

Kenai Peninsula Borough

Grants Administration

MEMORANDUM

TO: Peter A. Micciche, Mayor

FROM: Elizabeth Hardie, Grants Administrator & Community Liaison

DATE: October 30, 2024

RE: FY25 – 1st Quarter Alaska Small Business Development Center Grant report

The FY25-1st Quarter financial and narrative grant report has been submitted for the Alaska Small Business Development Center.



UNIVERSITY of ALASKA ANCHORAGE

P0 25-0950

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

9-Oct-24

Grants Administrator
Kenai Peninsula Borough
144 N. Binkley Street
Soldotna, AK 99669

Project Title: FY25 KPB (SBDC)
Analysis of costs rendered under Award AWD DTD 7/30/24 \$135K
in the amount of \$135,000.00 from 01-JUL-2024 to 30-SEPT-2024.

Voucher No: Q1 - Inv 1

	Previous Bill Amount	Current Amount Due	Cumulative Bill Amount
Salaries	\$0.00	\$19,736.57	\$19,736.57
Staff Benefits	\$0.00	\$9,118.29	\$9,118.29
Services	\$0.00	\$4,652.00	\$4,652.00
F & A Costs	\$0.00	\$2,905.49	\$2,905.49
Grant Total	\$0.00	\$36,412.35	\$36,412.35

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...

CC: G00016172
Federal Tax ID: 92-6000147

Kelsie Sullivan
OSP Post Award Manager

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

9-Oct-24

Grants Administrator
Kenai Peninsula Borough
144 N. Binkley Street
Soldotna, AK 99669

Voucher No: Q1 - Inv 1

Grant Code: G00016172

Fund Code and Title: 246267 FY25 KPB (SBDC)

Account Code	Title	Transaction Amt
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1251	APT	\$16,072.10
1811	Annual Leave Charge	\$1,743.83
1831	Sick Leave Charge	\$879.16
1841	Holiday/ Other Leave-Charge	\$1,041.48
1970	Staff Benefits Expense	\$9,118.29
3118	Facilities Rental S/T	\$4,452.00
3662	Per 2 CFR \$200.454 Allow Dues/Memb	\$200.00
7811	Indirect Costs	\$2,905.49
Total		\$36,412.35
Retainage		\$0.00
Fund Total		\$36,412.35
Grant Total		\$36,412.35

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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 2025

First Quarter Report

July 1, 2024 through September 30, 2024

**Award 246267 FY25 KPB (SBDC)
UAA G-16172**

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

The Kenai Peninsula Center for the Alaska SBDC completed the first quarter of FY 2025 with a unique first. After ending FY 2024 with a record \$22.9 million in capital infusion, SBDC clients did not close a single loan on the peninsula during the quarter. Interest rates have been trickling down, but it appears that many entrepreneurs and business owners on the peninsula are taking a cautious approach in the second half of the year. Other metrics remained the same or improved, such as the SBDC providing support to the most industry sectors in a quarter, with 16 out of 20 represented. Just interesting that client borrowing experienced a pause in the quarter.

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 best to meet demands for our services on the peninsula. This has worked quite well, with Kenai Peninsula advisors logging an impressive 99% client satisfaction rating on surveys the past year, a testament to our knowledgeable and dedicated staff.

During the quarter, the Alaska SBDC on the Kenai Peninsula again provided significantly more advising to pre-ventures and startups. Regarding industries supported, accommodation and food services remained in the top spot for a third consecutive quarter. For new clients, the services industry sector was the most represented, followed by accommodation and food services and retail. Homer was again atop the list for the third consecutive quarter for new clients, with a lot of interest in SBDC support from the community. Kenai and Soldotna were next on the list, followed by Seward, which dipped this quarter. Aside from startup assistance, the Alaska SBDC provided a significant amount of advising on financing, business buy/sells, and legal issues.

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 nearly three 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 FY25 Q1 (Jul 1, 2024 - Sep 30, 2024)

Number of Clients Advised

Current Quarter: 114

FY 2025: 114

Jobs Supported

Current Quarter: 290

FY 2025: 290

Business Starts

Current Quarter: 11

FY 2025: 11

Capital Infusion

Current Quarter: \$0

Small Business Loans: \$0

Non-Debt Financing: \$0

FY 2025: \$0

Alaska SBDC Kenai Peninsula Center Activity – Historical Comparison

	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	FY2024 Q4 4/1/24 - 6/30/24	FY2025 Q1 7/1/24 - 9/30/24
New business created	13	10	10	4	14	12
Jobs supported	316	313	234	452	371	290
Loans	\$1,546,584	\$830,000	\$8,791,024	\$6,962,500	\$1,593,000	\$0
Total capital	\$1,996,584	\$940,000	\$9,874,782	\$8,911,040	\$3,261,561	\$0
New clients	42	26	30	55	29	25
Total clients	113	108	118	129	105	114
Total advising hours	427.92	365.50	374.24	461.66	287.50	316.49

114 Clients by Current Lifecycle

Pre-venture: 51 clients
Startups: 27 clients
In-business: 36 clients

Clients by Industry

Accommodation and Food Services: 28 clients
Services: 14 clients
Retail: 12 clients
Arts and Entertainment: 7 clients
Healthcare and Social Assistance: 7 clients
Manufacturer/Producer: 7 clients
Professional, Scientific and Technical: 7 clients
Transportation/Warehousing: 7 clients
Construction: 5 clients
Administrative and Support: 4 clients
Agriculture, Forestry, Fishing, and Hunting: 4 clients
Educational: 3 clients
Real Estate, Rental and Leasing: 3 clients
Waste Management and Remediation: 2 clients
Film: 1 client
Finance and Insurance: 1 client
Management of Companies: 1 client
Wholesale Trade: 1 client

Top Areas of Advising

Startup Assistance: 130 hours
Financing: 56 hours
Buy/Sell a Business: 41 hours
Legal Issues: 25 hours
Business Plan: 19 hours
Managing a Business: 16 hours

Summary:

During the first quarter of FY 2025, the Alaska SBDC on the Kenai Peninsula again provided more advising to pre-ventures and startups. Regarding industries supported, accommodation and food services remained in the top spot by a wide margin, followed by services and retail. There was a broad demographic of industries supported, with a record 16 of the 20 sectors supported by the SBDC in the quarter. Aside from startup assistance, the Alaska SBDC provided a significant amount of advising on business buy/sells and financing for the second straight quarter. SBDC advisors logged 19 hours of business plan guidance, but much of the startup assistance was related to business planning, so that number is low. 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 FY25 Q1 (Jul 1, 2024 - Sep 30, 2024)

25 New Clients by Initial Stage

Pre-ventures: 18 clients
Startups: 2 clients
In-business: 5 clients

New Clients by Industry

Service: 6 clients
Accommodation and Food Services: 4 clients
Retail: 3 clients
Transportation and Warehousing: 2 clients
Agriculture, Forestry, Fishing & Hunting: 1 client
Construction: 1 client
Film: 1 client
Finance and Insurance: 1 client
Healthcare: 1 client
Manufacturer: 1 client
Professional, Scientific & Technical: 1 client
Real Estate, Rental and Leasing: 1 client
Waste Management and Remediation: 1 client

New Clients by Community

Homer: 7 clients
Kenai: 6 clients
Soldotna: 4 clients
Seward: 3 clients
Nikiski: 2 clients
Cooper Landing: 1 client
Ninilchik: 1 client
Seldovia: 1 client

Summary:

The Alaska SBDC Kenai Peninsula Center on-boarded 25 new clients during the first quarter of FY 2025. There was a significant majority of pre-venture and startups in the quarter versus established businesses. New clients were spread across 12 of the 20 industry sectors in the quarter. The services industry sector was the most represented with new clients in the quarter, followed by accommodation and food services and retail. Homer was again atop the list for the third consecutive quarter for new clients, with a lot of interest in SBDC support from the community. Kenai and Soldotna were next on the list, followed by Seward, which dipped this quarter.

New Businesses & Jobs at a Glance: Kenai Peninsula FY25 Q1 (Jul 1, 2024 - Sep 30, 2024)

Qualifying New-Business Starts: 11

Jobs Supported: 290

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 2025, clients reported establishing 11 new businesses on the Kenai Peninsula. The new businesses were started in Soldotna (3), Kenai (2), Seward (2), Homer (1), Hope (1), Kasilof (1), and Moose Pass (1). Alaska SBDC work during the quarter directly supported 290 jobs scattered across the Kenai Peninsula Borough from Fox River to Lowell Point.

Workshops at a Glance: Kenai Peninsula FY24

So far, in FY25, 10 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 first quarter, the Kenai Peninsula Center conducted two in-person workshops. The Soldotna and Homer Centers collaborated with the Alaska SBA District office, and each hosted the Business Power Workshop titled “Leveraging Programs & Resources.” The two classes had a total of 10 attendees.

Between July and September 2024, the Alaska SBDC offered one live webinar class and 54 prerecorded options on-demand. Topics available on-demand include various legal issues, FDA Regulations, Combating Fraud and identity Theft, Disability Law, Bookkeeping Basics, LLCs in Alaska, QuickBooks Fundamentals, and more.

Breeze Inn

A Legacy of Hospitality Continues Under New Ownership

The Breeze Inn, a beloved establishment in Seward, Alaska, has been a favorite location for locals for over 40 years. With its rich history and dedication to the community, it was essential to find new owners who could continue the legacy built by the previous owner, Juris Mindenbergs, who was ready to retire. Nicole Lawrence, Colby Lawrence, Pamela Eiting, and Duke Marolf stepped up to take over the Breeze Inn, driven by a passion for hospitality and a desire to keep the community spirit alive.

One of the key elements that set the Breeze Inn apart is its commitment to being a year-round establishment.

"We love being able to support our community by committing to staying open year-round," Nicole Lawrence shared. This commitment allows the Breeze Inn to offer consistent service and become a reliable gathering spot for locals. In a town where many businesses operate seasonally, the Breeze Inn remains open seven days a week, providing stability and employment opportunities for its staff throughout the year. This dedication not only supports the local economy but also fosters a sense of community among residents and visitors alike.



Looking ahead, the Breeze Inn has exciting plans to enhance its offerings. The team is eager to introduce more fun events during the off-season, including securing the NFL package this fall, so locals have a cozy place to watch games and enjoy great food. They are also committed to maintaining popular events like the \$10 burger night, which has become a community favorite.

The journey to acquiring the Breeze Inn was not without its challenges. Nicole and her team needed to prove the business's viability to secure a significant loan.

This is where the Alaska Small Business Development Center played a crucial role. "KellyAnn and Cliff were amazing to work with. They helped us understand the value of the business and, more importantly, helped the bank understand. The projections that KellyAnn provided were instrumental in convincing the bank that we were worth taking a risk on for a significant loan," Nicole expressed. SBDC assistance was invaluable in navigating the complexities of the business acquisition process, providing the necessary tools and guidance to ensure a successful transition.



Through convenient accommodations in the heart of the Seward Harbor and delicious food at the locally loved restaurant and lounge, the Breeze Inn team looks forward to welcoming you and continuing to be a cornerstone of the Seward community for many years to come.

For those looking to experience the warmth and hospitality of the Breeze Inn or to learn more about their exciting upcoming events, you can visit their website breezeinn.com, follow them on [Instagram](#) or [Facebook](#), or stop in the restaurant at 1313 4th Avenue, Seward, AK, 99664.