

**Skagway Development Corporation**  
Board of Director's Meeting Minutes  
March 17, 2020

- I. **Call to Order**  
At 5:38pm
- II. **Roll Call**  
Present: Cori, Bruce, Michelle, & Julene  
Absent: Tim, Dustin & Andrew
- III. **Approval of Minutes**
  - i. February 10, 2020
  - ii. Bruce motioned to approve the minutes of the regular board meeting of February 10<sup>th</sup>, 2020. Michelle Second. No Discussion. Approval: Yes – 4, No- 0
- IV. **Approval of Agenda**
- V. **Communication to SDC**
  - a) **Citizens Present:** No Citizens Present
  - b) **Correspondence:** No Communications
- VI. **Finance Report**
  - a) No comments
- VII. **Director's Report**
  - a) The Executive Director is officially back from maternity leave full-time and is working from home. Major projects in works was Spring Training but with the shut-downs and mandated quarantine, the usual event will not happen. Instead some events will be pushed back to later in the season if they are still needed and during May we will focus on morale boosting activities that get people active safely and business enhancement workshops. SDC has also shifted its focus during this time to be an information resource for community members and small businesses on where they can go to get help and what help is available. The director is trying to finalize a new website to be launched at the same time as the new programs so that people are viewing and using a more engaging and appealing site. Three people have come in for assistance since the February 10<sup>th</sup> meeting. The director also attended Innovation Summit. At this even the director was able to discuss with the Fairbanks Economic Development Corporation the movement of the 900 paratroopers expected to move to Fairbanks and how they were transitioning from the lower 48s to Fairbanks now that the Bellingham ferry run wasn't operating. She was unaware that most military utilized the AMHS to move and wasn't sure how personnel were being relocated. SDC hosted a bar at the Buckwheat Ski Classic Banquet where we earned about \$160 dollars after donations and expenses were paid. This is much slower than usual
- VIII. **Unfinished Business**
  - a) No Unfinished Business
- IX. **New Business**
  - a) **Resolution 20-01: Special Event Permit for Duff Skagway Marathon**

- i. Julene moved to approve the board resolution to approve the Special Events Permit for the 2020 Duff's Skagway Marathon. Bruce Second.
  - 1. Discussion: Michelle asked how much it costs us to get a bar permit. Kaitlyn clarified that it is \$50/ permit request. Julene requested that we clarify with the Duff's Skagway Marathon that revenue from the bar goes to SDC and not the DSM Group. Bruce asked if board members will have to work the event, Kaitlyn answered that possibly, sometimes she can find a volunteer but if not, she will ask a board member. Michelle asked if the alcohol is donated, Kaitlyn answered that we pay for supplies but the Liquor store does give us a 10% discount. Michelle asked how many people attend the Duff's Skagway Marathon? Kaitlyn informed the board that this event usually sees over 100 participants and last year was the highest attendance so far. Julene requested that a location and time be added onto the resolution.
- ii. Approval: Yes- 4, No-0

**X. Discussion Items**

**a) Etsy Style Made in Skagway Site**

- i. Two logistical aspects to clarify including food sales over the internet and shipping of mammoth or walrus ivory. Kaitlyn did ask if anyone had a name idea for the site as well as we would like to charge sellers, with a flat rate or percentage amount. Julene added that with an uncertain visitor summer, the launching of this program should be sped up to help promote locally made goods. She suggested the program be called Made in Skagway. Julene suggested a flat fee up to a certain amount and over and above that be a percentage. Cori agreed but had concerns regarding the flat fee. Kaitlyn added to keep in mind that the limitations of the website software limit us to a flat rate or a percentage. Kaitlyn suggested that we could have a flat rate membership fee sellers add to their made in Skagway membership that gives them a page on the new Etsy style site. Then they are charged a percentage of a sale. Cori suggested a % may be more appealing, especially for those selling smaller ticketed items. All board members agreed that charging a subscription fee and a transaction percentage was a reasonable fee structure. Bringing up discussion about a transaction fee, Kaitlyn added that Etsy charges 2 percentage fees including a transaction fee and payment processing. Made in Skagway's site would only be able to charge one percentage and so our rate must include these fee considerations. Kaitlyn asked if Cori would be willing to set-up an account first to run as a trial to see what it is like for vendors. Bruce questioned if 10% is too much to ask. Cori felt it would depend on what other fees we have involved and doesn't feel that 10% is too much. Bruce felt 20% would be good if the site really pulled people in. Cori agreed and added we can increase the percentage if needed over the years. Julene agreed 10% is a reasonable place to start. For reference, Kaitlyn added that Etsy charges in total about 8%. Bruce added that 10% is reasonable as this is an exclusive platform. Kaitlyn asked if a \$20 subscription fee was reasonable. Cori agreed we start with a reasonable fee to encourage and excite members to use the program.

**b) Investor Program**

- i. Kaitlyn hasn't yet made the sheet yet but comparing to JEDC's program, we can offer a similar program, we will just have to add an annual report reporting on Skagway statistics each year. Kaitlyn asked if anyone had any other ideas on what

we can offer investors. Kaitlyn will make up a sheet detailing the investor program for next meeting.

c) SDC partnership with MOS

- i. Your supporting SDC because you're investing in the economic and community development of Skagway through SDC. Kaitlyn would like feedback on the proposed new MOA. After talking with Mayor Cremata, he suggested Kaitlyn draft a MOU and then try to meet with Assembly members to discuss it. Julene commented that she was briefly researching the difference between an MOU and MOA, a MOA carries less weight and therefore we should keep it as an MOU as it was previously written. Julene felt we should look it over but liked the wording that the MOS is considered an investor just like any other participant in the investor program, though they would be our largest investor. Kaitlyn added that we can switch it back to an MOU, she just listed it as a MOA as she was using JEDC's MOA with the Borough of Juneau as an example and they have it as a MOA. Kaitlyn wanted to clarify that this MOA it a focus on the economic and community development services SDC provides to Skagway. If the MOS wishes to use SDC personnel for grant writing, we would have a contract with the MOS to perform this contracted work. This separation of duties came from the relationship structure the Sitka Economic Development Association (SEDA) has with the Borough of Sitka in which the Borough provides \$60,000 in grant funding as well as contracts with and pays SEDA to manager their industrial park. Julene likes this approach and thinks we need to dial it in better.

d) Skagway Spring Training

- i. Kaitlyn Updated the Board of the current status of Skagway Spring Training: The CDC has issued a statement for events of over 50 people to not occur for the next 8 weeks, which would end the week of May 10<sup>th</sup>, right after Skagway Spring Training is scheduled to occur. We also won't have cruise ships until July. With the current situation we believe we should consider postponing Spring Training events of cancelling until we know we will have some sort of season but in May host moral boosting activities. Kaitlyn's been working with CVB staff to redirect May event focuses and conduct. Kaitlyn asked if anyone has any ideas for events to get people out safely and not congregated. Possibly a choreographed music number, driving through town recording people doing their part.

e) Economic Impacts of COVID-19

- i. Kaitlyn plans to write a joint letter with HEDC, Yukon Chamber and other groups to DOT requesting ferry service between Skagway and Haines to promote independent travelers and the Golden Circle route. Impacts on Skagway's economy from COVID-19 will be huge. Not only are ships not looking at coming until July but if Skagway does get a positive test, ships may not even want to dock in Skagway. Bruce added that in reality, it will be here eventually but what do we do to reduce its impact when we do get a positive test here. Julene felt the measured the MOS has done in the last couple of days has been on point and forward thinking to prevent COVID-19 from spreading in the community. We need to focus on getting the Canadians and Alaskan's traveling and down to Skagway this summer. Kaitlyn also questioned, could we use our reserve funds and possible match it with a USDA grant to offer a microloan, low interest loan program for Skagway

businesses. Bruce cautioned that we need to be careful using these funds as it can be difficult to get people to make payments and some businesses may just not make it out of this, even with some financial assistance. Julene pointed out that the businesses of Skagway are all independent businesses, most are not part of a large chain and SDC may be called on to help these businesses. Kaitlyn will look at SD programs to see what type of grant money we can receive for a loan program.

**XI. Board Comment**

a) None

**XII. Next Meeting Date/Time**

a) TBD

**XIII. Adjournment of Regular Board meeting**

a) Cori called adjournment at 7:02pm