

**KENAI PENINSULA BOROUGH**  
Grants Administration

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**MEMORANDIUM**

**TO:** Peter A. Micciche, Mayor  
**FROM:** Elizabeth Hardie, Grants Administrator  
**DATE:** November 27, 2023  
**SUBJECT:** **FY24-1Q Alaska Small Business Development Center Grant report**

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The FY24-1Q narrative grant report has been submitted for the Alaska Small Business Development Center. We are awaiting the first quarter fiscal report from UAA.



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**

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**FY 2024**

**First Quarter Report**

**July 1, 2023 through September 30, 2023**

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

The Kenai Peninsula Center for the Alaska SBDC completed its first quarter of FY 2024. With business advisors providing service in each of the main cities on the Kenai Peninsula, the SBDC had another strong quarter. Our present model features one full-time center director based between Kenai and Soldotna, with business 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.

During the quarter, Alaska Business Magazine reached out to dozens of business experts across Alaska for an article on [Businesses Selling to Key Employees](#). With all the work we've done on the Kenai Peninsula, helping business owners sell to the next generation of entrepreneurs, we've become buy-sell experts. Our State and Kenai Peninsula Center directors were featured in the article, providing readers across the state with valuable insights.

During the previous quarter, Kenai Peninsula staff were examined by the America's SBDC Accreditation examiners as part of a statewide accreditation review. The Alaska SBDC is part of a larger SBDC network, America's SBDC, which stretches across the United States and its territories. Each SBDC is required to be inspected every five years in order to maintain their status as an SBDC. This is a very thorough review and not all SBDCs have passed, with failures losing their accreditation status and being forced to shut down. The initial results from the recent Alaska SBDC examination were provided to staff this quarter. Not only did the Kenai Peninsula Center pass with flying colors, but the Seward and Homer partnerships were noted in the review report as a best practice that other SBDCs should replicate. This was the first accreditation review for our Homer and Seward staff, and we're proud of their performances under pressure.

In terms of advising, accommodation and food service again topped the list of industries, followed by retail, healthcare and social assistance, and manufacturers or producers. We've provided technical assistance to everyone from high school graduates to professionals with doctorate degrees. We're guiding entrepreneurs all across the Kenai Peninsula from the "Y" in Soldotna to the remote reaches in Nanwalek. While start-up assistance was again our most common advising area this quarter, we also provided a significant amount of advising regarding financing, despite interest rates nearly doubling for some loan programs. There is a lot of opportunity on the Kenai Peninsula, and we're here to help entrepreneurs capitalize on it.

The Alaska SBDC has had a number of transitions within the organization, but has achieved a level of stability in the Kenai Peninsula Center, with all three staff fully trained and performing at high levels for over 18 months now. 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 Q1 (Jul 1, 2023 - Sep 30, 2023)**

**Number of Clients Advised**

Current Quarter: 108

FY 2024: 108

**Jobs Supported**

Current Quarter: 313

FY 2024: 313

**Business Starts**

Current Quarter: 10

FY 2024: 10

**Capital Infusion**

Current Quarter: \$940,000

    Small Business Loans: \$830,000

    Non-Debt Financing: \$110,000

FY 2024: \$940,000

**Alaska SBDC Kenai Peninsula Center Activity – Historical Comparison**

	<b>FY 2022 Q4 4/1/22 - 6/30/22</b>	<b>FY 2023 Q1 7/1/22 - 9/30/22</b>	<b>FY 2023 Q2 10/1/22 - 12/31/22</b>	<b>FY 2023 Q3 1/1/23 - 3/31/23</b>	<b>FY 2023 Q4 4/1/23 - 6/30/23</b>	<b>FY 2024 Q1 7/1/23 - 9/30/23</b>
New business created	17	13	10	5	13	10
Jobs supported	488	456	243	449	316	313
Loans	\$8,758,800	\$1,515,000	\$3,633,906	\$3,682,000	\$1,546,584	\$830,000
Total capital	\$10,110,800	\$1,611,591	\$4,636,106	\$3,980,000	\$1,996,584	\$940,000
New clients	31	35	30	51	42	26
Total clients	115	101	86	112	113	108
Total advising hours	352.98	369.08	339.62	533.08	427.92	365.50

## Clients & Advising at a Glance: Kenai Peninsula FY24 Q1 (Jul 1, 2023 - Sep 30, 2023)

### 108 Clients by Current Lifecycle

Pre-venture: 40 clients  
Startups: 32 clients  
In-business: 36 clients

### Clients by Industry

Accommodation and Food Services: 22 clients  
Retail: 14 clients  
Healthcare and Social Assistance: 12 clients  
Manufacturer/Producer: 11 clients  
Arts and Entertainment: 8 clients  
Transportation/Warehousing: 8 clients  
Service: 7 clients  
Construction: 5 clients  
Administrative and Support: 4 clients  
Real Estate, Rental and Leasing: 4 clients  
Agriculture, Forestry, Fishing and Hunting: 3 clients  
Professional, Scientific and Technical: 3 clients  
Educational: 2 clients  
Finance and Insurance: 1 client  
Mining: 1 client  
Research and Development: 1 client  
Tourism: 1 client  
Waste Management and Remediation: 1 client

### Top Areas of Advising

Startup Assistance: 130 hours  
Financing: 74 hours  
Buy/Sell a Business: 65 hours  
Managing a Business: 32 hours  
Business Plan: 15 hours  
Legal Issues: 15 hours

### Summary:

During the first quarter of FY 2024, the Alaska SBDC on the Kenai Peninsula provided nearly equal assistance to preventures, start-ups, and existing businesses. Accommodation and food service businesses topped the list by a wide margin, as has been the case the past few years, followed by retail, healthcare and social assistance, and manufacturers or producers. Aside from startup assistance, the Alaska SBDC provided a significant amount of advising on the topic of financing, despite interest rates nearly doubling for some loan programs. We also provided a significant amount of advising to business owners and entrepreneurs looking to buy or sell a business. There is a lot of opportunity on the Kenai Peninsula, and we're here to help entrepreneurs capitalize on it.

## New Clients at a Glance: Kenai Peninsula FY24 Q1 (Jul 1, 2023 - Sep 30, 2023)

### 26 New Clients by Initial Stage

Pre-ventures: 19 clients  
Startups: 6 clients  
In-business: 1 clients

### New Clients by Industry

Accommodation and Food Service: 6 clients  
Retail: 6 clients  
Health Care and Social Assistance: 3 clients  
Manufacturer or Producer: 3 clients  
Arts and Entertainment: 2 clients  
Agriculture, Forestry, Fishing and Hunting: 2 clients  
Service: 2 clients  
Educational Services: 1 client  
Tourism: 1 client

### New Clients by Community

Seward: 7 clients  
Homer: 4 clients  
Kenai: 3 clients  
Soldotna: 3 clients  
Anchor Point: 2 clients  
Cooper Landing: 2 clients  
Nanwalek: 2 clients  
Hope: 1 client  
Kasilof: 1 client  
Sterling: 1 client

### Summary:

The Alaska SBDC Kenai Peninsula Center on-boarded 26 new clients during the first 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 9 of the 20 industry sectors. Accommodation and food services returned to the top spot on the list after a one-quarter hiatus, sharing that position with retail. The next industries with new signups were healthcare and manufacturing. For the second straight quarter, the greatest number of new clients came from the eastern Kenai Peninsula, with 7 coming from Seward, followed by 6 from Kenai/Soldotna and 4 from Homer. Overall, the SBDC provided onboarding for new clients in 10 communities across the Kenai Peninsula.

## New Businesses & Jobs at a Glance: Kenai Peninsula FY24 Q1 (Jul 1, 2023 - Sep 30, 2023)

**Qualifying New-Business Starts:** 10

**Jobs Supported:** 313

### **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 first quarter of FY 2024, clients reported the creation of 10 new businesses on the Kenai Peninsula. The new businesses were started in Kasilof (3), Kenai (3), Anchor Point (1), Homer (1), and Soldotna (1). Alaska SBDC work during the quarter directly supported 313 jobs scattered across the Kenai Peninsula Borough from Fox River to Lowell Point.

### **Workshops**

[Alaska SBDC workshops](#) have been attended by 10 Kenai Peninsula residents so far this fiscal year. These classes are offered online via live webinar and on-demand videos and also live in the classroom. Topics cover a wide array of subjects and harness both in-house expertise and professional adjuncts.

During the first quarter, the Alaska SBDC Workshop Program offered 3 live webinars: Combating Fraud & Identity Theft, Bookkeeping Made Easy, and America’s Seed Fund for Small Business Innovation resulting in a total of 34 attendees. The Alaska SBDC also offered 96 recorded options available on-demand. Those topics include Collaborate, Meet & Work Remotely; Five Biggest Social Media Myths; Creating Financial Projections; How to Read and Prepare Basic Financial Statements and many more.