources investment to meet the demand expected from the resurgence in visitors to Southeast Alaska.
- Our Council has been overwhelmed with the amount of money and choices that the pandemic brought. It would be incredibly helpful to have a directory of growth/business consultants for hire. We need someone who can look at our community's priorities that the Tribe can help with (expanded tourism, healthcare, and cultural education), and help design a plan for the next 2-5 years.
- We are still building back from the "Pandemic", and we are finding it difficult to find professional help in the workforce available. Some of our Federal funding comes with many restrictions which makes it difficult to accomplish many of our endeavors. Less oversight and greater assistance to get back on our wobbly feet.
- Deferred maintenance in a public services like police, fire, EMS, water lines, streets, restoration of artifacts are all large dollar items that get overlooked in the discussions about economic development.
- We are modifying our business model to accommodate for the lack of housing. One of the ways that we are doing this is by attracting and hiring remote workers. Maintaining a remote workforce, however, presents its own series of issues. From a management standpoint there is the issue of technical assistance and oversight.
- There is a high potential for tourism development, such as having summer rental units for summer visitors. Summer visitors could support retail sales here.

Arts

Haines

I foresee financial recovery due to cruise ship traffic. Creative programs locally put on hold. Possible loss of main studio gallery due to issues with landlord, complicated by policies that seem counterproductive by local, state and federal governments making art sales difficult. High cost of transportation, decreased ferry service, lack of state advertising, border issues, pandemic effects all contribute to sales difficulties.



Juneau

Photography has been on a decline for years and is very competitive and likely won't change much in the foreseeable future. However, about half of my business relies on tourism, couples visiting and eloping in Alaska want photos. Tourism needs to be back up and running again.

Juneau

The outlook for my work in the performing arts looks encouraging as long as our communities continue to follow the science on how to keep the coronavirus variants under control to allow audiences to return to arts and culture events.

Juneau

We believe the outlook is strong, as arts are a strong contributor to the economy, and continue to grow.

Ketchikan

Business should improve with the return of tourists; however, the City of Ketchikan is making it very difficult for local artists to sell their products. We desperately need more space where local artists can sell their own art at a booth. We are currently only allowed to sell our own art during Blueberry festival, which is one day of the year. Allowing local artists to put up booths downtown on the docks during cruise ship season would exponentially improve the quality of life for many Ketchikan residents.

Petersburg

Due to our hospitals constant and forever "yellow" status for Covid certain cruise boats cannot disembark in our port. That's a huge hit to many businesses and the borough. For those of us in retail that tourism impacts Covid restrictions are the biggest short-term hurdle we face.

Petersburg

Politics and too many State employees and way too many rules and regulations make business all over Alaska a nightmare.

Wrangell

Much of the outlook has to do with how successful the upcoming travel and tourism season might be. Covid-19's impacts were devastating, and we are hopeful to have visitors again. We are so impacted by the cost and difficulty in moving ourselves, products, and customers throughout the region. The pathetic Alaska Marine highway service is crippling to our region and commerce. The cost of freight to get materials and move product is challenging.

Communications / IT



Juneau

Recruitment of entry-level to mid-level employees to SE Alaska is bleak. Rents/Housing if available at all are very high. Young families are looking to other regions to settle in. These are the families that we should target. They create roots, they spend their money locally.

Juneau

State spending is still down, ARPA/Infrastructure/BBB unclear where and how it will bring monies to communities/state.

Ketchikan

Advanced telecommunications infrastructure not only makes Ketchikan a desirable place to live, but it should also make Ketchikan a desirable community to invest in housing infrastructure. Our community offers many benefits for permanent residence, from our vibrant art scene, recreational opportunities, beautiful landscape, and the previously mentioned world-class fiber to the home network that connects Ketchikan seamlessly with the rest of the world. As long as our housing and social support expands to meet the needs of our growing population, we can expect continued economic improvement in all sectors.

Ketchikan

Due to increased investment in our network, we are expanding technical offerings to our customers and community. We are excited about the future

Ketchikan

We feel there is a lot of movement with people moving into the area, building, and establishing new residences. And in our satellite communications business we are being contacted a lot because many of these homes are in remote areas.

Petersburg

I believe I will see growth level off soon as I am unable to bring new employees in due to quality of living situations and the extremely high costs and low availability of housing.

Skagway

The greatest challenge for our sector is how to manage tourism in a way that maintains quality of life for our residents and provides a quality experience for visitors. In 2019, the large visitor numbers were barely manageable by some of our communities. With the staffing shortages and high cost of living in Alaska, we need to seriously address these issues.

Wrangell

Without financial support from local, regional, or state funding, we will close in 4 years because without that funding, we don't meet guidelines for federal funding.

Construction, Architecture, Engineering

Juneau

There will be a good chance we will be closing one of our businesses that has been quite successful if we cannot obtain more employees soon. This is a result of not having a pool of people to choose from, the difficulty in relocating people to Juneau, and the fact there is no decent rental housing available. The VRBO market is out of control in Juneau and needs to be limited.



Juneau

Planning, design, and construction continues to be strong, however with shortfalls in human resources a lot more work is being exported out of region/state - that is a loss to our local community. We need to create an environment that makes housing, schools, healthcare, senior care available to encourage younger and middle-aged professionals to move here and live here. Younger folks with growing families, middle-aged folks with aging families, an opportunity is lost when we can't accommodate both here.

Juneau

Plenty of projects, not enough skilled labor.

Juneau

1. We need to capitalize on our hydroelectric, wind, and tidal power potential to make all our communities and our transportation, supply, tourism, and fisheries sustainably powered. Otherwise, our economy will hit a wall in the next 15 years. 2. Short term, we need more-frequent, lower-cost, and sustainably powered ferries. 3. Short term, we need decent, affordable, sustainable housing.

Juneau

Refrigeration repair and installation is in a bad state of affairs and will only get much worse in the next year. Between companies and agencies being unwilling to replace their decaying equipment, and my industry's inability to recruit skilled labor, Southeast Alaska will soon see a catastrophic infrastructure failure.

Juneau

The design and construction industry, particularly in public sector, has been in a period of decline, even before Covid impacts. Recent Federal and CBJ initiatives are trying to move investment dollars into the design and construction pipeline, which is excellent. The State of Alaska should focus on an increased, and stable, capital works program so that critical facilities like new and renovated schools, fire stations, etc. can be planned and executed through a reasonably predictable process.

Ketchikan

Construction of infrastructure and housing will come on strong in the fourth quarter and first half of 2023 due to economic rebound of the tourism businesses and after a strong fishing season. Federal Government stimulus funds for infrastructure projects will begin to affect the economy. In the private

sector interest rates will rise and inflation will increase as long as the federal government continues to hand out freebies. Supply chain issues will continue thru 2023 and skilled labor shortages will affect completion schedules on most existing and future projects.

Ketchikan

I believe we are losing quality experienced workers due to the poor economy we will need to offer some sort of training. We also need to open up some state federal and borough land incentives for first time homeowners like on Gravina island for instance all that empty land is just sitting there no one is using it let these lower income people have a fighting chance at an affordable piece of land or we too will end up like Oregon and Washington with giant numbers of homeless.

Ketchikan

It is our hope that folks continue to remodel homes and build new ones so we can keep providing products and services for them. If interest rates go up this will affect our business. Folks may not spend as they had planned.

Ketchikan

We need to straighten out the State's fiscal dilemma. There is no reason that our State should be continuing to cut important programs while still handing out PFDs. One idea that should be considered is making the PF payments to be used as a flat tax going directly to the general fund. Another would be a state income tax to do the same.

Prince of Wales Island

Investment being made in low-income housing upgrades for tribal citizens has and continues to provide a significant source of income for construction businesses like ours. Housing availability in and around Craig make it difficult to attract and retain a qualified workforce. Also impacting our ability to expand our workforce is the lack of suitable candidates (lack of work ethic, inability to keep a driver's license, etc.).

Prince of Wales Island

We are busy, but we cannot increase employees. No one wants to work, there is no place to house, and there is no child care.

Wrangell

Our business mission is to create housing. The cost of materials has skyrocketed which is very concerning given we are doing a renovation right now. Without housing we are detracting people from coming here to work/raise families, etc. We also have housing that is substandard which people don't consider substandard because they are not familiar with a higher standard - a healthier standard.

Energy

Regional

I am very concerned about the lack of grant funding for new hydro construction. We have two projects that are nearly shovel ready. The federal infrastructure bill doesn't include funding for new hydro construction, and the State of Alaska is only investing \$15 million. The State REF investment is not enough to build a hydro project. Also, their limits have been reduced from \$8M per project back in 2008 to only \$2M now. That is simply not enough to build a hydro project, let alone even a solar farm or wind project.



Regional

The outlook for the utility industry will be heavily tied to federal funding available for special projects. There is an unprecedented level of funding available for special broadband and energy projects, but Alaska-specific needs are oftentimes a difficult fit for available programs and scoring / prioritization systems. It is encouraging to see "earmarks" return to help address unique needs and requirements, but the rules associated with them are too restrictive/confining.

Ketchikan

Next year is forecasted to show signs of moderate power growth. As always weather dictates the generation capacity and customer demand.

Petersburg

In the power supply business, beneficial electrification is coming forward to slowly grow the electrical demands in the region. This is pushing communities to develop additional sources of generation (hydro) and to increase standby generation (diesel) to support communities when hydro is at its limit or unavailable. These trends cause expenses to rise and ultimately rates must increase to support the infrastructure needs. Power costs are historically very low for hydroelectric communities, but those costs are increasing as infrastructure ages and renewal, for reliabilities sake, is required. The power sector is navigating the increased loads and costs while still attempting to keep rates at reasonable levels to encourage growth of other sectors. It is a fine balance at this time, but the power supply sector cannot help but grow as loads and demand increases.

Financial Activities

Haines

The financial services sector share the outlook of our local business customers.

The return of cruise ships and the visitor industry in 2022 should create new opportunities beyond what was happening in 2020-2021 for us and our customers. I am also optimistic about new local capital projects and federal funding. Threats to our business would be rising

interest rates, inflation, and the potential for economic recession. Closer to home our challenges for 2022 will be staffing levels and retention of employees.



Juneau

Growth potential in my industry is dependent on the return to health for the tourism industry for starters. This will require not only cruise ship traffic, but their ability to hire labor so that they can fully operate, which then goes back to our lack of housing. This is true in ALL of Southeast Alaska tourist destinations. And "affordable housing" is a futile effort but at this point adequate housing, and high-density housing, possible temporary/seasonal housing, would be beneficial. Interestingly in this industry, the large amounts of federal funding given out to organizations due to Covid has, although for good purpose, also caused negative impact. Or maybe a better word would be that it has created challenges. I also believe we have an artificially high real estate market in both residential and commercial sectors in Juneau. Supply chain issues and construction costs have an impact, as does supply/demand. And although I do think we have a shortage of land, our city planning department making development of existing private land more efficient and reasonable would also help a great deal. Lastly, interest rates are on the rise which might help to curb inflation nationally - but will also begin to make access to financing still available - but at a higher bar for qualification.

Sitka

The outlook is good with independent travelers increasing, cruise ship tourism numbers up, a promising fisheries outlook, pandemic restrictions down, healthcare numbers up, etc. With extreme affordable housing (rental and purchase) limitations potential economic growth will be limited. A community MUST make available buildable lots for workforce housing in order to grow. Civic and business leaders must work together to create a variety of workforce housing.

Food, Beverage Sector



Haines

To get back to pre-COVID years we need more ferry dockings, and we need a cap on increased shipping costs (specifically rising rates). On a positive note, with Canadian border restrictions loosening up a bit we are seeing more Canadian visitors, and if/when all restrictions are dropped, we expect to see more flow across both borders. More cruise ships are scheduled to dock in Haines, yet to maintain our quality of life I understand, and support restrictions should there be more COVID outbreaks.

Hoonah

Our business is being bypassed by cruise ship passengers. Icy Strait Point now busses tourists to the harbor area, no stopping near our business. The road is too narrow for the busses to stop safely near our business. The business next door has already closed its doors.

Juneau

Housing & affordable housing is the #1 problem recruiting new talent to Juneau.

We need to look at our crab industry to see why stocks are dwindling. Trawler bycatch should be revisited on a federal level. Shipping costs and COGS are too high to be sustainable in the future.

Juneau

I have been working part-time at the only locally owned grocery store in Juneau since 2018. With the start of the pandemic in 2020, I have been witnessing, on the front lines, the failure of the national supply chain system and the vulnerability of our communities due to the heavy dependence on imported foods and goods. This inspired me to start a local food production business focusing on local mushroom production since we live in a pristine rainforest conducive to fungi. My company has partnered in conducting regional feasibility study for commercial mushrooms, and currently focusing on displacing imported drinks with health-boosting local options while developing mushroom-based products including drinks. The covid-19 pandemic has proven that the health of our community members and environment is the most important wealth and security. As Hippocrates said, "Let food be thy medicine and medicine be thy food," we have access to abundant medicine that grow around us in our pristine environment. It is the matter of using local and sustainable energy sources to grow and cultivate healthy foods in our healthy soils. That provides further opportunities for creativity by value-adding to local mushrooms as supplements or local produce as fermented foods or dehydrated camp foods.

Juneau

Increased customer traffic post Covid and with tourism rebound.

Juneau

Our biggest struggle is to find workers. Our current staffing level is not sustainable.

Juneau

Prohibitive cost of goods and shipping charges. Lack of affordable business boat condos for product storage. Restrictive regulations and high expense with permitting with DEC for baking at shops while home bakers pay almost nothing, have no regulations and are taking away business by being able to charge less because they do not incite the same fees. Lack of childcare and expenses of child care. Housing is unaffordable. Those with money buying up second homes for Vrbo airb&b leaving no housing for locals. Overall sense of going backwards in Juneau with younger ages all wanting to move out for opportunity to succeed. The foundations of a healthy community are crumbling as Juneau becomes a mini-Seattle.

Ketchikan

Cruise season looks strong. Our success is dependent on finding enough staff to be open 7 days a week to maximize the potential, which hasn't been successful so far.

Petersburg

We anticipate a slightly increased positive outlook for our business compared to the previous year; however - overall - we are still struggling to maintain the same positive outlook that we had prior to 2020.

Sitka

The restaurant industry is thriving in Southeast. The only problem is finding skilled workers. A barrier to this is their ability to find affordable housing.

Yakutat

Outlook was good until the rising costs of products and freight.

Health Care

Haines

After being short staffed since last August we are looking at nearly full staffing by June of 2022 and adding new programs to our practice as a result as well as purchasing land in Haines to build a commercial structure to meet our ADA compliance and staff housing needs. A significant barrier to growth, besides housing, is the process of professional licensing of new therapists which takes too long with an archaic paper process and really hinders our ability to get people to work and clear our long waitlist to get our families served. Alaska participating in the licensing compact agreement our profession is spearheading with 17 states already committed and/or improving the professional license process by going online and reducing wait times would help us significantly. As there are very few providers of our type in SE and our goal is to expand further than our current operations in Skagway, Haines, Klukwan and Juneau to other SE communities (Angoon and Hoonah to start) ferry service is absolutely essential to our operations. It would also be of great benefit to our clients and the environment for Alaska Medicaid travel programs to offer the ferry as an option without the hassle people with disabilities experience in getting this authorized currently. Many people cannot medically fly or have significant access issues and are not allowed to choose the ferry as an option without jumping through lots of hoops that are both ableist and unnecessary and further prevent access to healthcare. Why not have one state funded program support another? The way the cost of flights has gone up it is likely less expensive or about the same for folks to ferry in and stay overnight to where they must access care than fly (unpredictably) in and out of communities for care. Our schedule is frequently disrupted by flight cancellations and results in lost revenue and poorer health outcomes overall. The somewhat restored ferry service this last winter compared with 2020 was a significant factor in the threefold growth of our practice allowing providers to reliably travel to cover various clinics when staffing changes occurred.



Juneau

Critical need for developing non physician elder care workforce. There are needless barriers to becoming a CNA in Alaska. This work, traditionally performed by women, is undervalued. Policy changes to restructure pay scale for elder care (and childcare) workers should be instituted. You get what you pay for. Major business should fund subsidized childcare centers and the State of AK long term care plan must be modernized to include paying for in-home care.

Juneau

People may be apprehensive about COVID and may not want to participate small group activities.

Ketchikan

Lack of workforce is a barrier - I am unable to staff my health care business.

Regional

We are having significant challenges providing healthcare and social services to patients and clients due to a lack of workforce. While this issue is affecting businesses nationwide, the challenge is exacerbated in Southeast by lack of affordable housing, lack of child care, and high cost of living. This year I have had

multiple employees quit, and several candidates for hire accept then decline offer of employment, citing lack of housing in the community. I am concerned that our already strained health care system, and social services for seniors, will collapse due to housing crisis and the gap between pay and cost of living in Southeast.

Sitka

Housing costs so absurdly outpace income. It is too expensive to live here. People in my community buy homes to use solely as vacation rentals, adding to their own personal wealth, while harming the community.

Mining

Haines

Things are looking good for our business in the next year.

Juneau

After 2 quiet years, we are back to being as busy as we want to be, but our issue now is finding recent earth science graduates, and responsible, dependable laborers who are not criminals or drug users.

Juneau

Our business is strong with good metals prices. The challenges will be attracting/retaining people with the willingness and desire to work. SE AK is short on these sorts of people and folks don't seem as willing to move here as they once did. Housing in Juneau is a perpetual problem. Transportation in and out of Juneau is becoming a significant challenge with airline issues and ticket prices. These challenges all pose significant risks to the business in 2022.

Ketchikan

we are presently working on, and investing in projects in the Interior and western remote Alaska instead of Southeast Alaska.



Manufacturing

Juneau

While there is lots of work for a manufacturing firm like mine, the lack of workers makes it hard to forecast how much of the market we will be able to serve. The lack of workers along with the high cost of transportation is stifling. Add in the rising inflation and unpredictability of the supply chain and it is hard to be optimistic.

Juneau

Southeast Alaska has been gutted by environmental groups and policies. Their misinformation misleads people into thinking they are protecting the environment when actually they are protecting and raising money for their jobs. Out of state charter fishermen and commercial fishermen take resources and money south with no regard to long term consequences. Out of state fishermen should not only have to buy an out of state license but a tag similar to a hunting tag so there is a better record on how many fish are harvested. With the increase in natural predators there is not enough fish to maintain the current level of fishing. Especially with the herring roe fishery taking the bottom of the food chain.

Juneau

We have a variety of directions with our cannery in order to diversify in order to survive. Retail on line sales, Manufacturing finished products in a variety of forms, Shelf stable food items. Over the next few months, we expect to see inflation come alive as it has in the past. Usually within two years the economy in Alaska reflects what the lower 48 has just undergone. Tourists will still come as their economy gets better and we have to meet those new standards. The "buying" trend of visitors reduces and we have to make it work.

Ketchikan

High costs of shipping, construction materials, commercial real estate, raw material inputs for manufacturing my product lines, and the in-general high costs of living (which drives labor costs up) make expanding my business a non-starter for the next 3-5 years. Coupled with significant loss of revenue due to pandemic complications, we're back to square one on our five-year plan.

Ketchikan

Holy cow, growing my business in the southeast is a three-ring goat rodeo. No capital, no cost-effective shipping, no cost-effective real estate, can't find reliable people to work, the whole thing is bonkers.

Ketchikan

The potential for mariculture development and value-added production is limitless, but issues need to be addressed including freight costs, research and development around cultivation and nutritional benefits of wild species like bullwhip kelp and sea asparagus, access to cold storage and first-stage processing resources.

Skagway

With the return of cruise ships my business can only go up from here. The last two years have been tough of course. So business is looking hopeful, while quality of life in winter has made everything more difficult to endure. With a scant ferry schedule, large chunks of time where you cannot fly because of weather, and the cost of getting to and staying in Juneau; just to see a doctor or a dentist is a majorly difficult from Skagway in the off season. Which is when most people have a little more free time to deal with life's necessities. This issue has driven a large chunk of the community to move elsewhere, where accessibility is just a little easier.

Non-profit

Juneau

We are strong.

Juneau

Housing, childcare limit growth potential in Juneau

Juneau

Inability to find adequate staff is our biggest obstacle at the moment, but increased state funding for seniors and their caregivers is also very important.

Sitka

Our business growth and overall success relies on a stable or growing population of young families with children. With an aging population overall in Alaska and fewer school aged children to enter into our programs those declining numbers hurt our membership and subsequent ability to operate our organization. Membership shortfalls generally have to be made up for through rate increases to those remaining and it becomes more difficult for families to afford program costs. If we are unable to raise membership rates the organization must go out to fundraise from local residence or businesses and if the economy isn't in a healthy position that burden is hard to meet. Growth in non-seasonal, year-round jobs tends to provide a better outlook for youth member organizations like ours.

Sitka

Overall positive.

Professional & Business Services

Haines

Broadband in rural areas is weak and expensive. There's no competition, a monopoly means we're at the mercy of outrageous prices for crummy service. Housing availability is strictly word of mouth so if you're new to the community it's tough to get. There are realtors but good houses are already taken before they get on the MLS.

Juneau

I expect my legal business will remain the same over the next year.

Juneau

My business is doing great, but all of my contractors are outside of CBJ, and only one is in Southeast Alaska. There is no one locally to support or expand my work. My contractors are in Texas, Massachusetts, Wyoming, Tennessee, and Haines. It would be amazing to have the talent locally.

Juneau

Need to ensure basic economic sectors are functioning well, not only service sector.

Juneau

I think that Southeast Alaska has a chance to bounce back and even surpass earlier years of good success. People are now just now beginning to link to return to a sense of normalcy.

Ketchikan

Tourism significantly impacts our day to day, so it is important to us. However, we also have a desire to see SE AK move into various other industries. Aquaculture is proof of that, and it is so exciting to see the possibilities arise from that. We also believe that it is possible to attract remote workers to SE, however, they need housing. We need to remove land from the government roles and back into the hands of Alaskans for development. That will also require some zoning and regulation change and/or streamlining. All of this has been talked about for years. Talk is cheap, let's get going.

Sitka

Increasing tourism and new hospital construction in Sitka are driving an economic upturn.

Skagway

Southeast Alaska has become an economic backwater and maintains its limited economy only with government spending with no real private investment and growth.

Skagway

There is a lot of funding and growth/ redevelopment in the works for the coming years. Economic Development entities could play a valuable role in this.

Wrangell

Business looks very bad due to inflation, costs of goods and services, freight getting product to the consumer. Monopoly on services regarding internet, freight, cable phone services, grocery prices, property taxes and mill rate too high along with other services water, sewer, electric and garbage and City and States over spending.

Wrangell

Things have been very difficult since the beginning of the year. Our package count for our business has been down quite a bit. If things don't pick up, I will need to get a second job.

Wrangell

We cannot work to potential with aging infrastructure and a gutted state retirement program. There are fewer reasons to invest in Southeast. Especially as costs increase.

Wrangell

While the travel and tourism industry in Alaska has a great outlook because people want to travel again, we are plagued by the same issues as the rest of the country/world, i.e. lack of available and willing employees in the pool and issues with supplies in order to keep equipment operating.

Real Estate

Juneau

Affordable housing will not come without increasing housing.

Juneau

Commercial Real Estate is facing financial pressures on many fronts. With Covid, many employees left their offices to telework and will not return. Many businesses also went under and will not reopen. Even prior to Covid, there was a lot of open commercial real estate in Juneau, particularly the downtown area away from the docks. Now, with the city raising commercial real estate taxes while at the same time many buildings are empty and dying on the vine. There is a lack of capital to do needed maintenance and renovations. The city should rethink this course of action. Nothing will be more expensive than policing derelict buildings downtown. Very penny wise and pound foolish.



Juneau

While housing prices are at an all-time high, my business is dependent upon housing availability. My concern as a community member is that the lack of housing is a severe detriment to our community members and a long-term concern for equitability and fair housing.

Juneau

The prospects for vacant office space is poor and building a new city hall will make it worse.

Ketchikan

I expect Real Estate sales to slow down with the increased interest rates and lack of inventory.

Prince of Wales Island

Housing, Child Care, and the cost of shipping to my area make our outlook on business grim.

Sitka

I run a rental business. Very small. I am doing very well. I am very, very concerned about quality and availability for moderately priced or medium-priced housing.

Sitka

Real estate looks good. The problem is that supply and demand are so unbalanced right now. Supply is low, demand is off the charts and building costs are high.

Skagway

Need year-round jobs - Skagway is a seasonal community- The Alaska Marine Ferry System is vital to our SE communities - people need to get out for medical, vacations etc. Or build the road between JNU & SKG.

Yakutat

There is a huge demand for housing in Yakutat, it is just too expensive to do anything. And doesn't look like it is going to get any better any time soon.

Retail / Wholesale

Trade

Haines

Slowing due to cost of living, lack of available housing, lack of rentals apartments or housing. Lack of work force, lack of good paying year-round jobs. Nobody wants to work.

Haines

We need to have transportation corridor more affordable. Ferry, planes, road. We need jobs whether it be mining, construction, logging, fishing, manufacturing, housing.



Hyder

Hyder is an exclave. With no ferry and limited air transportation between here and the rest of the state Hyder has been cut off. The Canadian border restrictions have left us completely isolated and without revenue for the past two years. It is my hope with the relaxed border restrictions, we will see visitors to our town this year. A ferry into Hyder would be a life ring for all of us here!

Juneau

Need more workforce and need cheaper reliable freight transportation options

Juneau

Our web-based retail store is thriving and growing. There is a lot of opportunity to continue to grow in the coming years. Juneau's high cost of doing business, lack of affordable housing and increasing cost to ship goods out (increases in the cost of US Mail packages in particular) are all barriers to growth. Especially in online business where we are expected to match "down south" pricing while absorbing all these expenses.

Juneau

Since people want to grow more food for themselves and improve their home landscapes, demand is likely to increase. More land for growing food near neighborhoods would be beneficial such as community gardens. A big challenge is the ever-increasing cost of shipping in supplies.

Juneau

The tourism industry is still impacted by the Covid virus. Travelers are returning but slowly. Gift shops are carrying significant debt and inventory. Stores are not buying wholesale as much as in previous years. The cost of shops has not changed. Juneau's downtown area is locked from opportunity and growth.

Juneau

Juneau's downtown is becoming increasingly dilapidated and full of vagrants. Alaska's political leaders need to address long-term fiscal sustainability and long-term investments like infrastructure and university. Most importantly, we are losing our talented professionals, young people, and wealthy retirees who would help make a more vibrant and growing community.

Juneau

My business will stall and begin to decline unless the City of Juneau does several things: 1. start selling CBJ property for development. Manage the process via a lottery and set aside a % for affordable housing. 2. The CBJ Community Development management needs a cultural shift from the department of NO to a department tasked with helping developers complete their projects. Juneau. 3. The CBJ Finance department has 17 pending court cases in superior court over commercial property taxes and that number will double by year end unless the CBJ corrects their assessment methodology.

Ketchikan

As long as nothing terrible happens, we are poised to grow our business.

Ketchikan

Better than the last 2 years.

Ketchikan

Hopefully tourism will bring some profit back locally and not all online sales.

Ketchikan

If I had a place to expand my business, I would offer many kids to local people and out of state or town.

Ketchikan

In the short-term the outlook is good, due to the return of the Cruise Ship Industry, and the associated pent-up demand. Longer-term, due to high inflation and rising interest rates, I'm anticipating a major recession and housing crisis, both in SE Alaska and nationwide.

Ketchikan

Our business has been around for decades and doing fine with independent travelers and locals. Housing is the biggest problem on our island. Ferry schedules are impacting everything from moving people here to college kids getting cars home to freight.

Ketchikan

Retail will rebound with the tourism, but we need to find a way to continue the boost in local purchasing that happened during COVID

Ketchikan

Self-employed in harvesting, processing, manufacturing a natural resource, selling product to visitors, shops, teach, and contract with tour company. Tour ships predicated to be only half capacity for half summer season, which will for sure affect my sales. So traveled to different community on sales trip. Will have sell on line, local Facebook, regional AK Native sales page, locals, local arts fair. These extra efforts were not necessary prior to covid 19.

Ketchikan

The outlook for my Business looks good as it always seems too in a recession. However, without a workforce it may be challenging to meet the needs of my customers. My biggest concern is getting enough employees to stay open 7 days a week.

Ketchikan

The retail industry continues to struggle to recoup, with many businesses who stayed open through the pandemic unable to qualify for the ARPA grant.

Ketchikan

True locals cannot improve quality of living/housing. Local govt. caters to Cruise related income and ignores homeless and community services. Organizations only support their membership. Nor even inviting new business to the "old guard" "clique".... Cut throat on the tourism level keeping a biz. Going against the quagmire of local politics only gains enemies and isolation. I will take my chances--- Running an honest business solely on my own. Without joining KVB or The Chamber!! Horror of horrors.

Petersburg

We continue to be short on a labor force which has required us to limit our hours to provide essential goods to our community. Even though we struggle to get goods due to supply shortages we have managed to adapt.

Prince of Wales Island

Shipping costs are our biggest hindrance. Would be nice if State of Alaska, could do some sort of Shipping for businesses. Maybe, a new Alaska Ferry. Bigger more efficient. That could provide freight with passengers and vehicles. South bound ferries could freight containers of clean recycling. I.e., glass, aluminum, steel ????

Sitka

Our business services locals but relies heavily on independent travelers and tour ship passengers. People seem excited to travel to SE Alaska, so we hope to do well. Having improved infrastructure will assist with transportation of tourists and will encourage people to move here as workers or to stay here.

Sitka

Slow steady growth. Less Federal scrutiny

Sitka

There is a lot of opportunity for growth in the cultural arts and indigenous arts sector, both products and services. Leaders need to not overlook the market potential for growth in the arts industry.

Sitka

We are relatively confident that the demand for consumables will be consistent and strong the next year.

Skagway

We don't really know how tourism will shake out this season. The first ships to hit Skagway certainly were far far below capacity.

Yakutat

Our business sector is doomed without housing.

Seafood, Maritime



Juneau

We are in a major bull market in all seafood sectors with perhaps a hang-up on herring as we can't seem to get enough for bait but can't get a price for roe. Salmon especially will be bullish price-wise as well as production in areas that aren't even the Bay. Two major issues. We need more and smarter hatchery production. Not less and not perhaps as conventional. We have 1000s of miles of blocked streams and rivers. Removing these blockages will cost tens of millions, perhaps hundreds of millions. But they will yield wondrous results in salmon production. Fish passage enhancement. As well as continuing our normally targeted enhancement levels. The other huge issue is crew training. We hire around 35 to 40 young men and women each year and we lost a huge portion of our Bering Sea season in pot cod due to lack of availability of average crew. We need to have a more pro-active role in hiring and in training.

Juneau

Extreme federal overreach in limiting the responsible local (statewide) development of resources while outsourcing the development to those with little regard for environmental protection is completely messed up. Record high cost of fuel for catching product is removing the little profit that had finally been achieved. This is the first year that I am seriously considering selling out and leaving Juneau for a better cost of living area. Home property taxes now take nearly 1/3rd of my GROSS fishing revenue.

Juneau

Fishing closures on account of king salmon is killing the gill netters

Juneau

It will be a challenging year but one with lots of growth. We will face increases in costs across the board which will probably exceed our increased revenues. We are seeing 10s of millions of dollars go into developing our industry (mariculture), so there should be some positive changes coming forward in the next 1-5 years.

Juneau

The 2022 salmon seining season looks to be as poor as the 2020 salmon season, despite ADF&G's return projection. Prospects are low, morale is low, expectations are even lower. The cost of operating a business is the only increasing factor.

Ketchikan

Low wild pink and chum harvests are expected to cut production in half, cut sales revenues significantly while fuel, transportation, fixed & overhead cost increases puts a squeeze on any products with margin and may cause significant losses. Employees paychecks will shrink due to less salmon volume and processing hours.

Pelican

Price of fish going up, price of fuel going up, fish resource has stabilized. We need additional haul-out options for vessel maintenance.

Pelican

Inflation has already shown people pulling back on higher-priced items such as seafood. Predications are for lower prices in the face of significantly higher operational expenses with fuel, oil, all other gear and other expenses rising.

Petersburg

Fish forecasts are lower this year so it will be difficult to have enough volume to create a successful bottom line.

Petersburg

I've owned a commercial fishing company for over 35 years that included, primarily, salmon, Dungeness crab, and halibut. The rise in the sea otter population combined with increase in bait/fuel cost has led me to the decision to sell out of the fishery. The salmon gillnet part of the company has suffered from less time, less area, fewer fish and unstable prices. The price of fish to the fishermen has not kept up with the cost of doing business. Other than the 2020 Covid price drop, halibut has remained a stable part of our fishing income. I am not encouraging my adult children to buy into Southeast Alaska fisheries right now. The future of commercial fishing is increasingly uncertain. This being the case, we started a family tour business to create opportunity for our adult children and grandchildren. Our tour business was started in January of 2020 just months before travel to Alaska was shut down due to Covid restrictions. We are recovering slowly, but the cost of fuel, mechanical parts, and repairs has increased dramatically. The future is uncertain. We are determined to make it work.

Petersburg

The economy is very fragile. Freight costs and housing are preventing young families from getting established.

Prince of Wales Island

Speed up permitting process.

Prince of Wales Island

Overall, I believe commercial fishing outlook is good.

Prince of Wales Island

Craig is seeing strong maintenance of the commercial fishing industry (including processing and value-added products). Charter fishing is regaining an industry stronghold as Covid19 pressures decrease. The introduction and expansion of mariculture (kelp/seaweed/oyster) is increasing economic opportunity. Planned development of additional mariculture farm sites and processing facilities create an opportunity for growth in Craig.

Sitka

As a marine surveyor, I have existing clients, and respond to new clients throughout the entire year. Typically 35% of my work is in Sitka, my home. Travel is very important, naturally, and not having ferry service in Sitka is problematic for a number of reasons. Our community has missed the opportunity to build a boat haulout/shipyard - yet again. Sadly, the pieces did not come together - again. Currently there is an exodus of Sitka-based vessels headed for other ports in order to simply haul-out and do their Spring annual maintenance. Costs go up for them and money leaves their home community. Fortunately for me, I don't anticipate a downturn for my business, but my clients will have much increased costs having to relocate their vessels and from reimbursing my travel costs to meet them there. By being directly involved with each of my customers individually, I get to gauge their satisfaction with this situation - and it is NOT good. The cost of fuel has nearly tripled in the past year, adding to their costs significantly. Sitka has the largest boat harbor system in the state - to not have a significant marine haul-out in Sitka is unconscionable.

Sitka

Commercial fishing is an adventure each year. This year dock prices are high. It all depends on whether the fish, wild and hatchery show up!

Sitka

I believe Commercial fishing will continue to be one of the largest Business sectors, as it has been for over 100 years.

Sitka

Stay about the same but less profit due to inflation and lack of boat haul out in Sitka.

Wrangell

Fishing . It seems the Charter people fishing is dominating overtaking the fishery . letting to many fish get shipped out of state with no record.

Wrangell

Fuel prices are going to really slow down economic growth.

Wrangell

It's been hard finding deckhands and expanding our business due to the increase in prices of goods and fuel. All the finding is for 2020 decline in earnings but 2021 was harder on our business as we struggled to find trained deckhands available to work and shipping and fuel prices went up. Crab sticks were down and now our winter shrimp season is being cut this year and no compensation or grants for 2021.

Wrangell

market prices look better, however, returning salmon stocks are still very uncertain (climate change related?)

Hyder

Living in a border town with all the COVID stuff shut us down tight. We lost our major income due to losing our main business (restaurant) We are cut off from the rest of the state. Getting supplies is a major problem. Relying on a mail plane is impossible. Getting out to see a doctor can be impossible. With no tourism, there is no business future.

Social Services, Education, Child Care

Juneau

Nonprofits in Alaska face a multitude of issues related to unpredictable grant funding.

Juneau

Since the beginning of the pandemic, we have seen a 4 to 5 times increase in the services we provide to the community. There does not seem to be any easing of these services seen in the last 4 months. I would expect to stay about the same level over the next year.



Juneau

We anticipate the education and workforce development sectors will have increased needs exiting the pandemic. State funding is a needed investment in these areas.

Petersburg

Childcare employees need to be paid a livable wage. They are worth so much more than the measly \$14-15 dollars I am paying them on the high end of our scale. My staff start at \$12 and cap at \$15.50 – working to care for SOMEONE ELSE'S kids.

Skagway

The demand for child care is high so we won't have a shortage in customers. We have trouble staffing our operation as a seasonal business that is competing with all of the other seasonal tourism related jobs by businesses that can pay more than we do or have access to tips. We also can't offer housing, nor can we afford to rent or buy something to be able to offer housing which limits our ability to hire. Finally, a state policy that unnecessarily complicates our operations, is unlike in a home day care, our child ages can't mix as the ratio drops to the youngest kid in the room. So even though we have staffing for 1 adult to 5 children under the age of 3 and 1 adult to 10 children over the age of 4, if the 5 younger kids and 1 adult go into the same room as the 10 older kids, the ratio for the older kids drops to 1:5.

Transportation (non-tourism)



Juneau

The industrial support sector continues to grow as the need for more robust infrastructure grows. The trouble that seems to be building is the lack of "qualified" people to work in the various industries. As this next generation move toward retirement age there is a lack of personnel to fill the voids that will be created.

Juneau

Partly closed due to COVID.

Ketchikan

The tourism part of our business will grow. The local portion - providing transportation for critical infrastructure is dying. We need someone to stand for Alaska and let us unleash the business potential of our vast and abundant natural resources.

Regional

Our business is expected to grow slightly over the next year on the freight side with some major projects coming up in multiple communities. We also expect to grow on the propane side of our business with the cost of other energy sources increasing and more consumers switching over.

Prince of Wales Island

Fuel costs and employee expenses to retain them will not be sustainable after federal infrastructure funds dry up.

Prince of Wales Island

My business is on life support. Have had zero work & also zero help navigating the requirements for state & federal financial aid. We were turned down for everything we applied for.

Wrangell

Hopefully we will build a new warehouse to expand our business.

Visitors, Tourism

Haines

I see many upcoming opportunities in the visitor industry, both with returning cruises and huge interest in independent travel. SE should focus on continuing to develop a broad and diverse options for different types of visitors. The biggest barrier to expanding services in SE for us is lack of reliable ferry service, and degraded experience on ferries in poor condition with fewer services. The next biggest factor in our area is



lack of low cost, short term (seasonal) housing. Solving this issue will also help first time homebuyers and employees that do want to commit and put down roots in the area as the current options for starter homes are mainly used to take care of the seasonal influx. I'd like to see low-cost short-term solutions like yurts, tiny homes, etc. encouraged by local municipalities and zoning rules. Last, maintaining the health of our local ecosystems and environment should be considered with all major decisions. Our business depends on healthy fish runs, forests, and waters.

Haines

Outlook for tourism is good as Covid becomes more manageable. We are experiencing more demand than we can accommodate. With less long-term staff after the pandemic, rebuilding is challenging due to competitive hiring environment, housing expense/availability & transportation challenges. The ferry system could be a big benefit to sustainable tourism with infrastructure and operational/schedule improvements. The current challenges are a major reason we are planning on increasing operations in interior and southcentral in the coming year instead of in southeast.

Hoonah

A return to cruising is good for our business.

Hoonah

2022 good. 2023 reduction in travelers due to higher cost of living, traveling budget decreased.

Hoonah

From a Covid standpoint I would see a bright outlook next year as I see people are excited to travel. On the other hand, with the present inflation, I do not see an increase in travel. This will hurt our business. I project next year to be mediocre at best, which is the norm, even without Covid.

Hoonah

I think our business is going to thrive this next couple of years and that we'll grow if things continue like this.

Hoonah

Inflation I think is going to have a big negative impact on business.

Hoonah

Our business sector has positive growth opportunities but requires more available and affordable housing to meet. The demands of increased job growth.

Hoonah

We are very optimistic for this 2022 season. We are seeing 100 plus % increases on pre-booked tours when compared to the same periods in 2019. We need this season to be a success in order to start paying back SBA loans we had to take in out order to keep the business afloat during this whole, blown way out of proportion in my opinion, COVID pandemic.

Hyder

Hyder terminal would afford all Alaskans the opportunity to drive to the lower-48 by road and bring goods and cargo to the Rest of Alaska for the benefit to all Alaskans and commercial enterprises thru out all of Alaska!

Juneau

BNB business has been very good despite covid restrictions. transportation cost to get to Juneau may have an impact on BNB bookings.

Juneau

Desperately need a few robust cruise ship seasons. Housing prices are insanely prohibitive.

Juneau

Looks good

Juneau

Tentative. If we can't find local, qualified, reliable employees, we can't do business. SE needs more rental units for the workforce.

Juneau

Tourism has been dependent on Covid for the past few years. I imagine it will be for another 2. That has been our biggest challenge and is out of our control. If this season doesn't pan out, we won't be here next season.

Juneau

Tourism is the best way to promote the state.

Kake

Hopefully covid will go away and tourism will increase, and our transporting / sightseeing business will get more clients. Also, if the cruise ships would overnight, we could offer sightseeing tours and pick up and drop off for tourists to camp and enjoy the true Alaska scenery.

Ketchikan

As an offshoot of the Pandemic, changes have occurred that are positive for Alaska. a) people realize they can work for anywhere, we are selling remote lodges, vacant waterfront lots and homes sight unseen to people that choose to get out of the turmoil and unsafe conditions of cities such as Seattle and Portland. b) The independent traveler is discovering they can book trips on their own, very easily on social media. longer stays more fun, less money, and an enhanced experience. Alaska has so much to offer, if we don't regulate the non-resident out.ie fishing, hunting, and driving our parks and flying into forest service cabins/ c) We will do well, if this inflation is curtailed, if not, the costs will drive all

businesses to their knees. Example, there is now a 30% fuel sur-charge on freight, in my business you cannot pass this on. I burn fossil fuel. Every lodge does as well, every float plane, every generator on remote islands, every tug. It must be reasonable.

Ketchikan

As long as guests come back on the cruise ships we should rebound okay through this economic downturn.

Ketchikan

Berthing of cruise ships has gotten so spread out in Ketchikan that the income has shifted away from the core downtown area. The same company that schedules the ships berthing assignments now owns docks and gives their docks preferential scheduling. Hurting the core downtown area.

Ketchikan

Hoping to get out of debt caused by covid over the couple years

Ketchikan

Our tourism business has survived the past two years while qualifying for very little assistance. We have poured our savings into the business to keep it going. This year we will either have enough of a market to be successful, or we will have to move on to other things.

Ketchikan

Restart of cruise and general growth in the industry will provide benefits to Southeast. The development of new ports and marine infrastructure will allow for the organic growth of the cruise industry.

Ketchikan

Small businesses need help getting restarted after two years without income due to covid.

Ketchikan

We are experiencing an extreme lack of both seasonal and permanent employees at all levels. Additionally, there is no housing available for both seasonal and permanent employees.

Ketchikan

We are having a very difficult time obtaining financing to help us move forward. We can't afford insurance, fuel and can't even find a place to operate our tour company because a large corporation bought out our lease during Covid.

Ketchikan

We might have made investments but there has been a pandemic and we have had no income for 2 years. I am interested in government investments in electric cars/buses. We operate vans and would love to convert to electric like we have without person vehicles. No stink, no noise. We need more places to take our tourists. I can get permits for only 3 hiking trails, limit to 8 to 12 customers a day. Hard to make a profit with no access. Let's show the tourists the best we have-our old growth rainforest. I own a home but am concerned that it is cost prohibited for people to rent/buy housing. Child care is so expensive and a huge burden to our employees. Government should work towards reining in the excesses of businesses to make a profit. All businesses should be contributing towards the welfare of their employees, and if the government needs to regulate the greed of corporations (and they do) then please pass laws to force companies to pay their share. No more corporate handouts. This inequality of wealth in the US is going to be our downfall.

Pelican

As far as I can tell, due to a large number of baby boomers retiring the tourism outlook is very good. This has been enhanced by the federal reserve's policy over the last few decades of low interest rates driving asset prices of homes and stock market portfolios upward faster than inflation, making many retirees feel financially comfortable enough to take expensive vacations. The recent infusion of massive amounts of government money into the economy due to Covid and the pent-up demands from the covid lockdown has also likely helped tourism. This infusion of money by the federal government has however helped created faster inflation, which will be problematic in the long run. I see storm clouds on the horizon as sanction against Russia are spiking the price of fuel and will cause a recession or possibly Great Depression 2.0. We are in uncertain times, and it looks likely that hegemonic US petro-dollar reserve currency status is gone for good, meaning that imports, such as energy, will be more expensive in real terms. This will likely keep a constant downward pressure on the business climate and may mean that many business models simply do not pencil due to higher energy costs. Tourism is predicated on people feeling financially confident about the future. It does not take much to create a free-floating cloud of anxiety that can make people tighten their belts and decide to forgo unnecessary expenses like vacations. However, for the moment business is hot, there is a lot of money sloshing around in the system and beyond worry about potential global suicide via nuclear war or a massive recession we should be happy about the good times!

Petersburg

2022 seems to be a rebound year for independent travelers to SE Alaska. There are challenges to getting people around to the different communities with the scant ferry service we have presently.

Petersburg

Ferry service has cut off visitors to Southeast Alaska. In turn, this has made it impossible for my family to travel to other SE communities as well - to attend summer camps, southeast Alaska fair, road trip with our camper, attend school sporting events, etc. This has limited the amount of tourism that come to SE Alaska. The Alaska trip is now a flight up to Anchorage and spent in the interior. Without the ferry system, our community will continue to experience lack of visitors, increase in the cost of goods and services.

Petersburg

Our summer ship landings have increased drastically over last year and with more independent visitors traveling to Petersburg, we anticipate a better year than last year.

Port Alexander

At this year's prices I have guests waiting on a list for cancellations. However, the cost of fuel and floatplanes in addition to food costs are close to making us too expensive for guests to come.

Prince of Wales Island

Don't see significant difference. Lodging demand for business and tourism should remain fairly similar to past years.

Prince of Wales Island

I think we will have a good year this year, but I am concerned for the future with our current administration. As long as inflation keeps rising and the costs of food and fuel increase, we are going to be in a situation where people just can't afford to travel and visit Alaska. Our fuel situation is reversible. We need to lobby to become energy independent again.

Prince of Wales Island

It is expected that 2022 will be our best year of the last ten. It is also expected that 2023 will be even better. Our small business focusses on the triple bottom line, with the social and environmental aspects being the most important. Efforts are focused on reviving and maintaining our Haida culture in our traditional environment. Long term planning extends beyond 10,000 years.

Prince of Wales Island

Outlook is good for fishing tourism after Covid restrictions lifted.

Prince of Wales Island

Seems like every year since Covid our business just keeps shrinking.

Sitka

Already said it, too many visitors are not in the short or long run that good for business. I think that locals and visitors want to have an experience where they are not packed like sardines in their ships and the buses and the sidewalks of town.

Sitka

With considerable investment in capital improvements, we will better serve our visitors and community. We are a primary tourist attraction and with the increase in visitors we need to invest in expansion to accommodate the growing visitor numbers.

Skagway

Had to sell my business due to lack of available employees, lack of seasonal housing, and restrictive local government policies.

Skagway

I own a rental property that encompasses both long term and short-term rental units (one of each). Housing is at a premium in our port town and short-term rentals are not looked upon favorably. Many older homes remain empty due to lack of capital or interest in renovation. I feel I am doing my part in offering housing for the local residents as well as our independent visitors.

Skagway

We need border restrictions to go back to 2019 and the amount of paperwork to do a tour is too much time.

Skagway

With return of ships- small tourism towns will only look up seasonally. The winter is where better transportation can benefit communities

Tenakee Springs

Reliable ferry service is the cornerstone for healthy economic development in Tenakee

Wrangell

I operate an Airbnb in the basement of my home. It is not complex but serves to pad my income as mostly retired.

Wrangell

I'm hoping to have more business. But the cost of living is so high I'm not sure I can afford to keep my BNB open at an affordable rate for visitors

Wrangell

It is hard to guess what will happen in the next 6 months. Cost for people to fly or ferry to Alaska - specifically to communities that have only Alaska Air or even Alaska Seaplanes - is prohibitive. As costs rise, we look more and more toward the short cruise season for margin and profit, however we are short staffed and can't import workers because there is no available housing. There isn't even enough lodging for independent travelers. We cannot invest in growth under these conditions. Instead of a 7-10-year return, we are looking at 12-15 years, which is poor financial planning.

Gustavus

We are a small city with a visitor economy, and the gateway to the adjacent national park. Our visitor industry projects a strong 2022 season. We anticipate it to improve every year. Our city population is growing at a moderate but steady pace. A major factor in our community growth and success is our emphasis on environmental protection and preserving and enhancing our natural capital. The quality of our environment attracts new residents and visitors alike. We have a shortage of skilled trades people, especially for building trades and vehicle mechanical services.

Yakutat

If communication doesn't improve (we can't process credit cards, can't respond to guests, take online reservations etc.) and housing for employees doesn't become more available, our outlook is not positive.

Other**Ketchikan**

The business is doing well in '22 and I have a positive outlook for '23. There is an influx of funding currently and this will sustain the next few years, depending on its management/utilization, but historical trends of work availability will re-submerge post dollar influx and the sustainability of our specific industry will require capital revitalization to persevere into the next 10-20 years.

Petersburg

Lack of trained and available workforce will cause wages to increase, and this will put pressure on the cost of living. The outlook would then be stagnant to slow growth.

Prince of Wales Island

Things are looking promising. Our organization is looking to expand into new sectors and creating more jobs than our current labor force is qualified to handle. I hope to utilize the voc-tech center in Klawock and provide student housing for people in SE to utilize at an affordable rate. We've created a quarantine center with COVID funding, and I hope to use the 9 newly refurbished rooms for student housing.

Sitka

Federal agencies are always dependent on the Congress and Administration budget development, negotiations, and votes. It swings substantially in recent years. Concern for current debt of the federal government and its impacts on annual operating budget of the federal government.

Sitka

Industry cannot grow without people, and people cannot remain in our labor pool without housing, education/training, and childcare. We can pour as much money into new capital projects as we want, but we need labor. Further, adding jobs in the government sector is economic development - all of the

projects, policy/code changes, and improvements in permitting processes/time that private industry wants government to undertake require resources - people and money.

Sitka

Sitka needs more funding from the state for schools, infrastructure, as well as other things the state used to fund. The increased burden on communities left by the funding vacuum by the state is untenable in the long term.

Wrangell

Government costs to provide services is increasing due to aging infrastructure, increased employee costs, supply chain issues, and cost of transportation. In order to improve services and replace or maintain infrastructure, government is needing to increase fees for services - many of these fees have not been increased as necessary over the years... and thus an added burden is being placed on residents to pay for the actual costs of the services provided. Attitudes, financial security is threatened.