



KENAI PENINSULA BOROUGH
GRANTS MANAGEMENT

M E M O R A N D U M

TO: Charlie Pierce, Mayor
FROM: Brenda Ahlberg, Community & Fiscal Projects Manager
DATE: November 11, 2017
SUBJECT: FY18-1Q Non-department Grant Reports

Attached are the FY18-1Q grant reports for non-departmental awards.

KPEDD – Kenai Peninsula Economic Development District
KPTMC – Kenai Peninsula Tourism Marketing Council
SBDC – Small Business Development Center



KENAI PENINSULA BOROUGH

144 North Binkley Street • Soldotna, Alaska 99669-7599

PHONE: (907) 714-2153 • FAX: (907) 714-2377

EMAIL: bahlberg@kpb.us

FROM: KPEDD

KPB ACCOUNT: 100.94900.KPEDD.43009

Contract Amount: \$75,000

Ending: June 30, 2018

Financial / Progress Report

Submit Report To:

Brenda Ahlberg

Community & Fiscal Projects Manager

Kenai Peninsula Borough

144 N. Binkley St., Soldotna, AK 99669

Project Name: Non-Areawide KPB Economic Development

Date: 10/05/2017

Report No.: 1 of 4

Quarter From: 07/01/17

To: 09/30/17

GRANTS

OCT 05 2017

RECEIVED

FINANCIAL REPORT:

FINAL REPORT DUE ON OR BEFORE 07/10/2018

Cost Category	Authorized Budget	Expenditures from Last Report	Expenditures This Period	Total Expenditures to Date	Balance of Funds
Personnel	75,000	-	18,750.00	18,750.00	\$ 56,250.00
Travel		-	-	-	\$ -
Contractual		-	-	-	\$ -
Supplies		-	-	-	\$ -
Equipment		-	-	-	\$ -
		-	-	-	\$ -
TOTALS	\$ 75,000.00	-	\$ 18,750.00	\$ 18,750.00	\$ 56,250.00
Payment Request					\$ 18,750.00

PROGRESS REPORT: Describe activities that have occurred during this reporting period. Describe any challenges you may have experienced, any foreseen problems, and/or any special requests. Attach additional pages.

KPEDD has begun work on the 2018 Situations and Prospects Report, with changes being made to the Executive Summary layout. Tim Dillon, Executive Director, has also met with the Cities of Kenai, Soldotna, Homer and Seward to disseminate data findings. KPEDD is currently working to assist the Kachemak Shellfish Mariculture Association in securing funding to upgrade and replace current equipment. Replacement will increase oyster production and educational opportunities, strengthening the Homer economy. Other projects this quarter included Business Incubation Center upgrades, website updates, Industry Appreciation Day and planning for the upcoming Industry Outlook Forum on January 10th.

Support lines on file.

Grantee Certification: I certify that the above information is true and correct, and that expenditures have been made for the purpose of, and in accordance with, applicable grant agreement terms and conditions.

Signature:

Date:

10/05/2017

Printed Name and Title:

Tim Dillon, Executive Director



KENAI PENINSULA BOROUGH

144 North Binkley Street • Soldotna, Alaska 99669-7599

PHONE: (907) 714-2153 • FAX: (907) 714-2377

EMAIL: bahlberg@kpb.us

FROM: KPTMC
KPB ACCOUNT: 100.94900.KPTMC.43021

Contract Amount: \$306,000
Ending: June 30, 2018

Financial / Progress Report

Submit Report To:

Brenda Ahlberg

Community & Fiscal Projects Manager

Kenai Peninsula Borough

144 N. Binkley St., Soldotna, AK 99669

Project Name: Tourism Marketing/Peninsula Promotion

Date: October 16, 2017

Report No.: 1

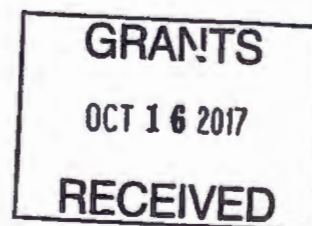
Quarter From: July 1, 2017

To: September 30, 2017

FINANCIAL REPORT: FINAL REPORT DUE ON OR BEFORE **10 JULY 2018**

Cost Category	Authorized Budget	Expenditures from Last Report	Expenditures This Period	Total Expenditures to Date	Balance of Funds
Personnel	\$ 61,241.48	\$ -	\$ 22,102.79	\$ 22,102.79	\$ 39,138.69
Travel	\$ 13,800.00	\$ -	\$ 3,098.58	\$ 3,098.58	\$ 10,701.42
Adv/Marketing	\$ 230,958.52	\$ -	\$ 106,876.36	\$ 106,876.36	\$ 124,082.16
TOTALS	\$ 306,000.00	\$ -	\$ 132,077.73	\$ 132,077.73	\$ 173,922.27
Payment Request					\$ 132,077.73

PROGRESS REPORT: Describe activities that have occurred during this reporting period. Describe any challenges you may have experienced, any foreseen problems, and/or any special requests. Attach additional pages.

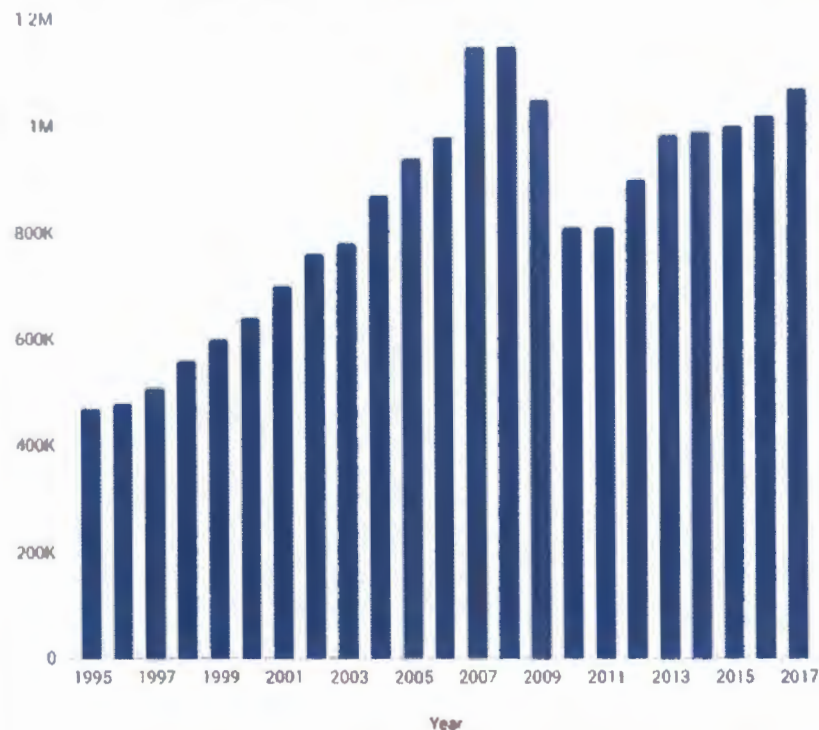


Introduction:

With the close of the 2017 summer tourism season upon us, final numbers are not yet available, but by most reports, it was another successful Alaskan Tourism season. As 3rd quarter sales tax data is pending, an accurate assessment of the numbers is not currently possible, but there are indicators of a successful season. The 2017 cruise industry reports 1.1 million cruise passengers made their way into Alaska ports with 74 ship visits happening on the Kenai Peninsula (Seward and Homer). This segment of tourism alone does business with 1,100 different Kenai Peninsula businesses, creating 3000 local jobs, and generating a payroll of \$110 million (www.claialaska.org).

It is important to note that these numbers may change in the coming years as the State of Alaska significantly reduced the funding to the statewide marketing program. As Alaska is seen by many to be a "once in a lifetime" trip, planning is often done years in advance. This year there was no statewide guidebook printed nor were any commercials produced. This reduction may have a delayed outcome in tourists visiting. One bright note is that while funding has been reduced from previous years, the Alaska State Legislature doubled the state marketing from 2016's low of \$1.5 million to \$3 million for the 2017 budget cycle. This increase will only benefit the tourism industry in the State of Alaska.

Number of Alaska passengers rebounds



Source: Cruise Lines Agencies of Alaska

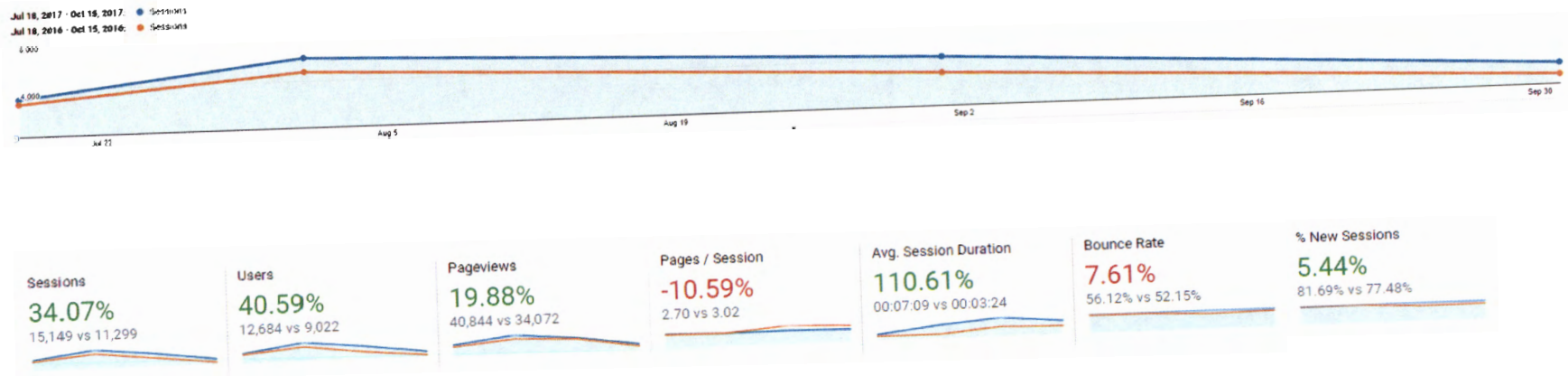
*2017 number estimate 1

2017 Alaska ship visits

PORT	CRUISE VISITS
Anchorage	11
Attu	1
Barrow	2
Dutch Harbor	13
Elfin Cove	4
Glacier Bay	237
Haines	45
Homer	11
Icy Strait Point	84
Juneau	507
Kenichikan	490
Kodiak	20
Nome	6
Pelican	1
Petersburg	45
Seward	63
Sitka	157
Skagway	375
St. Paul	3
St. Matthew	2
Valdez	1
Whittier	29
Wrangell	24
Yakutat	1

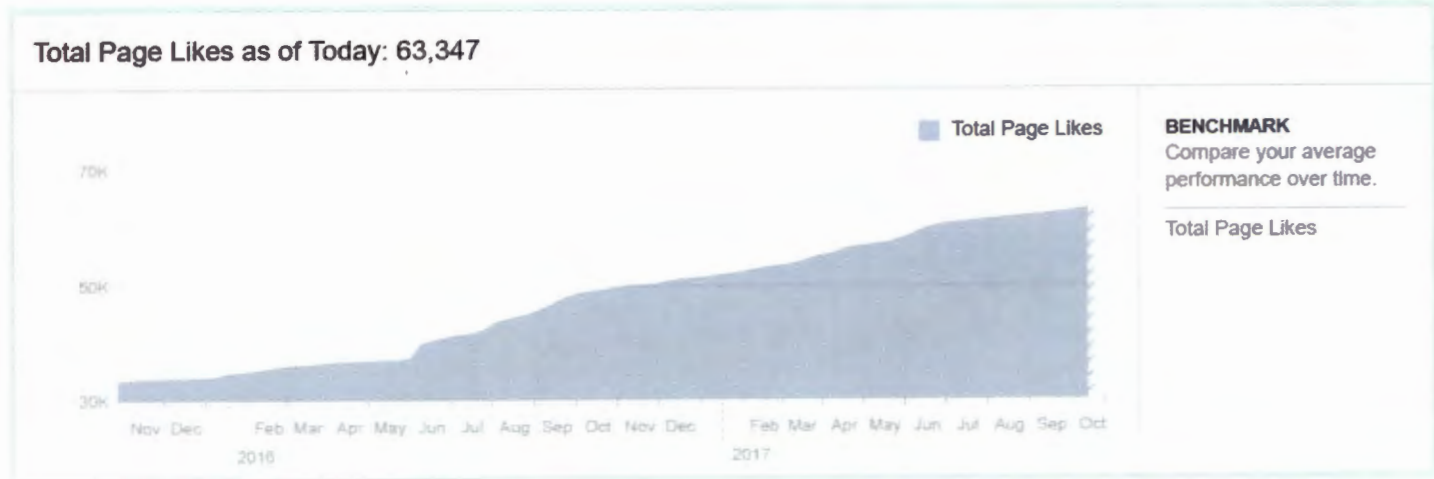
WWW.KENAI PENINSULA.ORG

Our website has shown significant improvement over this time period last year. Our user rate increased by over 40% and our average session (time spent on our website) was up 110%.



Social Media:

Within 2 years, the brand's page has consistently grown from 33,508 fans – 63,347 fans. 2 year growth 10/05/2015 to 10/09/2017

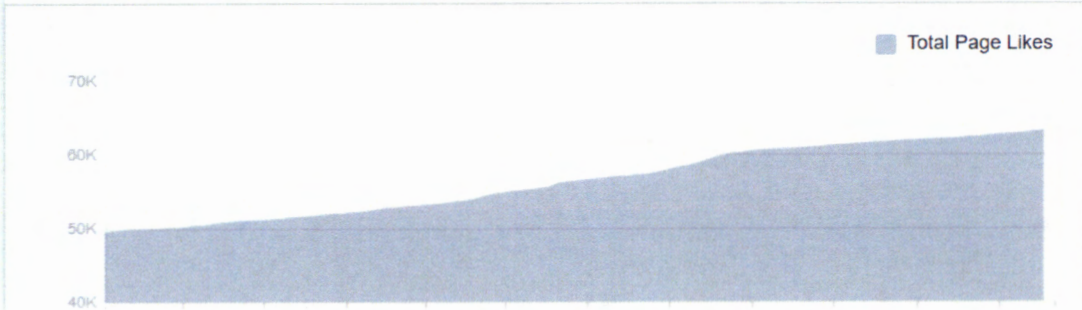


10/05/2015 to 10/03/2016



10/03/2016 to 10/05/2017

Total Page Likes as of Today: 63,347



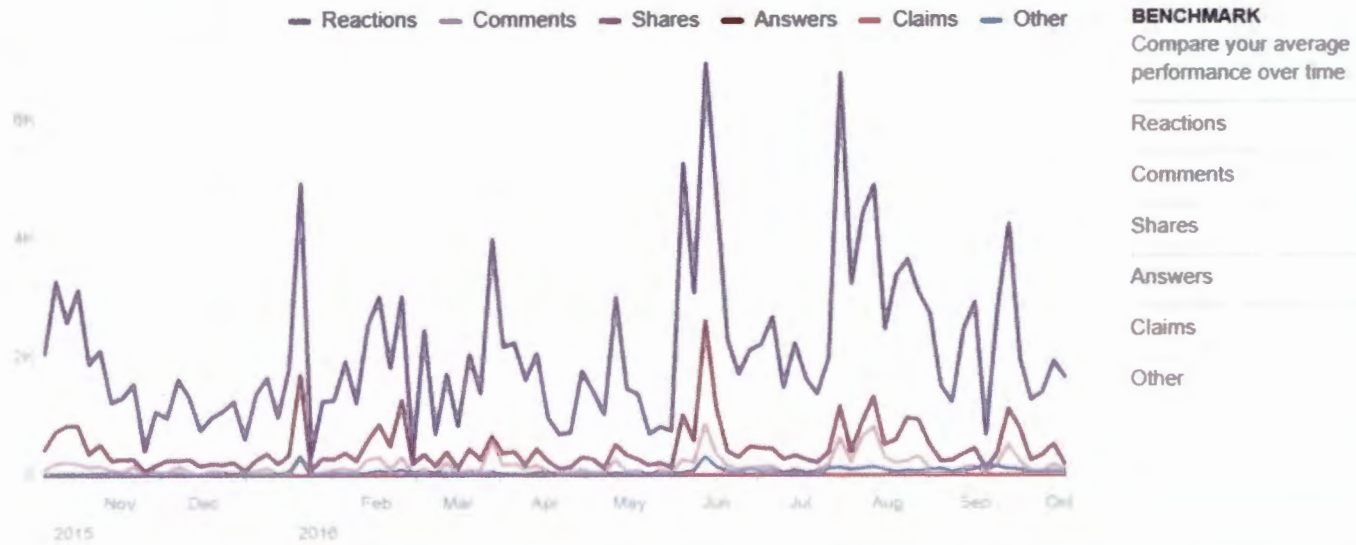
BENCHMARK
Compare your average
performance over time.

Total Page Likes

The brands engagement is living and breathing; it has a pulse and is not stagnant or flat-lined.
10/05/2017 to 10/03/2016

Reactions, Comments, Shares, and More

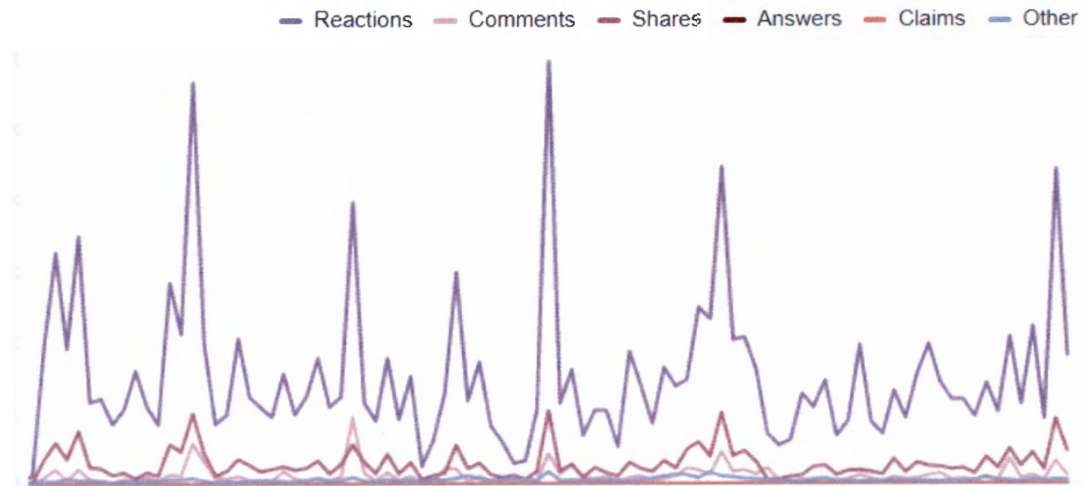
These actions will help you reach more people.



10/03/2016 to 10/05/2017

Reactions, Comments, Shares, and More

These actions will help you reach more people.



BENCHMARK

Compare your average performance over time.

Reactions

Comments

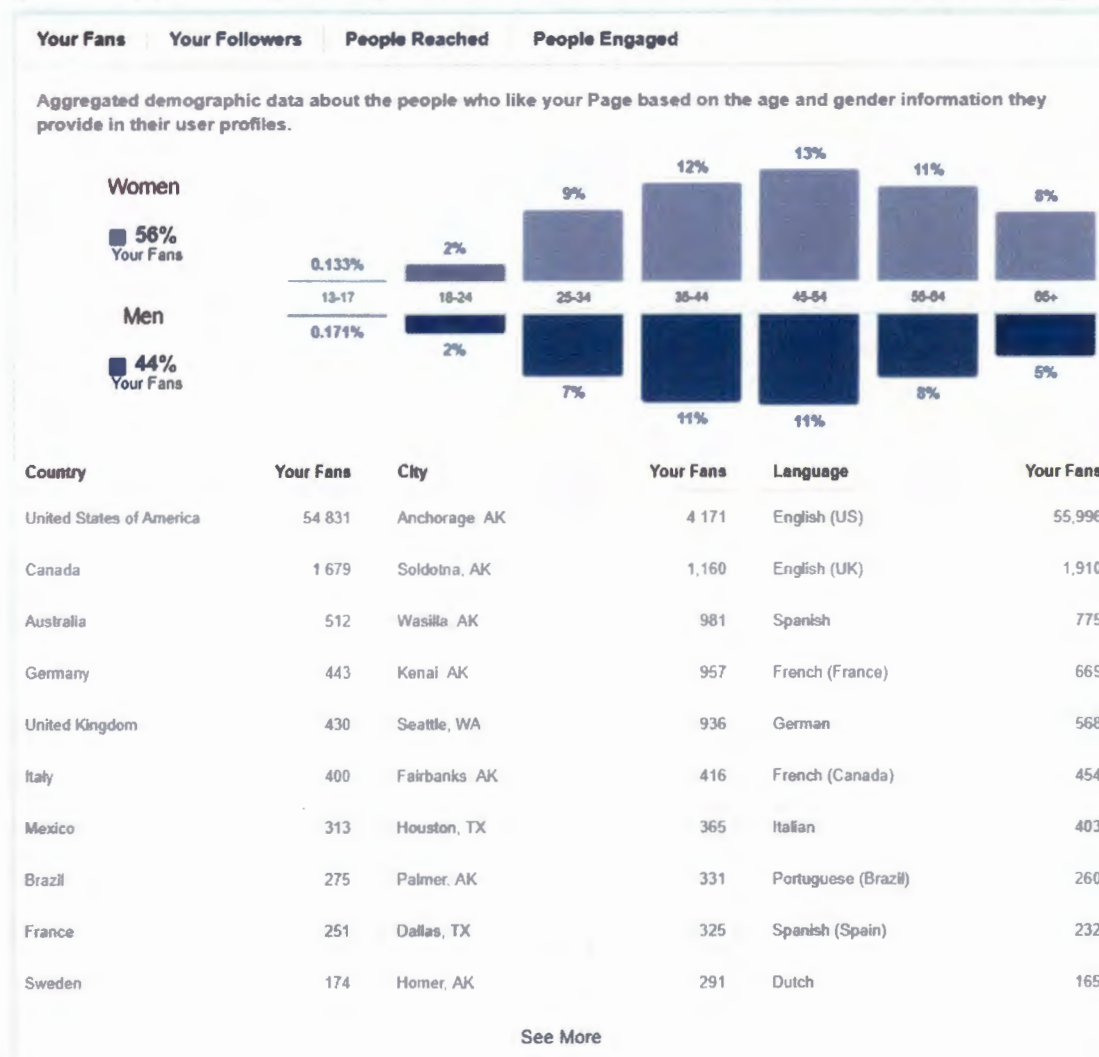
Shares

Answers

Claims

Other

The organic (not paid for) messages we are sharing, continue to target the traveling age demographic. KPTMC is forward thinking and paying close attention to increasing the brand's millennial demographic percentile. Today, the growing population of millennials, (those born between 1981 and 1997) are now the largest generation, at 75.4 million strong. They travel more for both business and leisure than older generations:



How do we effectively target our demographics? We share monuments where public dollars have been invested to build. Visitors seek them out and frequent them:

Post Details



The Kenai, Alaska's Playground

Published by Jhasmine Nicely [?] August 12 · 🌐

There is never a dull moment in Homer, Alaska! What is the secret to catching big fish? Big hooks!

PC: shannonnn49.



👍 Get More Likes, Comments and Shares
Boost this post for \$20 to reach up to 2,800 people

9,339 people reached

Boost Post

👍❤️👍 313

9 Comments · 49 Shares · 🌐

👍 Like 💬 Comment ➦ Share

9,339 People Reached

420 Reactions · Comments & Shares

331
👍 Like

295
On Post

36
On Shares

10
❤️ Love

9
On Post

1
On Shares

6
😂 Haha

6
On Post

0
On Shares

6
👉 Wow

3
On Post

3
On Shares

18
Comments

9
On Post

9
On Shares

49
Shares

49
On Post

0
On Shares

406 Post Clicks

202
Photo Views

0
Link Clicks

204
Other Clicks #

NEGATIVE FEEDBACK

18 Hide Post

0 Hide All Posts

0 Report as Spam

0 Unlike Page

Reported stats may be delayed from what appears on posts

We share the Kenai Peninsula's landmarks and its beauty:

Post Details



The Kenai, Alaska's Playground

Published by Jhasmine Nicely [?] · July 11 · 🌐

#TheKenai, #AlaskasPlayground.
PC: Charleskentli



✔️ **Get More Likes, Comments and Shares**
Boost this post for \$20 to reach up to 3,000 people

28,082 people reached

Boost Post

   1K

29 Comments 280 Shares

 Like

 Comment

 Share

Performance for Your Post

28,082

People Reached

2,352

Reactions, Comments & Shares

1,652

 Like

904

On Post

748

On Shares

234

 Love

117

On Post

117

On Shares

4

 Haha

2

On Post

2

On Shares

46

 Wow

21

On Post

25

On Shares

137

Comments

34

On Post

103

On Shares

284

Shares

280

On Post

4

On Shares

1,081

Post Clicks

331

Photo Views

0

Link Clicks

750

Other Clicks

NEGATIVE FEEDBACK

33

Hide Post

3

Hide All Posts

0

Report as Spam


0

Unlike Page


Reported stats may be delayed from what appears on posts

We engage and remarket with locals and past visitors:



Post Details




**The Kenai, Alaska's Playground**
Published by Jhasmine Nicely · July 7


We're on the look-out for some pretty fantastic photos and videos featuring wildlife and adventure on Kenai Peninsula. Do you have any?

 **Get More Likes, Comments and Shares**
Boost this post for \$20 to reach up to 2,800 people.



8,069 people reached





  Lynn Martinez, Catherine Lyon and 20 others


 Like  Comment  Share



 Write a comment




Top Comments

 **Jesse Orr** Not as much wildlife or adventure as one might expect on the Kenai Peninsula.
<https://www.youtube.com/watch?v=hS-StEFRbOE&t=28s>
**Cooper Landing A Drone [FancyDJI]**
Taking my DJI Phantom
YOUTUBE.COM

 Like  Reply  Message  Remove Preview 2 · July 7 at 10:26am

 1 Reply

 **Alyssa Spediacci** Sun rise and moon during the solstice all at once on the Kenai in Sterling


 Like  Reply  Message 5 · July 7 at 11:29am

[View more comments](#)

Performance for Your Post

8,069 People Reached

102 Reactions Comments & Shares

20 Likes **19** On Post **1** On Shares

3 Love **3** On Post **0** On Shares

76 Comments **69** On Post **7** On Shares

3 Shares **0** On Post **3** On Shares

446 Post Clicks

7 Photo Views **6** Link Clicks **433** Other Clicks

NEGATIVE FEEDBACK


26 Hide Post **3** Hide All Posts

0 Report as Spam **0** Unlike Page

Reported stats may be delayed from what appears on posts

We keep our posts light-hearted and viral:

Post Details




The Kenai, Alaska's Playground

Published by Jhasmine Nicely (7) · June 17 · 🌐

Just a normal day at the Ted Stevens Anchorage International Airport during the summer 😊

PC: The Alaska Life



✔️ Get More Likes, Comments and Shares

Boost this post for \$20 to reach up to 3,000 people.

135,643 people reached

Boost Post

Performance for Your Post

135,643 People Reached

4,118 Reactions Comments & Shares

2,423 👍 Like	1,182 On Post	1,241 On Shares
139 ❤️ Love	80 On Post	59 On Shares
730 😂 Haha	282 On Post	448 On Shares
9 😲 Wow	4 On Post	5 On Shares
1 😞 Sad	1 On Post	0 On Shares
1 😡 Angry	0 On Post	1 On Shares
283 Comments	103 On Post	180 On Shares
536 Share	521 On Post	16 On Shares
6,175 Post Clicks		
3,656 Photo View	2 Link Clicks	2,517 Other Clicks




NEGATIVE FEEDBACK

46 Hide Post 16 Hide All Posts
0 Report as Spam 0 Unlike Page


Reported stats may be delayed from what appears on posts


We show-case Kenai Peninsula businesses and KPTMC Members:


Post Details




**The Kenai, Alaska's Playground** is at  Lake Clark National Park & Preserve
Published by Courtney Dowd [?] June 5 




High in the air with Natron Air, Having Fun in Alaska soaking in these larger than life views. 📸



 **Get More Likes, Comments and Shares**
Boost this post for \$20 to reach up to 2,900 people.

3,764 people reached 






  Dale Keller, Nancy Morgan and 104 others 4 Comments 12 Shares 

 Like  Comment  Share

Performance for Your Post

3,764 People Reached

127 Reactions Comments & Shares

99  Like	95 On Post	4 On Shares
9  Love	8 On Post	1 On Shares
1  Haha	1 On Post	0 On Shares
2  Wow	2 On Post	0 On Shares
4 Comments	4 On Post	0 On Shares
12 Shares	12 On Post	0 On Shares
224 Post Clicks		
164 Photo Views	0 Link Clicks	60 Other Clicks 

NEGATIVE FEEDBACK

12 Hide Post **1** Hide All Posts
0 Report as Spam **0** Unlike Page

Reported stats may be delayed from what appears on posts

We share the Kenai Peninsula's history:

Post Details



The Kenai, Alaska's Playground shared a link

Published by Jhasmine Nicely (?) May 18



31 years ago Tuesday, Kenai River yielded largest king salmon ever caught

The late Les Anderson battled his 97-pound king salmon for hours to put the Soldotna angler and his fish in the record book. More than three decades later...

ADN.COM

Get More Likes, Comments and Shares
Boost this post for \$20 to reach up to 3,000 people.

60,119 people reached

Boost Post

848

28 Comments 442 Shares

Like Comment Share

Performance for Your Post

60,119 People Reached

2,698 Reactions Comments & Shares

1,817

Like

730

On Post

1,087

On Shares

59

Love

29

On Post

30

On Shares

9

Haha

4

On Post

5

On Shares

224

Wow

85

On Post

139

On Shares

2

Sad

0

On Post

2

On Shares

147

Comments

29

On Post

118

On Shares

442

Shares

442

On Post

0

On Shares

2,363 Post Clicks

6

Photo Views

1,218

Link Clicks

1,139

Other Clicks

NEGATIVE FEEDBACK

42 Hide Post

2 Hide All Posts

0 Report as Spam

0 Unlike Page

Reported stats may be delayed from what appears on posts

We drive traffic to our website:

Post Details



The Kenai, Alaska's Playground

Published by Jhasmine Nicely (?) · April 30 ·

HISTORY & CULTURE

If you would like to look back a few centuries, there's plenty of human history to discover here. Captain Cook explored here in the late 18th Century. Russians colonized parts of the eastern coast, bringing a long-lasting influence to the area, including several Russian Orthodox churches, one of which is over 200 years old. Alaska Natives thrived on the Kenai's rich resources from both land and sea.

Learn more: <http://kenaipeninsula.org/business?search=museum>



✓ **Get More Likes, Comments and Shares**
Boost this post for \$20 to reach up to 2,900 people.

3,041 people reached

Boost Post

Barb Gille, Dave N Marlene Canham and 43 others

Like Comment Share

Performance for Your Post

3,041 People Reached

55 Reactions, Comments & Shares

44
Like

43
On Post

1
On Shares

1
Love

1
On Post

0
On Shares

1
Wow

1
On Post

0
On Shares

0
Comments

0
On Post

0
On Shares

9
Shares

0
On Post

9
On Shares

153 Post Clicks

127
Photo Views

2
Link Clicks

24
Other Clicks

NEGATIVE FEEDBACK

6 Hide Post

0 Hide All Posts

0 Report as Spam

0 Unlike Page

Reported stats may be delayed from what appears on posts

Post Details



The Kenai, Alaska's Playground

Published by Jhasmine Nicely (?) March 24

Get your FREE Discovery Guide



Get our FREE Discovery Guide

We value your privacy and work hard to provide a convenient way for you to receive our Kenai Peninsula Discovery Guide. Please review the different ways you can receive information about The Kenai and choose the one that best suits your needs.

KENAI PENINSULA.ORG



Get More Likes, Comments and Shares

Boost this post for \$20 to reach up to 2,900 people.

1,115 people reached

Boost Post

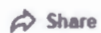


William Baker, Alberto Lenzi and 18 others

1 Share



Comment



Share

Performance for Your Post

1,115 People Reached

25 Reactions, Comments & Shares

20

Like

19

On Post

1

On Shares

1

Love

1

On Post

0

On Shares

1

Angry

0

On Post

1

On Shares

0

Comments

0

On Post

0

On Shares

3

Shares

1

On Post

2

On Shares

18 Post Clicks

1

Photo Views

7

Link Clicks

10

Other Clicks

NEGATIVE FEEDBACK

3 Hide Post

0 Hide All Posts


0 Report as Spam

0 Unlike Page

Reported stats may be delayed from what appears on posts

We talk about the small towns:


Post Details



The Kenai, Alaska's Playground

Published by Jhasmine Nicely [?] · April 29 · 🌐

"Waking up just outside of Hope, Alaska. One of the most insane sunrises I've seen in awhile." - Mason Strehl



✔️ Get More Likes, Comments and Shares

Boost this post for \$20 to reach up to 2,900 people.

10,226 people reached

Boost Post

Performance for Your Post

10,226 People Reached

478 Reactions · Comments & Shares

370	328	42
Like	On Post	On Shares
32	31	1
Love	On Post	On Shares
3	2	1
Wow	On Post	On Shares
15	12	3
Comments	On Post	On Shares
59	58	1
Shares	On Post	On Shares
356 Post Clicks		
197	2	157
Photo Views	Link Clicks	Other Clicks

NEGATIVE FEEDBACK

9 Hide Post

0 Hide All Posts

0 Report as Spam

0 Unlike Page

Reported items may be delayed from what appears on posts

"The Kenai, Alaska's Playground" is the Kenai Peninsula's brand. KPTMC continues to effectively target and engage the businesses that represent the Kenai Peninsula, travelers interested in the Kenai Peninsula and KPTMC plays a functioning role in marketing the Kenai Peninsula as a World Class, year round destination.

2016 Passport and Discovery Guide Distribution:

We have concluded the 2017 Passport and Guide Distribution cycles. The 2017 Discovery Guide printing was 125,000 copies and we successfully distributed 92% of these guides. Additionally, 20,000 Passports were printed and 79% of these were distributed. On an anecdotal note, I carried several of these around with me and anytime I ran into a tourist, I offered them a Passport. Over the 3 months I did this, I only gave 4-5 away as everyone I met already had one in his or her possession.

**2017 Kenai Peninsula
Discovery Guide
Distribution Summary**

Source	# of Guides
Leads	76,832
Visitor Centers	7,536
Businesses	288
Conventions, etc	29,568
Mail Out	301
Total	114,521

2018 KPTMC Membership Campaign Overview:

Our membership runs October to October and this is the second year with higher membership fees (from \$150 to \$225).

2018 Memberships: 272

2017 Memberships: 286

2018 Membership Revenue Overview:

2018 Membership: \$51,075

2017 Membership: \$53,550

2018 KPTMC Discovery Guide Sales Overview:

Sales in the 2018 Discovery Guide closed September 29, 2017.

2018 Guide Sales: \$151,748.50

2017 Guide Sales: \$157,476.00

The 2018 Discovery Guide will arrive for distribution in mid-November 2018.

2018 www.kenaipeninsula.org Advertising Sales:

Total to Date: \$39,800.00

2017 Total: \$34,000.00

**2017 Kenai Peninsula
Discovery Guide
Passport to The Kenai**

Source	Date	# of Boxes
FBX CVB	4/26/2017	5
Soldotna CVB	4/26/2017	3
Kenai CVB	4/26/2017	4
Homer CVB	4/26/2017	3
Seward CVB	4/26/2017	3
Visit ANC	4/26/2017	1
Kenai CVB	5/15/2017	1
Airforce Base	5/15/2017	1
Kenai CVB	6/13/2017	1
Soldotna CVB	7/7/2017	1
Soldotna CVB	8/1/2017	1
Kenai CVB	7/24/2017	1
Kenai CVB	8/15/2017	1
Seward CVB	8/29/2017	2
FBX CVB	8/29/2017	1
Soldotna CVB	8/29/2017	1
Cook's Corner Tesoro		4
Member Pick-Up		4
Tok CVB		10
	Grand Total	15675



Shoulder Season Marketing:

We have contracted with Ohana Media Group for radio ads to play 340 spots over a 12-week campaign (6 weeks in the Fall, 6 weeks in the Spring) to the Anchorage market with the intention of increasing visitors from that area outside of the standard tourism season, particularly during dipnetting weeks. We have completed the first round on two stations (BOB 92.1FM and KBYR 700, with simulcast on the Slope) with the following estimated listenership per advertisement:

BOB: 11,898

KBYR: 987

Additionally, we are researching print advertising options to run in the Spring, but have created a targeted Facebook ad campaign that is beginning now. If a Facebook user clicks our ad, they will be directed to our website landing on a page that outlines all the year-round businesses.

Print Media:

We partially-hosted (in conjunction with Soldotna B&B Lodge) an international media writer, Olaf Jochman, with the German-language magazine *Am Haken* which features a readership of 50,000 people over six annual editions. In meeting with Mr. Jochmann, he stated that his visit to The Kenai was one of his "Top 5" trips he has ever taken on a worldwide level, noting he has been to the US over 40 times. This connection was generated through the POWWOW trip funded under the KPB 2017 grant cycle. He agreed to include one of our print ads alongside his article; the publication date is to be determined.

We have created print media for the following entities: Northwest Travel Magazine, Alaska's Best Map, Alaska Channel Map.

Finally, we are attempting to create a tracking system to note the success of our print media. In the ad to the right, please note the website is listed as

www.kenaipeninsula.org/nwtravel.

All web traffic to this page will come from users seeing this ad.



UP TO SNOW GOOD!


**COME SEE WHY
THE KENAI
ALASKA'S
PLAYGROUND
IS FUN YEAR ROUND!**




WELCOME TO THE KENAI - ALASKA'S PLAYGROUND!

Here you will discover what Alaskans already know
THE KENAI is not behind safety glass, or a deck rail.
Your face feels the cold wind on the train and your
heart pounds with the strike of a monster fish. Your
adrenaline rushes at the sight of a bear and your skin
chills as you step on a glacier.
With over **10,000 SQUARE MILES** of extraordinary
adventure and excitement to choose from,
discover why "**THE KENAI**" is known as
ALASKA'S PLAYGROUND

CALL TOLL FREE: (800) 535-3624



 **ALASKA'S
PLAYGROUND**

KENAIPENINSULA.ORG/NWTRAVEL

EASTERN REGION:

Danny Seavey, Seavey's Iditarde
George Helm, Alaska River Adventures

CENTRAL REGION:

Eric Dahlman, Sportsmans Warehouse
Bill Sadler, Soldotna B&B Lodge

SOUTHERN REGION:

Laurel Hiltz, Seldovia Village Tribe
Mike Warburton, The Ocean Shores

INCORPORATED COMMUNITY REPRESENTATIVES:

Cindy Clock,
Seward Chamber of
Commerce

Shanon Davis,
Soldotna Chamber of
Commerce

Johna Beech,
Kenai Chamber of Commerce
and Visitor Center

Debbie Speakman,
Homer Chamber of
Commerce

BOROUGH WIDE REPRESENTATIVES:

Michelle Graves, Bear Mountain Lodge

Travis Taylor, Premier Alaska Tours

Grantee Certification: I certify that the above information is true and correct, and that expenditures have been made for the purpose of, and in accordance with, applicable grant agreement terms and conditions.

Signature: _____

Date: _____

Printed Name and Title: _____



Alaska Small Business Development Center

UNIVERSITY of ALASKA ANCHORAGE

October 15, 2017

Mayor Mike Navarre
Kenai Peninsula Borough
144 N. Binkley Street
Soldotna, AK 99669

Dear Mayor Navarre:

I'm pleased to offer the attached Alaska Small Business Development Center (SBDC) report for your review. First quarter results from the Kenai Peninsula Center are as follows:

- Total # of clients counseled: 97
- New clients counseled: 21
- New businesses: 15
- Jobs induced: 35
- Capital infusion: \$3,746,479

We attribute the achievement of these record breaking results to the increased availability of our online tools, webinars, website enhancement and marketing.

In addition to achieving record impact results, the Kenai Peninsula Center conducted a fundraising campaign to offset the reduction in borough funding for FY18. With the removal of on-site administrative support and addition of a second business advisor on the Kenai Peninsula last year, the 20% reduction in funding from the borough has placed a strain on the SBDC.

The Kenai Peninsula Center committed to obtaining additional local support following the borough's budget cut, and our intensive campaign secured \$9,000 in funding and donations from multiple supporters in the region.

We have attached five success stories for Q1 of FY18 to our report. These include testimonials from Homer Whales, Kenai Peninsula Massage Therapy, Gahm's Guns, Studio49, and Urgent Care of Soldotna on their positive experience working with the SBDC on the Kenai.

Thank you for your ongoing support as we serve the business owners throughout the Kenai Peninsula.

Sincerely,

Clifford D. Cochran, MBA
Business Advisor, Kenai Peninsula Center
43335 Kalifornsky Beach Road, Suite 12
Soldotna, AK 99669



**Alaska Small Business
Development Center**

UNIVERSITY of ALASKA ANCHORAGE

Alaska Small Business Development Center - Kenai Peninsula Center

43335 Kalifornsky Beach Rd., Suite 12

Soldotna, AK 99669

(907) 260-5643

First Quarter Report

FY2018

July 1, 2017 through September 30, 2017

Presented to:

Kenai Peninsula Borough

Mayor Mike Navarre

144 North Binkley Street

Soldotna, AK 99669

October 15, 2017

Our mission at the Alaska Small Business Development Center (SBDC) is to spark the amazing in Alaska - one idea, one business, one community at a time. Our hallmark service is no-cost, one-on-one, confidential business advising to meet each client's needs. An advising session may cover a myriad of topics related to business, including business plan development and review, financial projections, cash flow analysis, marketing, bookkeeping, loan packaging, licensing and permitting, to name a few.

The strategic focus of the SBDC is to create sustainable impact in the Alaska Economy by focusing on existing businesses that are looking to grow. To meet the needs of growing businesses, the SBDC offers a powerful suite of tools and resources at no cost (when used as a part of counseling services with an SBDC advisor). IBIS World and ProfitCents are two such tools.

IBISWorld, a critical tool in business plan development, researches over 700 industries in the United States and provides current reports specific to each industry. Reports include an industry overview, products and markets information, competitive landscape, operating conditions, and key statistics on the industry. These reports are updated every 6-12 months, and provide small businesses with the pulse of their industry.

ProfitCents is a suite of web-based financial analysis tools that thousands of accountants and business consultants use nationwide. These tools when used with an SBDC advisor enables clients to take data based approaches to their strategic decision making. ProfitCents generates a 5 year set of financial projections based on a business' financial statements which can be used to evaluate any "what if" scenarios before strategic decisions are made. In conjunction with financial analysis through ProfitCents, advisors also deliver narrative reports which provide clients with a deeper understanding of their financial health. An individual not working with an SBDC advisor would have to pay a combined value of \$4,250 to access these tools directly from the vendors). This is one example of the value the SBDC brings to our clients.

The State office continues to provide centralized marketing of workshops, client profiles of our successful clients, as well as specific new opportunity developments such as a focus on our assistance for energy related businesses. Metrics are kept that include social media connections, web page and video usage as well as document downloads and workshop attendance. All metrics indicate a steady trend in our ability to reach and serve our clients. Students Research was also provided to SBDC clients through our formal research request process.

The SBDC offers further assistance through each of our partner programs. Other available resources include a robust set of business tools at www.aksbdc.org, ongoing live webinars, access to market research, and a statewide network of knowledgeable staff.

Kenai Peninsula Center Updates

This quarter the SBDC was involved in several activities of interest, including:

- Alaska SBDC Executive Director, Southwest Regional Director, and Soldotna Business Advisor hosted America's SBDC 5-year national accreditation examination on July 26. Results are being compiled and will be made available in next quarter's report.
- Director and Business Advisor have undertaken a fundraising effort to offset the funding

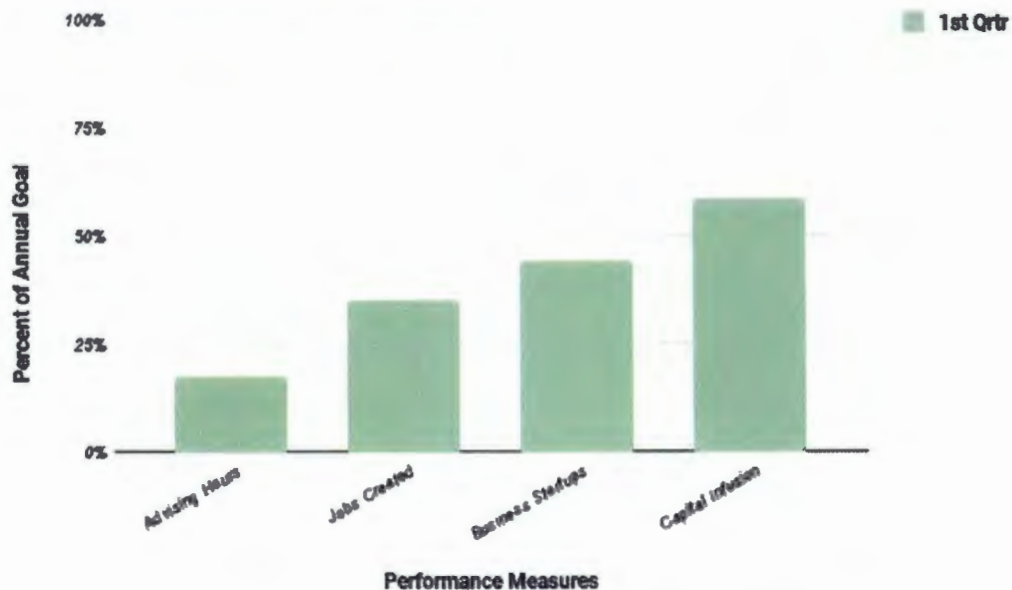
recently cut by the Kenai Peninsula Borough and have secured an additional \$9,000 in funding and in-kind donations for FY18.

- Regional Director and Business Advisor attended America's SBDC Conference in Nashville on September 5-8. Both completed over 20 hours of professional development and Business Advisor was recognized as the State Star for the Alaska SBDC.
- SBDC Executive Director travelled to Seward on September 20-22 to meet with the Southwest Regional Director and Deputy Director of AVTEC, as well as the Chamber of Commerce Executive Director. The Regional Director also met with the Mayor, City Manager and Assistant City Manager, and SBDC clients.
- Director presented our Starting a Business workshop in Homer on August 22 and September 19 and Seward on September 21.
- Director hosted Ocean Tuesday, which aims to transition the fishing industry from an extractive economy to a diversified economy based on sustainable resources, on July 25.
- Business Advisor presented our Starting a Business workshop in Soldotna on August 2 and September 19.
- Business Advisor hosted an SBA workshop on lending with Nelida Irvine, Lender Relations Specialist, and met with branch managers for First National Bank of Alaska, KeyBank, and Wells Fargo on September 20.
- Director and Business Advisor have maintained contact with Kenai, Soldotna, Homer, and Seward chamber of commerces to connect with prospective clients.

Performance Indicators and Progress To-Date

The regional SBDC performance measures for FY18 (7/01/17 through 9/30/18) are listed below with progress for the year-to-date (YTD).

Kenai Peninsula Center (7/1/17 - 6/30/18)



Number of Clients advised**Current Quarter: 97****YTD: 97**

During the first quarter, 97 clients received advising assistance. This represents 260.98 hours spent with clients in the quarter. Of clients that are currently in business, 25% are women-owned businesses, 48% are male-owned and 27% have two or more owners. 52% of clients receiving assistance this quarter were already in business.

Our no-cost, confidential advising is offered to all individuals seeking assistance. Due to the volume of requests for advising, the SBDC has segmented its clients into the following stages within the business lifecycle: Think, Launch, Grow, Reinvent and Exit. During the first quarter, 79% of clients advised were in the Think or Launch stages, while 21% were in the Grow, Reinvent or Exit stages. By understanding the stage of a client's business, both the client and the advisor work more efficiently and produce results more effectively.

In order to be considered a reportable advising session, the client's initial advising session must be no less than one hour with the business advisor. Follow-up advising sessions can be any length of time. Although the Business Advisor offers information and advice to clients on an ongoing regular basis via telephone, email or in person, only the reportable sessions are listed.

Jobs Created**Current Quarter: 35****YTD: 35**

During the first quarter, 16 clients reported the induction of 35 new jobs within the accommodation/food service, arts and entertainment, construction, educational, health care, information, professional/technical, retail, service, and transportation/warehousing sectors.

Business Starts**Current Quarter: 15****YTD: 15**

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. During the first quarter, clients reported the creation of 15 new business start within the accommodation/food service, arts and entertainment, construction, educational, health care, information, professional/technical, retail, service, and transportation/warehousing sectors.

Capital Infusion**Current Quarter: \$3,746,479****YTD: \$3,746,479**

The SBDC tracks the amount of money infused into the region in the form of business loans and investments. Capital infusion includes all loans, lines of credit, and owner-investments (non-debt financing) which clients have contributed to their business.

This quarter, clients reported \$3,746,479 in capital infusion, to include the following:

SBA Loans: \$310,234

Non-SBA: \$3,110,650

Non-Debt Financing: \$325,595

Training Events & Attendees

Training events, in the form of workshops and classes, are available through the SBDC offices in Soldotna and Homer. Our workshops are also offered through the SBDC office in Anchorage via webinar, and are available to anyone with a computer, internet connection, and a phone line. These trainings are provided by business advisors and other professionals. In the first quarter of FY18, the SBDC offices in Soldotna and Homer provided 5 workshops for 15 attendees. An additional 16 Kenai Peninsula residents participated long distance in webinars offered through our state office.

We anticipate many improvements over the next fiscal year for workshops. It is our pleasure to keep you informed on new developments and technology that will better assist business start-ups and growth.

Thank you for reviewing our quarterly report and we appreciate your ongoing support of small businesses on the Kenai Peninsula.

I certify that to the best of my knowledge, the information contained herein is accurate and reflects the activities executed by the SBDC during the First Quarter FY18.



Clifford D. Cochran, MBA

October 15, 2017



Alaska Small Business Development Center

UAA BUSINESS ENTERPRISE INSTITUTE

New to Soldotna: Gahm's Guns, Gunsmithing and Training

Jason Gahm is an NRA Certified Instructor and Gunsmith, who successfully transitioned his family-owned-and-operated small business from Nikiski to the Peninsula Center Mall in Soldotna with his wife, Anne. This strategic business decision has gained *Gahm's Guns, Gunsmithing and Training* increased sales, making it their most successful year yet.

Working with the Small Business Development Center (SBDC) in Soldotna, this small business is proudly serving the Kenai Peninsula in excellent firearm sales, gunsmithing, and training, while looking to expand into a larger facility. After less than a year in the mall, they have outgrown their current location.

Their business advisor, Cliff Cochran, noted that "It's been a privilege working with Jason and Anne, who have quickly become the source for all things guns in the Central Kenai Peninsula. They bring some much-needed weapons expertise to the area and are successfully growing their business."



"Cliff provided a wealth of information that enabled us to make a good decision, and our business has been very successful as a result. If we need any business assistance in the future, we will not hesitate to start with the SBDC."

With pride and passion in their work, it comes as no surprise that Gahm's Guns has become so popular. Visit Jason and Anne on their [website](#) and [Facebook](#); you won't be disappointed in connecting with this knowledgeable and local business!



SBDC

Alaska Small Business Development Center

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It isn't end of the road for this Homer business

Abigail Kokai had a dream of creating a "Wishing Whale" for the Homer Spit after being inspired by whale watching around Kachemak Bay. When a friend gave her a pair of jeans to repurpose, her dream became a reality as she began creating unique, soft-form, decor whales by hand. Incorporating recycled materials and delightful local touches showcase an underlying dedication to small businesses in the region and a commitment to being Made in Alaska. Though Homer is famously referred to as the "End of the Road," with a spark of inspiration and creativity, *HomerWhales* is a business just getting started.



Abigail began working with her business advisor, Mr. Bryan Zak, in Homer to better understand the process of starting a business. About her journey so far she shared, "I began work on a business plan and obtained information about crowdfunding and marketing. I attended an online course written by an SBDC Advisor through "crowd funding university" and then successfully launched my first crowdfunding campaign. I continued to work on my business plan as well as the integrated financial model and participated in the 2016 InnovateHER Challenge hosted by the U.S. Small Business Administration and the 2016 American Dreams product pitch challenge hosted by the Home

Shopping Network, where I met with a regional SCORE mentor. Having a business advisor in my rural location to share my ideas with has greatly assisted me in my business growth and the challenges that I have faced. My next step is international marketing and through my SBDC Advisor I have been introduced to the U.S. Commercial Services."

In April, *HomerWhales* received national recognition as an American Small Business Champion by SCORE Mentors and has continued to grow and make an impact. As a business inspired by natural beauty and wildlife, it comes at no surprise that 5% of annual profits are donated to the North Gulf Oceanic Society to protect the whales of Alaska. To connect with Abigail and take home a Homer Whale of your own, visit the [website](#), [Etsy shop](#), and [Facebook](#). Also, don't miss out on #whalecrushwednesday on the [HomerWhales Instagram!](#)



The Alaska Small Business Development Center (SBDC) assists small businesses with free and confidential one-on-one advising and low-or no-cost workshops. The SBDC is a program of the U.S. Small Business Administration and the University of Alaska. We do not discriminate on the basis of race, color, religion, sex, marital status, disability, age or national origin in services or accommodations offered or provided to our employees, clients or guests. If you require support services and/or accommodations, please contact the Office of Equity and Compliance at (907)786-4788 or e-mail msmlcek@uaa.alaska.edu





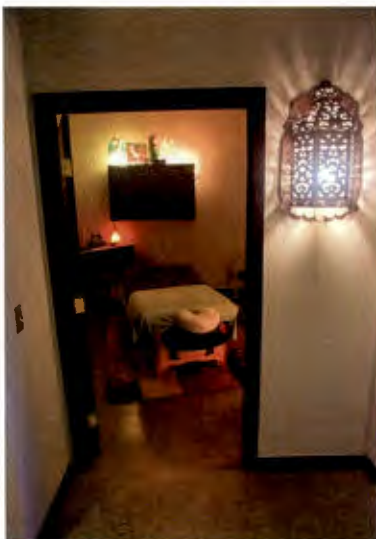
Alaska Small Business Development Center

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Reset with Kenai Peninsula Massage Therapy

At Soldotna's newest small business, you're encouraged to put your phone on silent and immerse yourself in luxury and relaxation. Kenai Peninsula Massage Therapy (KPMT) offers premium relaxation, calmness, and stress relief. Their treatments focus on restoring your ability to function free of pain and restriction. Along with a wide range of restorative massage therapies, KPMT's unique private "Reset Room" provides clients a tranquil place to relax. Surrounded by soft blue light, the hazy glow of a dimmed salt rock lamp, and the sound of ocean waves, you'll enjoy melting into a heated jade mat. Bolsters rest under your neck and knees while the pleasant effects of aromatherapy add to this naturally soothing experience.

Owners Rosemarie Waters, LMP and Caitlin Sparks, LMP, worked with their advisor, Cliff Cochran, with the Small Business Development Center (SBDC) in Soldotna to launch their business. He was proud to share, *"It's been great to work with Rose and Caitlin as they've launched KPMT. They are both highly skilled in what they do and secured a great location for their business, ensuring they'll be here for many years to come. I'm excited to see them grow and continue to be a highly reputable business in the community."*



"Visits with Cliff allowed us to have confidence in figuring out what we were starting with, where we needed to grow, and how. The AKSBDC is an important part of our vision becoming reality. Because of Cliff's help, we have been able to successfully keep our business in the black financially - paying ourselves and our bills since day one. Thank you, SBDC!"

With the holidays fast approaching, the gift of luxury for you and those you care for couldn't have arrived at a better time! To connect with Rosemarie and Caitlin, visit the [Kenai Peninsula Massage Therapy's website](#) to "meet" the owners, browse KPMT's services, purchase the gift of relaxation for those you love, and book an appointment for yourself.



Alaska Small Business Development Center

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Studio49: Making Magic Happen on the Kenai Peninsula

In less than a year, Amber Abbott has taken a dream of business ownership and made it a vibrant reality. Studio49 is the Peninsula's newest fitness hot spot, offering high energy cardio and spinning classes that are perfect for everyone, from beginners to competitors. Just one glance at the reviews makes one thing clear: Studio49 is a fitness boutique setting the standard for indoor and outdoor cycling enthusiasts alike.

To launch successfully and meet her goals, Amber connected with the Small Business Development Center (SBDC) in Soldotna on the details for a seamless start-up.

"Starting a business is scary, a little like having your first baby. There is so much information coming at you, and still, so much you don't know, which can affect

your confidence. Cliff at the SBDC helped me organize my thoughts and focus on the priorities. The most important thing he did was to show me a custom spreadsheet of how the business had the possibility to thrive. His encouragement was instrumental in giving me the confidence to keep moving forward, even during some unexpected personal trials."

Studio49 is not slowing down anytime soon. Amber's business advisor, Cliff Cochran had this to share about her passion and dedication, *"After our first meeting, I could tell Amber was going to succeed with Studio49. She had carefully planned everything and was incredibly organized. It's not common to find an entrepreneur who is both highly skilled in their field and an astute business person, but Amber is both. She has brought a great new way to exercise on the Kenai Peninsula and is already having an impact on the community. Her business model is exceptional and one that could be developed into a successful franchise relatively easily."*

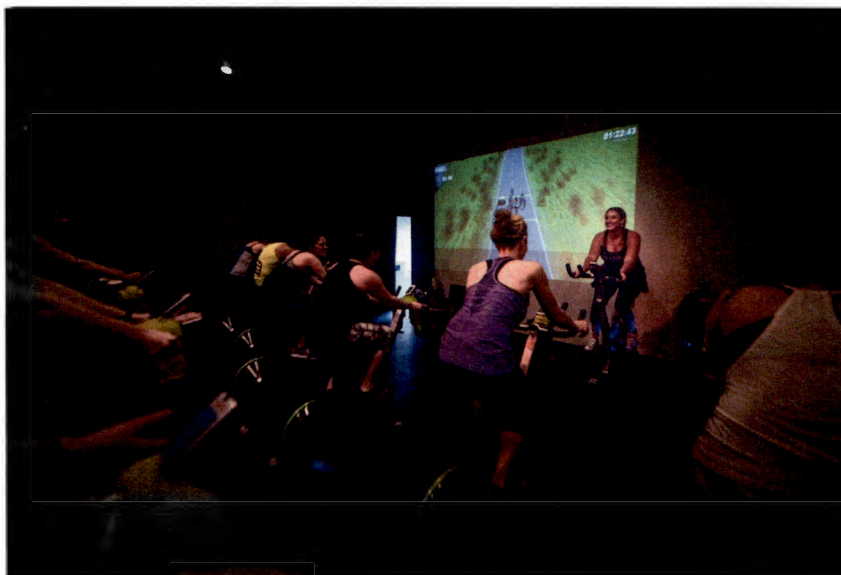




Alaska Small Business Development Center

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What's working for Studio49? They are the only fitness venue to offer the Spivi Virtual Reality training and display system, which allows indoor cyclists to see their avatar on-screen, next to their fellow riders. After each class, riders receive an email with their personal metrics, like calories, distance, and rank. This allows them to track progress over time, have friendly competition, and feel connected.



Additionally, Studio49 is committed to giving back by continuously looking for ways to better their community. One way Amber and her team are accomplishing this locally is supporting a member with diabetes, who rides annually in the Tour de Cure. Studio49 held a fundraiser charity ride helping this member surpass his goal.

On a global level, Studio49 has partnered with Causely to make an impact as Sweat Angels. Members simply check-in on [Facebook](#), or [Instagram](#) and this triggers a donation to the cause of the month. In June the check-ins provided 22 pairs of athletic shoes to children in developing countries. In July, every check-in was worth 100 gallons of fresh drinking water.

This is one small business that is making more than an impact for its clients, but also for the community, on both local and global levels. Connect with Studio49 on their [website](#) to schedule a class, become a [Sweat Angel](#), and join the fitness family. Studio49 is located in the Peninsula Center Mall and you can reach Amber and the team at 907-398-7113.



Alaska Small Business Development Center

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Urgent Care of Soldotna: Providing High-Quality and Accessible Health Care

Jeoff Lanfear and Shane Udelhoven have teamed up to create the most exciting startup business in medicine on the Kenai Peninsula. With their combined education, experience, and passions, they opened the doors to Urgent Care of Soldotna in August 2017, and now proudly serve the Kenai Peninsula as its first true urgent care center.

What sets Urgent Care of Soldotna apart in the community is that it's the only clinic on the Kenai where someone can walk in and be treated immediately by a provider. With a central location, patients can quickly and efficiently access the medical care they need, when they need it most, with a knowledgeable and friendly staff to assist them.

Jeoff and Shane worked with the Small Business Development Center (SBDC) in Soldotna to ensure they launched their business seamlessly and with great success. Of their entrepreneurial journey they shared, *"The assistance we received from the Alaska SBDC was critical to the start of our urgent care center. Cliff guided us through creating financial projections and writing a detailed business plan, which enabled us to obtain an SBA loan to get started. We are very satisfied with the assistance provided by the SBDC and would highly recommend others to start with them."*



Of their success, business advisor Cliff Cochran proudly shared, *"Jeoff and Shane have done a phenomenal job starting Urgent Care of Soldotna from scratch. Their extensive medical knowledge and experience, along with impressive determination, has brought Kenai Peninsula residents a much needed urgent care facility. I expect they'll grow to become one of the more successful medical practices in Soldotna."*

Urgent Care of Soldotna is conveniently located at 44604 Sterling Hwy, Suite D in Soldotna. Connect with Jeoff, Shane, and their team through their [website](#) or [Facebook](#) page.