

Kenai Peninsula Borough
Grants Administration

MEMORANDUM

TO: Peter A. Micciche, Mayor

FROM: Elizabeth Hardie, Grants Administrator & Community Liaison

DATE: May 1, 2024

RE: FY24 – 3rd Quarter Alaska Small Business Development Center Grant report

The FY24-3rd Quarter narrative and financial grant reports have been submitted for the Alaska Small Business Development Center. With this report, Alaska SBDC FY24 funds are fully expended.



Alaska Small Business
Development Center

UAA BUSINESS ENTERPRISE INSTITUTE

Kenai Peninsula

Alaska Small Business Development Center
1901 Bragaw St., Ste. 199
Anchorage, AK 99508
(907) 786-7201

FY 2024

Third Quarter Report

January 1, 2024 through March 31, 2024

Note from the Center Director: Cliff Cochran, Kenai Peninsula Center

The Kenai Peninsula Center for the Alaska SBDC completed the third quarter of FY 2024. For the second straight quarter, business advisors on the Kenai Peninsula guided business owners and entrepreneurs to close on loans for over \$8 million in capital projects, setting a record for the center for the third quarter. This was also more than the other Alaska SBDC advisors in the third quarter combined, indicating the quality of assistance provided by staff on the Kenai.

With business advisors providing service in each of the main cities on the Kenai Peninsula, the SBDC is meeting the needs of business owners and entrepreneurs across the region. Our model features one full-time center director based between Kenai and Soldotna, with part-time SBDC advisors in Homer and Seward, designed to best meet demands for our services on the peninsula. This has worked quite well, with Kenai Peninsula advisors logging an impressive 100% client satisfaction rating on surveys the past year, a testament to our knowledgeable and dedicated staff. This quarter was a little different, with the center director out for a large part of the quarter due to the birth of a child. Advisors in Seward and Homer did an outstanding job picking up the slack, ensuring the SBDC did not miss a beat.

During the quarter, the Alaska SBDC on the Kenai Peninsula provided significantly more advising to pre-ventures and startups than the previous quarter. Regarding industries supported, accommodation and food services retook the top spot after a one-quarter hiatus. There was significant industry diversity in entrepreneurs coming to the Alaska SBDC for assistance, with new clients on the Kenai Peninsula spread across 15 of the 20 industry sectors. The Alaska SBDC saw maybe its greatest spread of new clients across the Kenai, with entrepreneurs from 13 of the 21 communities on the peninsula starting with the SBDC. Aside from startup assistance, the Alaska SBDC provided a significant amount of advising on financing, business buy/sells, and legal issues. While our staff are not qualified to provide legal advice, we frequently identify when legal aid is needed to ensure business owners and entrepreneurs do things correctly and are set up for success.

The Alaska SBDC has had a number of transitions within the organization but has achieved stability in the Kenai Peninsula Center, with all three staff fully trained and performing at high levels for over two years. With advisors located in Kenai/Soldotna, Homer, and Seward, we're doing our part to provide the best local business support to entrepreneurs on the Kenai. We greatly appreciate the support provided by the Kenai Peninsula Borough, and we will continually strive to be an outstanding resource for business owners across the peninsula.

At a Glance: Kenai Peninsula FY24 Q3 (Jan 1, 2024 - Mar 31, 2024)

Number of Clients Advised

Current Quarter: 129

FY 2024: 278

Jobs Supported

Current Quarter: 452

FY 2024: 743

Business Starts

Current Quarter: 4

FY 2024: 24

Capital Infusion

Current Quarter: \$8,911,040

Small Business Loans: \$6,962,500

Non-Debt Financing: \$1,948,540

FY 2024: \$19,725,822

Alaska SBDC Kenai Peninsula Center Activity – Historical Comparison

	FY 2023 Q2 10/1/22 - 12/31/22	FY 2023 Q3 1/1/23 - 3/31/23	FY 2023 Q4 4/1/23 - 6/30/23	FY 2024 Q1 7/1/23 - 9/30/23	FY2024 Q2 10/1/23 - 12/31/23	FY2024 Q3 1/1/24 - 3/31/24
New business created	10	5	13	10	10	4
Jobs supported	243	449	316	313	234	452
Loans	\$3,633,906	\$3,682,000	\$1,546,584	\$830,000	\$8,791,024	\$6,962,500
Total capital	\$4,636,106	\$3,980,000	\$1,996,584	\$940,000	\$9,874,782	\$8,911,040
New clients	30	51	42	26	30	55
Total clients	86	112	113	108	118	129
Total advising hours	339.62	533.08	427.92	365.50	374.24	461.66

128 Clients by Current Lifecycle

Pre-venture: 65 clients
Startups: 18 clients
In-business: 44 clients

Clients by Industry

Accommodation and Food Services: 32 clients
Manufacturer/Producer: 15 clients
Construction: 14 clients
Retail: 13 clients
Services: 12 clients
Healthcare and Social Assistance: 8 clients
Arts and Entertainment: 6 clients
Transportation/Warehousing: 6 clients
Agriculture, Forestry, Fishing, and Hunting: 5 clients
Real Estate, Rental and Leasing: 4 clients
Professional, Scientific and Technical: 3 clients
Waste Management and Remediation: 3 clients
Administrative and Support: 2 clients
Educational: 2 clients
Information: 2 clients
Tourism: 1 client
Wholesale Trade: 1 client

Top Areas of Advising

Startup Assistance: 250 hours
Financing: 69 hours
Buy/Sell a Business: 43 hours
Legal Issues: 17 hours
Managing a Business: 15 hours
Marketing/Sales: 15 hours
Business Plan: 11 hours

Summary:

During the third quarter of FY 2024, the Alaska SBDC on the Kenai Peninsula provided significantly more advising to pre-ventures and startups than in the previous quarter, when there was a near-equal spread between startups and existing businesses. This is due to business owners returning to us to review their model after summer in Q2. At the same time, Q3 sees a number of entrepreneurs looking to start new businesses in anticipation of the summer tourist season. Regarding industries supported, accommodation and food services retook the top spot after a one-quarter hiatus. Aside from startup assistance, the Alaska SBDC provided a significant amount of advising on financing and business buy/sells. There is a lot of opportunity on the Kenai Peninsula, and we're here to help entrepreneurs capitalize on it. The Alaska SBDC also provided support for several legal issues. While our staff are not qualified to provide legal advice, we frequently identify when legal aid is needed to ensure business owners and entrepreneurs do things right and are set up for success.

New Clients at a Glance: Kenai Peninsula FY24 Q3 (Jan 1, 2024 - Mar 31, 2024)

55 New Clients by Initial Stage

Pre-ventures: 44 clients

Startups: 4 clients

In-business: 7 clients

New Clients by Industry

Accommodation and Food Services: 13 clients

Construction: 8 client

Manufacturer or Producer: 6 clients

Services: 6 clients

Retail: 4 clients

Transportation and Warehousing: 4 clients

Professional, Scientific & Technical: 3 clients

Agriculture, Forestry, Fishing & Hunting: 2 clients

Arts and Entertainment: 2 clients

Healthcare: 2 clients

Administrative and Support: 1 client

Educational Services: 1 client

Real Estate, Rental and Leasing: 1 client

Waste Management and Remediation: 1 client

Wholesale Trade: 1 client

New Clients by Community

Homer: 16 clients

Seward: 10 clients

Soldotna: 10 clients

Anchor Point: 6 clients

Kenai: 4 clients

Sterling: 2 clients

Clam Gulch: 1 client

Cooper Landing: 1 client

Fritz Creek: 1 client

Hope: 1 client

Kasilof: 1 client

Nikiski: 1 client

Ninilchik: 1 client

Summary:

The Alaska SBDC Kenai Peninsula Center on-boarded 55 new clients during the third quarter of FY 2024. This quarter again saw an overwhelming proportion of entrepreneurs sign up with the Alaska SBDC looking to start new businesses. There was also significant industry diversity in entrepreneurs coming to the Alaska SBDC for assistance, with new clients spread across 15 of the 20 industry sectors. Accommodation and food services were again atop the list of industries, followed by construction and

services. The Alaska SBDC saw maybe its greatest spread of new clients across the Kenai, with entrepreneurs from 13 of the 21 communities on the peninsula starting with the SBDC. Homer saw the greatest number of new clients this quarter by a fairly wide margin.

New Businesses & Jobs at a Glance: Kenai Peninsula FY24 Q3 (Jan 1, 2024 - Mar 31, 2024)

Qualifying New-Business Starts: 4

Jobs Supported: 452

Summary:

An enterprise is considered “in-business” when all required licensing/permitting is acquired, has payroll, acquired debt or equity capital, incurred business expenses, and/or created sales. Jobs supported are calculated using a formula that includes the total number of full and part-time employees of a unique client receiving Alaska SBDC services. In addition, the Alaska SBDC must receive written confirmation from the client that these milestones occurred.

During the third quarter of FY 2024, clients reported establishing 4 new businesses on the Kenai Peninsula. The new businesses were started in Seward (3), Homer (1), and Sterling (1). Alaska SBDC work during the quarter directly supported 452 jobs scattered across the Kenai Peninsula Borough from Fox River to Lowell Point.

Workshops

So far this fiscal year, 84 Kenai Peninsula residents have attended [Alaska SBDC workshops](#). These classes are offered online via live webinars and on-demand videos and live in the classroom. Topics cover a wide array of subjects and harness both in-house expertise and professional adjuncts.

During the third quarter, the Kenai Peninsula Center, in collaboration with Alaska Vocational Technical Center (AVTEC), offered a live Starting a Business workshop in Seward, which resulted in 24 attendees. The Alaska SBDC also offered 41 recorded options available on-demand. Those topics include Developing Your Website Marketing Strategy, Disability Law, Bookkeeping Basics, LLCs in Alaska, QuickBooks Fundamentals, and many more.



UNIVERSITY of ALASKA ANCHORAGE

University of Alaska
Officer of Sponsored Programs
3211 Providence Drive
Anchorage AK 99508-4614

1-May-24

Kenai Peninsula Borough
114 North Binkley Street
Soldotna AK 99669

Project Title: FY24 KPG (SBDC)
Analysis of costs rendered under Award 100.94900.00000.43011:O2023-19
in the amount of \$135,000.00 from 01-JAN-2024 to 31-MAR-2024.

Voucher No: 2 - Final

	Previous Bill Amount	Current Amount Due	Cumulative Bill Amount
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Salaries	\$30,581.43	\$50,927.81	\$81,509.24
Staff Benefits	\$12,599.47	\$20,982.22	\$33,581.69
Services	\$4,200.00	\$4,200.00	\$8,400.00
F & A Costs	\$4,318.08	\$7,190.99	\$11,509.07
Grant Total	\$51,698.98	\$83,301.02	\$135,000.00

By signing this report, I certify to the best of my knowledge and belief that the report is true, complete, and accurate, and the expenditures, disbursements and cash receipts are for the purposes and objectives set forth in the terms and conditions of the Federal award (or non-Federal award, if applicable). I am aware that any false, fictitious, or fraudulent information, or the omission of any material fact, may subject me to criminal, civil or administrative penalties for fraud, false statements, false claims or otherwise. (U.S. Code Title 18, Section 1001 and Title 31, Sections 3729-3730 and 3801-3812).

CERTIFIED CORRECT

DocuSigned by:

Kelsie Sullivan

5F6D55DBAEFF463...

Kelsie Sullivan

OSP Post Award Manager

CC: G00015761

Federal Tax ID: 92-6000147

Please attach a copy of this invoice with your remittance.

For questions about this invoice, please contact the Office of Sponsored Programs (uaa_postaward@alaska.edu / 907-786-1569).

If this is a negative bill, the credit will be applied to your next invoice.



UNIVERSITY of ALASKA
ANCHORAGE

1-May-24

Kenai Peninsula Borough
114 North Binkley Street
Soldotna AK 99669

Voucher No: 2 - Final

Grant Code: G00015761

Fund Code and Title: 246049 FY24 KPG (SBDC)

Account Code -----	Title -----	Transaction Amt -----
1251	APT	\$41,881.39
1811	Annual Leave Charge	\$4,477.17
1831	Sick Leave Charge	\$2,085.71
1841	Holiday/ Other Leave-Charge	\$2,483.54
1970	Staff Benefits Expense	\$20,982.22
3118	Facilities Rental S/T	\$4,200.00
7811	Indirect Costs	\$7,190.99
Total		\$83,301.02
Retainage		\$0.00
Fund Total		\$83,301.02
<hr/>		
Grant Total		\$83,301.02

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