



Sitka Trends

Economic Newsletter

September 2019

COST OF LIVING IN SITKA

According to the July 2019 issue of Alaska Economic Trends, housing is the largest expense for the average household. Housing takes up 40.2% of Alaskan spending. In Sitka, the average rent is \$1,241 which is second only to Kodiak, the city with the most expensive rent in Alaska. The average rent in Juneau is \$1,167 and in Ketchikan rent is \$1,149.

In the first quarter of 2019 the statewide average sale price of a 2 bedroom single family home was \$319,896. The price in Juneau was \$385,038 and \$346,450 in Ketchikan. Sitka was not included in the study of homes sold. In early August we found 31 single family homes were listed for sale online with an average price of \$467,803. The average list price of a two or three bedroom single family home in Sitka is \$373,992.

In 2018, Alaska was number 7 of the top ten highest cost of living states at 30.6% higher than average. In this issue of the Sitka Trends we will explore the cost of living in Sitka. The link to the Alaska Economic Trends is: <http://labor.state.ak.us/trends/jul19.pdf>.

UTILITY COST

Electricity, water, wastewater treatment, and refuse (trash) are the public utilities that residents of Sitka pay. Base rates range from \$167.96 to \$191.83 plus 5% or 6% tax, depending on the time of year, with electricity usage added. According to the City of Sitka CAFR-FY18 the average monthly residential electric bill was \$165. Add water, wastewater, and refuse to the electric bill and Sitkans pay an average of \$312 to \$336 for monthly utilities.

MINIMUM RESIDENTIAL MONTHLY CHARGES are as follows:			
Electricity:	\$20.48, plus usage		
Water:	\$49.45		
Wastewater:	\$62.93		
Refuse:	96 gal/\$58.97	tub/\$53.36	48 gal/\$35.10
Total Base Cost:	\$191.83	\$186.22	\$167.96

(Source: City of Sitka utility customer fact sheet)

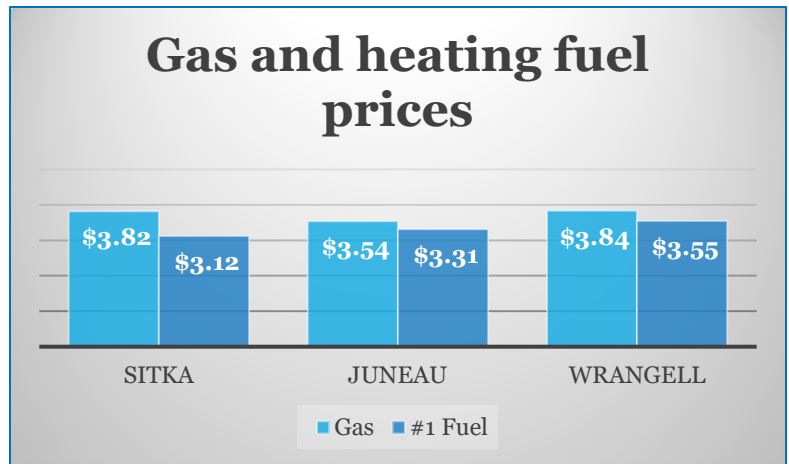
With an average rent of \$1,241 and average utilities of \$312 (with the smaller refuse bin) Sitkans can expect to pay \$1,553 monthly for housing and utilities.

GAS/FUEL

Many families in Sitka use fuel to heat their homes. In July the price of #1 fuel was \$3.12 a gallon. This is an average of the prices from the two local providers. Both Juneau and Wrangell had slightly higher fuel prices in July, at \$3.31 and \$3.55.

Sitka has 14 miles of beautiful road with an average commute time of around 10 minutes. In Juneau gas is less expensive than in Sitka. They paid \$3.31/gallon in July

while we paid \$3.82/gallon. The price in Wrangell was close to Sitka at \$3.84/gallon. Compared with many other locations Sitkans have a relatively short commute and do not need as much gas as someone who has a 26 minute commute (the national average). (Source: Alaska Economic Trends July edition, Petro Marine, Delta Western <https://www.census.gov/quickfacts/sitkacityandboroughalaskacounty>.)

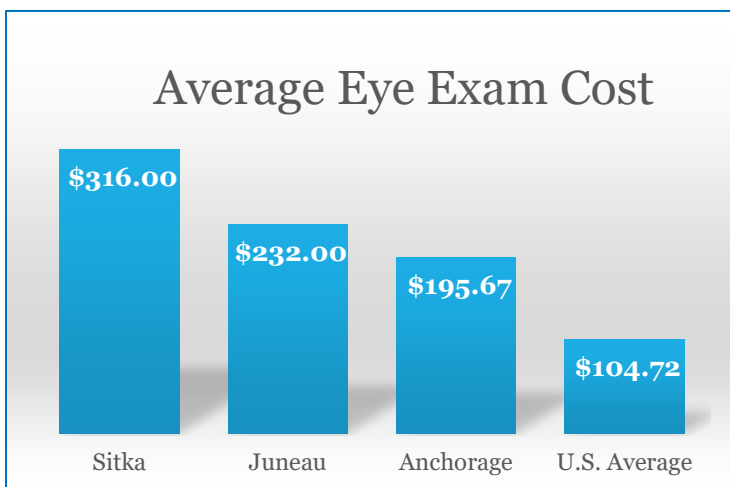


COST OF COMMON ITEMS AND SERVICES

The Alaska Economic Trends included a section of what common items and services cost in early 2019. They compared costs in Anchorage, Fairbanks, and Juneau with the U.S. Average cost. Since Sitka was not included we found similar items and services in Sitka, but our prices are from August instead of early 2019.

EYE EXAM

The price of a vision exam in Sitka was not included in the Alaska Economic Trends, so we called the two local providers for prices. For an eye exam in Sitka the price ranges from \$175 to \$493.50, with an average cost of \$316. The lowest price is a cash discounted price from the normal \$200 cost of an exam at one vision provider. The other provider has two prices for an eye exam also, \$395.50 for an established patient or \$493.50 for a new vision patient. The average eye exam costs in Juneau, Anchorage, and the U.S. average are included in this chart for comparison.



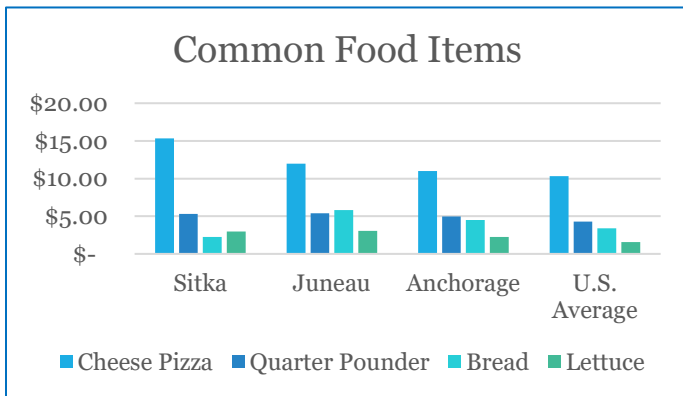
(Source: Sitka Vision, SEARHC, and Alaska Economic Trends July edition)

PERSONAL CARE

Another area the Alaska Economic Trends touched on is the cost of a haircut at a barber or a salon cut and style. Like the eye exam, we called to local vendors for prices to find local costs. Sitka is very close in price to Juneau for a haircut at the barber. The price of a salon cut and style varies from \$38 to \$78 depending on the length of hair and the experience of the stylist. The median price of \$55 is included in the chart. (Source: *The Barber Shop, Hair Play, Salon264.com, refreshbyjynal.com, and Alaska Economic Trends July edition*)



FOOD ITEMS



This chart includes the lowest price available from various locations for common food items. A medium cheese pizza from one restaurant in Sitka is \$15.35. In Juneau it was \$11.99 and \$10.99 in Anchorage. When another restaurant runs their one topping medium pizza special Sitka's price drops below the Anchorage cost. A quarter pounder with cheese is \$5.29 in Sitka, \$5.39 in Juneau, and \$4.95 in Anchorage. Iceberg lettuce is straightforward in pricing. It is \$2.99 in Sitka, \$3.04 in Juneau, and \$2.23 in Anchorage. Bread is not as simple as there are many varieties. The lowest price of bread in Sitka is \$2.25, which is included in the chart. Bread costs can be as high as \$7.99 for a loaf of bread with a median price of \$5.99. (Source: *Agave, Pizza Express, McDonalds, Sea Mart, ACC Lakeside, Market Center, and Alaska Economic Trends July edition*)

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(Source: *Agave, Pizza Express, McDonalds, Sea Mart, ACC Lakeside, Market Center, and Alaska Economic Trends July edition*)

Live – Work – Play – Enjoy Life in Sitka!



CONTACT US

Would you like to discuss what you read in this addition of The SEDA Trends? Do you have an economic development idea that you would like to discuss? We at Sitka Economic Development Association are here to help, feel free to get in touch!

SEDA's Mission is to:

*Foster a business climate that is receptive and conducive to existing and new business;
promote the creation of family wage jobs; and enhance the quality of life for Sitkans.*

Sitka Economic Development Association

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The data below are the most recent available from the various sources.

EMPLOYMENT (not seasonally adjusted) – Annual Average	2019	2018	2017
Total Labor Force – Sitka (Source: Alaska Dept. of Labor)	4,494	4,408	4,444
Number Filing for Unemployment – Sitka (Source: Alaska DOL)	184	183	201
Unemployment Rate – Sitka (Source: Alaska Dept. of Labor)	4.50%	4.20%	4.50%
Unemployment Rate – Alaska (Source: Alaska Dept. of Labor)	6.60%	6.60%	7.00%
Unemployment Rate – National (Source: US Bureau of Labor Statistics)	3.80%	3.90%	4.10%
Job Openings	Sept. 6, 2019	Sept. 24, 2018	Sept. 7, 2017
Job orders at Sitka Job Center (includes SEARHC)	122	108	105
SEARHC job openings in Sitka	45	23	40
Quarterly Census Employment (Source: AK Dept. of Labor QCEW)	1st Qtr. 2019	2018 Annual	2017 Annual
Average Monthly Employment	3,834	4,250	4,283
Average Government Employment	1,122	1,115	1,132
Average Private Ownership Employment	2,711	3,135	3,151
Average Monthly Wage (Source: AK Dept. of Labor QCEW)	1st Qtr. 2019*	2018	2017
All Sectors	\$ 3,740	\$ 3,868	\$ 3,642
Government Total	\$ 4,515	\$ 4,739	\$ 4,521
Federal Government	\$ 6,533	\$ 6,962	\$ 6,606
State Government	\$ 3,847	\$ 3,951	\$ 3,923
Local Government	\$ 4,532	\$ 4,744	\$ 4,436
Private Sector	\$ 3,420	\$ 3,558	\$ 3,302
<i>*1st Qtr is the most recent for 2019</i>			
Average Wages & Salaries (Source: US BEA)	2017	2016	2015
Sitka	\$ 41,355	\$ 39,073	\$ 42,079
Juneau	\$ 44,846	\$ 43,822	\$ 43,455
Ketchikan	\$ 42,174	\$ 41,994	\$ 42,264
Alaska	\$ 37,177	\$ 36,976	\$ 37,841
Per Capita Personal Income (Source: US Bureau Econ. Analysis) Includes all forms of income: rent, retirement, employment, etc.	2017	2016	2015
Sitka	\$ 65,745	\$ 62,537	\$ 64,122
Juneau	\$ 66,367	\$ 63,070	\$ 62,694
Ketchikan	\$ 65,034	\$ 63,222	\$ 63,235
Alaska	\$ 57,180	\$ 55,646	\$ 56,147

City Revenues – Fiscal Year (July 1- June 30)	FY2019*	FY2018	FY2017
Sales Tax Collected – Total Remitters	\$ 12,780,000	\$ 12,088,012	\$ 11,087,495
Bed Tax Collected – Total Remitters	\$ 577,000	\$ 543,697	\$ 503,439
Property Tax Collected – Total Remitters	\$ 6,866,000	\$ 6,647,375	\$ 6,454,150
Raw Fish Tax – Received into Harbor Fund	\$ 972,390	\$ 1,279,885	\$ 953,324
<i>*Budgetary numbers</i>			
COST OF LIVING INDICATORS			
Transportation – Regular Gasoline per gallon	Sept. 6, 2019	Sept. 20, 2018	% Change
Sitka (Source: average pump price 3 vendors)	\$ 3.73	\$ 3.97	-6.05%
Juneau (Source: AAA)	\$ 3.42	\$ 3.61	-5.26%
Anchorage (Source: AAA)	\$ 2.81	\$ 3.18	-11.63%
Alaska Average (Source: AAA)	\$ 2.99	\$ 3.33	-10.21%
National Average (Source: AAA)	\$ 2.57	\$ 2.85	-9.82%
Housing - HUD Fair Market Rent – Sitka (Source: U.S. HUD)	2019	2018	% Change
Efficiency	\$ 916	\$ 903	1.44%
One-Bedroom	\$ 1,050	\$ 1,007	4.27%
Two-Bedroom	\$ 1,253	\$ 1,261	-0.63%
Three-Bedroom	\$ 1,786	\$ 1,753	1.88%
Housing - HUD Fair Market Rent – Ketchikan (Source: HUD)	2019	2018	% Change
Efficiency	\$ 854	\$ 801	6.62%
One-Bedroom	\$ 1,005	\$ 944	6.46%
Two-Bedroom	\$ 1,330	\$ 1,255	5.98%
Three-Bedroom	\$ 1,785	\$ 1,649	8.25%
Housing – Construction and Sales	2nd Qtr 2019	2nd Qtr 2018	2nd Qtr 2017
Value of Construction Permits Issued (Source: CBS Building Department)	\$ 3,097,520	\$ 3,366,835	\$ 3,708,504
Dwelling Units Added (Source: CBS Building Department)	5	5	-1
Total Homes Sold – all types combined (Source: CBS Assessing Dept.)	19	27	20
Vacant Lots Sold – residential (Source: CBS Assessing Dept.)	7	3	7
POPULATION	2018	2017	2016
City & Borough of Sitka (Source: AK Dept. of Labor)	8,652	8,748	8,920
Southeast Alaska (Source: AK Dept. of Labor)	72,876	72,915	73,812
State of Alaska (Source: AK Dept. of Labor)	736,239	737,080	739,828
PUBLIC SCHOOL ENROLLMENT – Sitka School District	Oct. 1, 2018	Oct. , 2017	Oct. 1, 2016
Total student enrollment KG-12 (Source: AK Dept. of Education)	1,243	1,284	1,316

Thank You!

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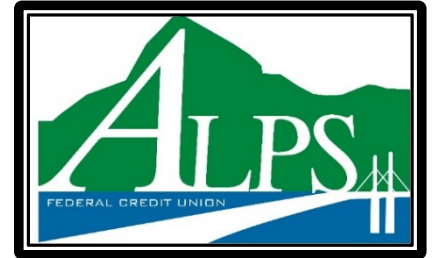
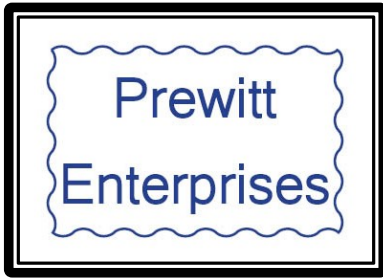


Gold Level





Silver Level



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