



Commercial Passenger Vessel Tax: Revenue, Expenditures, and Local Priorities

Fiscal Years 2013 – 2022

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ABSTRACT

As required by Alaska Statute 43.52.260, the Alaska Department of Commerce, Community, and Economic Development (DCCED) is required to prepare a Commercial Passenger Vessel (CPV) Tax report describing projected needs of port communities to safely and efficiently host passengers and summarizing the extent to which appropriations of tax proceeds have been used to defray hosting costs. Legislation requires a report every three years; however, DCCED has opted to report on the previous 10-year period of CPV Tax collection and distribution (2013 – 2022) to provide a comprehensive picture of trends and change over time.

This report provides an overview of CPV Tax generated revenue, shared taxes, legislative named-recipient appropriations, and port community expenditures dating back to the implementation of the 2006 Citizen's Initiative, which was later amended by Senate Bill 312 during the 2010 Legislative Session. To provide additional context, a brief review of longitudinal cruise visitation and significance to Alaska's economy is also discussed.

Of noteworthy importance, multiple state agencies are involved with CPV Tax administration, revenue distribution, and reporting – each generating information in a variety of formats with differing timeframes (i.e., fiscal year or calendar year). Furthermore, municipal expenditures and projects oftentimes occur over multiple fiscal years. To simplify, DCCED reports CPV Tax revenue and collection on a fiscal year basis; municipal expenditures by project, total value, and approximate time frame; and legislative appropriations by legislative session. While the final summary information is aligned across state agencies, caution is warranted in comparing information strictly by timeframe.

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INTRODUCTION

Alaska Statute 43.52.260 requires the Alaska Department of Commerce, Community, and Economic Development (DCCED) to prepare a triennial Commercial Passenger Vessel (CPV) Excise Tax Report that describes the “projected needs of communities to safely and efficiently host passengers and summarizes the extent to which appropriations of tax proceeds have been used to defray hosting costs.”

The information in this report adds to information published in two previous reports:

- Commercial Passenger Vessel Excise Tax: Community Needs, Priorities, Shared Revenue, and Expenditures (Fiscal Years 2010-2019), Alaska Department of Commerce, Community, and Economic Development (January 2020)
[www.commerce.alaska.gov/web/Portals/4/pub/RA/CPV%20tax%20reports/cpv%20tax%20report%20\(2010%20-%202019\).pdf](http://www.commerce.alaska.gov/web/Portals/4/pub/RA/CPV%20tax%20reports/cpv%20tax%20report%20(2010%20-%202019).pdf)
- A Performance Audit of the Department of Commerce, Community, and Economic Development and Department of Revenue Commercial Passenger Vessel (CPV) Tax Program, Alaska State Legislature, Division of Legislative Audit (February 2016)
<https://legaudit.akleg.gov/wp-content/docs/audits/special/dor/30083rpt.pdf>

To prepare the CPV Excise Tax Report, the DCCED Division of Community and Regional Affairs (DCRA) contacted 18 city and/or borough governments that had received CPV Excise Tax revenue (CPV revenue) between FY2013 and FY2022. Managers, finance directors, harbormasters, grant managers, economic development directors, and/or planners contributed information on (1) how a community identifies infrastructure and services necessary to host cruise ships and their passengers, (2) the community’s priorities for spending CPV revenue in the future, and (3) how the community has spent CPV revenues through FY2022. This information is summarized in the *Community Profiles* section of this report.

In addition, this report includes trends in Alaska cruise passenger volume, an overview of CPV revenue, and a summary of CPV-related legislative grants. The information is presented as follows:

- Total cruise passengers by calendar year, 2013 through 2022
- CPV revenue distribution by fiscal year, 2013 through 2022
- Local government expenditures by project and total value
- Legislative appropriations, statewide, by the fiscal year for which the money is appropriated

ALASKA'S ECONOMY AND THE VISITOR INDUSTRY

VISITOR INDUSTRY

Total Alaska visitor volume steadily increased between 2013 and 2019, with an all-time high number of visitors arriving in Alaska via multiple transportation modes during the 2019 summer season (Table 1). This growth was expected to continue in 2020 but, due to the COVID-19 pandemic, the total visitor volume in Alaska in 2020 fell by 81% from 2019 levels (McKinley Research, 2020). This decrease largely resulted from zero cruise ship sailings to Alaska in the summer of 2020.

Table 1. 2013 – 2020 Summers (April-December):

Transportation Market Visitor Volume				
Year	Air	Cruise	Hwy/Ferry	Total
2013	619,400	999,600	74,800	1,693,800
2014	623,600	967,500	68,500	1,659,600
2015	703,400	999,600	77,000	1,780,000
2016	747,100	1,025,900	84,500	1,857,500
2017	750,500	1,089,700	86,100	1,926,300
2018	760,100	1,169,000	97,200	2,026,300
2019	790,900	1,331,600	90,500	2,213,000
2020	420,000	0	7,000	427,000
Total	5,415,000	7,582,900	585,600	13,583,500

Source: McKinley Research Group, 2022 (rounded to nearest 100).

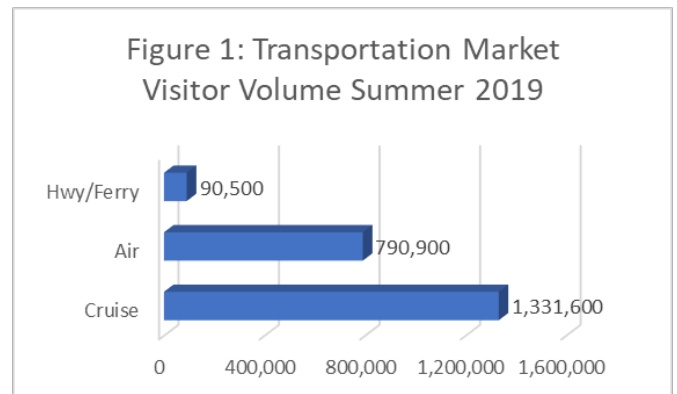
Prior to the COVID-19 pandemic disruption, Alaska's visitor industry was in an era of long-term growth, as evidenced by an overall 30.6 percent increase in summer visitation from 2013 to 2019 (McDowell Group, 2019). The coming years will be crucial in determining whether this growth trend will rebound and continue. Several of the communities contacted for this report stated that they expect higher cruise visitor volume numbers in 2023 than seen in 2022, signaling a possible return to pre-pandemic industry growth. This is anecdotal information from individual communities since the McKinley Research Group did not track total transportation market visitor volume (Table 1) for 2021 or 2022.

CRUISE INDUSTRY

The cruise industry is a critical part of Alaska's visitor industry, responsible for over half of Alaska's summer visitor count. The Alaska cruise industry had record-setting years in 2016, 2017, 2018, and 2019 in terms of passenger volume (McDowell Group, 2019).

In the summer of 2019, over two million out-of-state visitors came to Alaska; 1,331,600 (60%) via cruise ship; 790,900 (36%) via air; and 90,500 (4%) via highway and/or ferry (Figure 1) (McDowell Group, 2019).

Compared to other stalwarts of Alaska's economy, namely fisheries and mining, the cruise industry is a relatively young industry. While commercial passenger vessels have been plying Alaska's waters since the 1940s (e.g., steamships), the modern cruise industry found its foothold and underwent significant expansion during the 1970s and 1980s.



With the exception of 2020 and 2021, recent summer seasons have been at all-time high passenger volumes. Alaska completed its first summer with one million cruise passengers in 2016, and summer passenger volume continued to increase annually in 2017, 2018, and 2019. In 2021, several cruise lines reopened their operations, although numbers were still lower than during any season in the previous decade, and only five of the 18 municipalities included in this report received any cruise traffic, as reported by the Cruise Line Agencies of Alaska (CLAA). A complete list of 2022 passenger volume data was not available at the time of publishing this report, though anecdotal numbers reported from some municipalities have shown that while not quite reaching pre-pandemic levels, there was a return to a higher number of cruise visitors in 2022 than during the previous two seasons (Table 2).

Table 2. 2013 – 2022: Community Cruise Passenger Volume

Community	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Anchorage	499	5,280	11,017	10,904	12,305	14,238	13,689	-	-	1,435*
Haines	32,378	29,133	42,515	41,685	51,209	53,995	60,304	-	-	80,336*
Homer	254	5,662	11,399	10,071	12,788	14,814	14,812	-	-	#
Hoonah	124,320	142,416	150,434	159,132	155,496	189,000	267,013	-	49,900	#
Juneau	978,559	953,055	976,367	1,004,774	1,061,853	1,138,702	1,294,598	-	124,600	1,179,300
Ketchikan	948,685	896,084	944,525	947,972	1,009,160	1,052,480	1,185,753	-	102,600	1,005,299
Kodiak	3,231	8,809	13,559	15,208	16,733	21,194	26,259	-	-	4,620*
Nome	-	-	-	-	342	992	4,172	-	-	#
Petersburg	-	-	-	-	2,488	3,125	5,416	-	-	#
Seward	125,183	141,442	183,124	191,469	185,066	213,854	237,925	-	-	#
Sitka	99,920	90,182	117,546	122,944	172,678	151,735	212,662	-	34,900	#
Skagway	821,874	819,239	815,541	817,308	845,328	956,016	1,036,452	-	73,200	#
Unalaska	1,285	2,652	4,112	6,526	5,533	2,881	8,336	-	-	#
Valdez	382	-	-	-	342	-	12,438	-	-	13,182*
Whittier	202,336	162,002	146,528	129,894	133,969	175,375	193,790	-	-	#
Wrangell	6,417	5,171	7,471	7,926	11,003	11,974	17,309	-	-	#

Source: Cruise Line Agencies of Alaska, 2022 (includes only CLAA serviced passengers).

*Cruise passenger volume data reported by the municipality.

#Data unavailable at time of publishing.

CPV REVENUE OVERVIEW

The State of Alaska collected the CPV Excise Tax for the first time during calendar year 2007. Initially, the first five ports of call were eligible to receive \$5.00 for each passenger who paid the CPV Excise Tax; however, this increased to the first seven ports of call in the 2011 cruise season (§ 13 Ch 101 SLA 2010). The Alaska Department of Revenue (DOR) distributed a portion of the 2007 taxes during FY2007 and the remainder during FY2008. Since that time, DOR distributes taxes in the January after collection. For instance, CPV Excise Taxes collected in summer 2021 were distributed to the communities in January 2022 (FY2022).

Sixteen Alaska ports have received CPV revenue annually since 2013. Although exact passenger counts have fluctuated over the past ten years, Juneau consistently received the largest quantity of passengers, followed by Ketchikan and Skagway (Table 2).

When Alaska lawmakers increased the number of eligible ports of call, they also approved changes to the way the CPV Excise Tax would be distributed. When eligible ports of call are cities located in a borough, the city and the borough each receive \$2.50 of the \$5.00 passenger fee.

Since FY2013, 18 municipalities have shared in \$176,192,064 of CPV taxes (Table 3). This number includes the American Rescue Plan Act (ARPA) Coronavirus State and Local Fiscal Recovery Funds (SLFRF) appropriated in FY2021 and FY2022 to cover lost CPV tax revenue but does not include additional legislative appropriations. In total, nine boroughs received \$129,751,144 (73.6%) and nine cities received \$46,440,920, (26.4%) over the last ten years. Three borough governments (Kenai Peninsula Borough, Ketchikan Gateway Borough, and Kodiak Island Borough) share the \$5.00 per passenger allocation with the city governments of the port communities (Homer, Ketchikan, Kodiak, and Seward) that host the cruise passengers.

Notably, two municipalities account for more than half (53.5%) of all shared revenue since FY2013: The Municipality of Skagway (25.0%) and the City and Borough of Juneau (28.5%). The Ketchikan Gateway Borough (13.3%) and the City of Ketchikan (13.3%) combine for more than a quarter (26.6%) of shared revenue, followed by the City of Hoonah (5.2%) and the City of Whittier (4.7%). The remaining shared revenue, totaling \$17,689,738 (10.04%), is shared with the remaining 12 municipalities. The City of Nome received the least amount of revenue at only \$15,750 (< 0.1%).

The City and Borough of Juneau and the City of Ketchikan did not receive shared revenue payments until FY2012, as municipalities with passenger head taxes were prohibited from receiving state CPV Excise Tax revenue. Once Senate Bill 312 was enacted, municipalities with a local commercial passenger vessel tax were allowed to participate in the state's tax and revenue sharing program. The statewide levy rate was \$46.00 per passenger through the 2010 cruise season and decreased by legislation to \$34.50 per passenger in 2011. Following the passage of Senate Bill 312, the City and Borough

Table 3: FY2013-FY2022: Total Shared with Municipalities

Municipality	Total	Percent
Municipality of Anchorage	\$515,915	0.30%
Haines Borough	\$2,167,575	1.20%
City of Hoonah	\$9,090,835	5.20%
City and Borough of Juneau	\$50,179,015	28.50%
Kenai Peninsula Borough	\$4,880,504	2.80%
City of Homer	\$297,544	0.20%
City of Seward	\$4,615,646	2.60%
Ketchikan Gateway Borough	\$23,420,628	13.30%
City of Ketchikan	\$23,420,628	13.30%
Kodiak Island Borough	\$346,177	0.20%
City of Kodiak	\$346,177	0.20%
City of Nome*	\$15,750	< 0.1%
City and Borough of Sitka	\$3,772,090	2.10%
Municipality of Skagway	\$44,057,175	25.00%
City of Unalaska	\$131,785	0.10%
City of Valdez	\$188,510	0.10%
City of Whittier	\$8,334,045	4.70%
City and Borough of Wrangell	\$412,065	0.20%
Total	\$176,192,064	100.00%

Source: Alaska Department of Revenue, Tax Division.

*FY2018 marks first year municipality participated in shared revenue program.

FY2021 and FY2022 shared amounts were either fully or partially funded by ARPA SLFRF appropriated by the legislature.

of Juneau and the City of Ketchikan joined the Municipality of Skagway and the Ketchikan Gateway Borough as significant beneficiaries of the CPV tax from 2012 onward.

During 2020, no large cruise ships came to Alaska. As a result, no new CPV tax revenue was collected that year. Additionally, cruise traffic was severely limited in 2021. To mitigate the impacts of the COVID-19 pandemic, the Alaska State Legislature allocated funds received from the American Rescue Plan Act (ARPA) Coronavirus State and Local Fiscal Recovery Funds (SLFRF) to replace the non-existent tax revenue that would have been shared. To maintain continuity in communities' ability to host cruise vessels and passengers in the future, appropriations from the funds were made to affected communities in both 2021 and 2022 equaling the CPV revenue shared in FY2020.

BOROUGH GOVERNMENT

From FY2013 to FY2022, nine borough governments shared in \$129.8 million of CPV Tax shared revenue (Table 4). On average, each borough received approximately \$14.4 million over ten years; however, the median, roughly \$3.8 million, is a more representative figure due to several high and low outliers.

Table 4. FY2013 - FY2022: CPV Tax Revenue Shared with Borough Governments

Fiscal Year	Municipality of Anchorage	City and Borough of Sitka	Municipality of Skagway	City and Borough of Wrangell	City and Borough of Juneau	Haines Borough	Kenai Peninsula Borough	Ketchikan Gateway Borough	Kodiak Island Borough	Total Boroughs
2013	\$48,570	\$135,355	\$3,728,105	\$1,730	\$4,151,020	\$154,080	\$364,975	\$1,977,770	\$23,473	\$10,585,078
2014	\$2,975	\$302,985	\$4,062,215	\$31,430	\$4,598,565	\$140,635	\$307,578	\$2,240,210	\$4,600	\$11,691,193
2015	\$26,200	\$157,340	\$4,008,335	\$24,065	\$4,393,395	\$144,020	\$361,658	\$2,032,375	\$13,925	\$11,161,313
2016	\$54,110	\$218,350	\$4,028,545	\$38,845	\$4,460,365	\$206,430	\$474,225	\$2,141,633	\$30,255	\$11,652,758
2017	\$53,870	\$309,510	\$4,053,375	\$39,630	\$4,622,160	\$185,095	\$486,380	\$2,163,570	\$30,887	\$11,944,477
2018	\$59,900	\$405,115	\$4,201,435	\$51,415	\$4,769,390	\$224,270	\$489,698	\$2,252,487	\$37,625	\$12,491,334
2019	\$70,025	\$396,800	\$4,725,415	\$48,970	\$5,271,135	\$255,675	\$558,070	\$2,440,982	\$42,752	\$13,809,824
2020	\$66,755	\$615,545	\$5,083,250	\$58,660	\$5,970,995	\$285,790	\$612,640	\$2,723,867	\$54,220	\$15,471,722
2021 [#]	\$66,755	\$615,545	\$5,083,250	\$58,660	\$5,970,995	\$285,790	\$612,640	\$2,723,867	\$54,220	\$15,471,722
2022 [#]	\$66,755	\$615,545	\$5,083,250	\$58,660	\$5,970,995	\$285,790	\$612,640	\$2,723,867	\$54,220	\$15,471,722
Total	\$515,915	\$3,772,090	\$44,057,175	\$412,065	\$50,179,015	\$2,167,575	\$4,880,504	\$23,420,628	\$346,177	\$129,751,144

Source: Alaska Department of Revenue, *Annual Shared Taxes Report, FY2013-FY2022*.

[#]FY2021 and FY2022 shared amounts were ARPA SLFRF appropriated by the legislature, and the amounts are based on CPV revenue distributed in FY2020.

CITY GOVERNMENT

From FY2013 to FY2022, nine city governments shared in more than \$46 million of CPV Tax shared revenue (Table 5). Total shared revenue, by city, ranges from \$15,750 (City of Nome) to \$23,420,628 (City of Ketchikan). Total cruise passenger volume varies by city; five of the cities receive few visitors while the other four are heavily visited by cruise vessels and passengers. The Cities of Nome, Unalaska, Homer, Valdez, and Kodiak receive infrequent cruise vessels and are consequently small beneficiaries of the CPV tax revenue: \$364,000 or less apiece over ten years. In contrast, the Cities of Ketchikan, Hoonah, Seward, and Whittier are large beneficiaries of shared revenue with \$4.6-million to \$23.4 million received over ten years.

Table 5. FY2013 - FY2022: CPV Tax Revenue Shared with City Governments

Fiscal Year	City of Homer	City of Hoonah	City of Ketchikan	City of Kodiak	City of Nome	City of Seward	City of Unalaska	City of Valdez	City of Whittier	Total Cities
2013	\$21,710	\$610,105	\$1,977,770	\$23,473	-	\$343,265	\$4,120	-	\$828,865	\$3,809,308
2014	\$33,542*	\$626,225	\$2,240,210	\$4,600	-	\$306,723	\$4,165	\$1,265	\$950,635	\$4,133,823
2015	\$13,925	\$688,980	\$2,032,375	\$13,925	-	\$347,733	\$1,650	-	\$791,550	\$3,890,138
2016	\$27,055	\$722,575	\$2,141,633	\$30,255	-	\$447,170	\$8,155	-	\$721,325	\$4,098,168
2017	\$27,630	\$771,595	\$2,163,570	\$30,887	-	\$458,750	\$6,505	-	\$620,340	\$4,079,277
2018	\$31,532	\$788,005	\$2,252,487	\$37,625	\$8,715	\$458,165	\$18,125	\$1,710	\$674,320	\$4,270,684
2019	\$35,815	\$932,125	\$2,440,982	\$42,752	-	\$522,255	\$3,205	-	\$871,855	\$4,848,989
2020	\$35,445	\$1,317,075	\$2,723,867	\$54,220	\$2,345	\$577,195	\$28,620	\$61,845	\$958,385	\$5,758,997
2021	\$35,445	\$1,317,075	\$2,723,867	\$54,220	\$2,345	\$577,195	\$28,620	\$61,845	\$958,385	\$5,758,997
2022	\$35,445	\$1,317,075	\$2,723,867	\$54,220	\$2,345	\$577,195	\$28,620	\$61,845	\$958,385	\$5,758,997
Total	\$297,544	\$9,090,835	\$23,420,628	\$346,177	\$15,750	\$4,615,646	\$131,785	\$188,510	\$8,334,045	\$46,440,920

Source: Alaska Department of Revenue, Annual Shared Taxes Report, FY2013 - FY2022.

FY2021 and FY2022 shared amounts were ARPA SLFRF appropriated by the legislature, and the amounts are based on CPV revenue distributed in FY2020.

* Homer received shared revenue for FY2012 in January 2014, so this revenue is counted in FY2014.

CPV-RELATED LEGISLATIVE GRANTS

In addition to shared CPV revenue, it is not uncommon for the Alaska State Legislature to appropriate additional funds for cruise vessel related grants. In FY2020, the legislature appropriated \$8.5 million from the state's American Rescue Plan Act (ARPA) Coronavirus State and Local Fiscal Recovery Funds (SLFRF) to fund mitigation efforts related to the coronavirus. It also funded over \$4 million to the Alaska Railroad for a replacement dock in the City of Seward. Table 6 provides information about grants distributed in FY2020. No additional grants were distributed in FY2021 through FY2023.

Table 6. FY2020 – FY2023 Commercial Vessel Passenger Tax Account Legislative Grants

Year	Recipient	Project	Amount
2020	Alaska Railroad	Seward Dock Replacement	\$3,100,000.00
2020	Alaska Railroad	Replacement of Dock in Seward	\$909,883.80
2020	City of Hoonah	For responding to and mitigating the risk of coronavirus disease (COVID-19) outbreak in the state for the fiscal years ending June 30, 2020, and June 30, 2021	\$709,831.00
2020	City and Borough of Juneau	For responding to and mitigating the risk of coronavirus disease (COVID-19) outbreak in the state for the fiscal years ending June 30, 2020, and June 30, 2021	\$2,444,564.00
2020	Municipality of Skagway	For responding to and mitigating the risk of coronavirus disease (COVID-19) outbreak in the state for the fiscal years ending June 30, 2020, and June 30, 2021	\$1,912,411.00
2020	City of Ketchikan	For responding to and mitigating the risk of coronavirus disease (COVID-19) outbreak in the state for the fiscal years ending June 30, 2020, and June 30, 2021	\$1,100,300.50
2020	Ketchikan Gateway Borough	For responding to and mitigating the risk of coronavirus disease (COVID-19) outbreak in the state for the fiscal years ending June 30, 2020, and June 30, 2021	\$1,100,300.50
2020	City of Seward	For responding to and mitigating the risk of coronavirus disease (COVID-19) outbreak in the state for the fiscal years ending June 30, 2020, and June 30, 2021	\$440,306.00
2020	City and Borough of Wrangell	For responding to and mitigating the risk of coronavirus disease (COVID-19) outbreak in the state for the fiscal years ending June 30, 2020, and June 30, 2021	\$35,348.00
2020	City and Borough of Sitka	For responding to and mitigating the risk of coronavirus disease (COVID-19) outbreak in the state for the fiscal years ending June 30, 2020, and June 30, 2021	\$367,905.00
2020	City of Whittier	For responding to and mitigating the risk of coronavirus disease (COVID-19) outbreak in the state for the fiscal years ending June 30, 2020, and June 30, 2021	\$291,630.00
2020	City of Kodiak	For responding to and mitigating the risk of coronavirus disease (COVID-19) outbreak in the state for the fiscal years ending June 30, 2020, and June 30, 2021	\$15,812.00
2020	Haines Borough	For responding to and mitigating the risk of coronavirus disease (COVID-19) outbreak in the state for the fiscal years ending June 30, 2020, and June 30, 2021	\$65,780.00
Total			\$12,494,071.80

Source: DCRA Grants and Funding Section.

- **Municipality of Anchorage**
- **Haines Borough**
- **City of Homer**
- **City of Hoonah**
- **City and Borough of Juneau**
- **Kenai Peninsula Borough**
- **Ketchikan Gateway Borough**
- **City of Ketchikan**
- **Kodiak Island Borough**
- **City of Kodiak**
- **City of Nome**
- **City of Seward**
- **City and Borough of Sitka**
- **Municipality of Skagway**
- **City of Unalaska**
- **City of Valdez**
- **City of Whittier**
- **City and Borough of Wrangell**

MUNICIPALITY OF ANCHORAGE

Unified Home Rule Borough

2021 Population: 289,697

FY2013 to FY2022 CPV Excise Tax Revenue: \$515,915



PROFILE

The Municipality of Anchorage is located in Southcentral Alaska at the base of the Chugach Mountains along the coast of Cook Inlet. Anchorage is home to the state's main air hub, the Ted Stevens Anchorage International Airport. Paved highways connect Anchorage with Fairbanks, Valdez, the Kenai Peninsula, Denali National Park and Preserve, and Wrangell-St. Elias National Park and Preserve. The Alaska Railroad's main passenger depot is also located in Anchorage, with passenger trains running from Seward to Fairbanks.

Although a major transportation hub for air, highway, and rail travel, Anchorage receives only a modest number of cruise visitors. Over the past decade, Anchorage has hosted 55 cruise ship calls and over 69,000 cruise passengers. Holland America Line's *Maasdam* visited the Port of Alaska in Anchorage every other Monday from May to September in 2018 and 2019. In 2019, Anchorage also had the first visit of the *Queen Elizabeth II* visiting the port in May with approximately 1,900 visitors. Cruise ship visits to the port were halted in 2020 and 2021 due to restrictions from COVID-19. In September 2022, the port welcomed Holland America Line's *Nieuw Amsterdam* for the only cruise ship visit in 2022. These visits allow passengers to enjoy the land and water tours in Anchorage and the surrounding areas and take advantage of the extensive shopping experience available in downtown Anchorage.

Anchorage Cruise Ship Visitors 2013 to 2022		
Calendar Year	Ship Calls	Passengers
2013	1	499
2014	4	5,280
2015	9	11,017
2016	9	10,904
2017	11	12,305
2018	10	14,238
2019	10	13,689
2020	-	-
2021	-	-
2022	1	1,435*
Total	55	69,367[^]

Sources: Cruise Line Agencies of Alaska and Municipality of Anchorage.

Estimates do not include Un-Cruise or Alaska Dream Cruises.

* Cruise passenger volume data reported by the municipality.

[^] Total is an estimate.

Anchorage CPV Revenue Distribution FY2013 to FY2022		
Calendar Year	Passengers [^]	Amount
2013	9,714	\$48,570
2014	595	\$2,975
2015	5,240	\$26,200
2016	10,822	\$54,110
2017	10,774	\$53,870
2018	11,980	\$59,900
2019	14,005	\$70,025
2020	13,351	\$66,755
2021*	-	\$66,755
2022*	-	\$66,755
Total	76,481	\$515,915

Source: Alaska Department of Revenue, Tax Division.

[^] Only includes passengers that pay CPV Excise Tax. Disbursements for fiscal year are based on passenger counts during the prior calendar year.

* FY2021 and FY2022 shared amounts were ARPA SLFRF funds appropriated by the legislature, and the amounts are based on CPV revenue distributed in FY2020.

PROJECTED NEEDS OF COMMUNITY

The Municipality of Anchorage appropriates shared CPV revenue to the Port of Alaska through the annual budget process. Because of the relatively small number of cruise vessels the city receives each year, the Municipality of Anchorage uses CPV revenue to augment funding for operational costs to maintain port infrastructure and services.

CPV REVENUE DISTRIBUTION

Between FY2013 and FY2022, the Municipality of Anchorage received \$515,915 in CPV revenue, ranging from a low distribution of \$2,975 for FY14 to a high distribution of \$70,025 for FY19.

LEGISLATIVE GRANTS

In addition to sharing in CPV revenue, the Municipality of Anchorage has received nearly \$11.5 million in legislative grants from the Commercial Vessel Passenger Tax Account since 2010, primarily for port infrastructure.

CPV REVENUE EXPENDITURES

The Port of Alaska uses CPV revenue for operational costs of port facilities, dock enhancement work to the wharf, and fender piles. These projects ensure the port will continue to operate and receive cruise ship passengers in a safe and secure environment.

CONTACT

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Anchorage CPV-Related Legislative Grants		
Fiscal Year	Project	Amount
2010	Egan Center cruise passenger staging upgrades	\$1,000,000
2010	Port of Anchorage expansion	\$10,000,000
2012	Alaska Aviation Museum energy and safety improvements	\$495,000
Total		\$11,495,000

Source: Alaska Division of Community and Regional Affairs and Alaska State Legislature, Division of Legislative Audit, Audit 04-30083-16.

Anchorage CPV Revenue Expenditures FY2007 to FY2022		
Category	Description	Expenditures
Port Facilities	Wharf pile enhancement for the Port of Alaska	\$579,790
Total		\$579,790

Source: Alaska State Legislature, Division of Legislative Audit, Audit 04-30083-16 and Municipality of Anchorage.



HAINES BOROUGH

Non-Unified Home Rule Borough

2021 Population: 2,614

FY2013 to FY2022 CPV Excise Tax Revenue: \$2,167,575

PROFILE

Haines Borough is located on the shores of Lynn Canal between the Chilkoot and Chilkat Rivers, 80 air miles northwest of Juneau. The community’s proximity to Glacier Bay National Park, the Chilkat Bald Eagle Preserve, Kluane National Park, and Tatshenshini- Alsek Provincial Park is a draw for visitors. In the Alaska cruise market, the community’s ability to attract cruise ships is highly dependent upon the availability of Glacier Bay permits, overall growth of the cruise market, and docking capacity in Skagway.

Haines received 354 ship calls and approximately 391,555 total cruise visitors between 2013 and 2022. According to the municipality, cruise visitation peaked at more than 80,000 visitors during 2022. During 2023, Haines will see several large cruise lines in port, including Royal Caribbean, Princess, Norwegian, and Carnival, as well as additional visits from many small niche cruise ships.

Haines Cruise Ship Visitors 2013 to 2022		
Calendar Year	Ship Calls	Passengers
2013	21	32,378
2014	20	29,133
2015	29	42,515
2016	29	41,685
2017	47	51,209
2018	54	53,995
2019	66	60,304
2020	-	-
2021	-	-
2022	88	80,336*
Total	354	391,555[^]

Sources: Cruise Line Agencies of Alaska and Haines Borough.

Estimates do not include Un-Cruise or Alaska Dream Cruises.

* Cruise passenger volume data reported by the borough.

[^] Total is an estimate.

PROJECTED NEEDS OF COMMUNITY

Haines Priority Projects for CPV Revenue	
Category	Description
Port Facilities	Wooden dock and gangway replacement on Port Chilkoot cruise ship dock
Port Facilities	Port facility improvements: double berth, moorage float, new viewing area, and benches on Port Chilkoot cruise ship dock
Port Facilities	Continuation of waterfront access from the PC Dock to adjacent parks, trails, and harbor. Providing safe, interpretive, and accessible walkways during and after the Haines small boat harbor expansion.
Port Facilities	Construction of a security building on the Port Chilkoot dock, replacement of the people mover cart for cruise passengers, and a water source expansion to supply water to cruise ships.

Source: Haines Borough.

The borough manager, harbor master, tourism director, finance director, and public facilities director recommend projects to the assembly to be funded by the CPV Excise Tax revenue, and the public is invited to recommend capital improvement projects through an online portal. The appropriation process requires a minimum of three public meetings and two public hearings. The assembly also conducts a budget work session devoted to the Capital Improvement Program, which includes CPV projects.

The borough also considers visitors’ input on infrastructure. In a 2011 study of cruise and fast ferry visitors, cruise visitors said a continuous walkway along the waterfront was most important to them, followed by better directional signage.

Finally, the *Haines Borough 2025 Comprehensive Plan* addresses future priorities for cruise vessel infrastructure, including major repairs at the Port Chilkoot Cruise Ship Dock. Development of a walkway project, now described as the Portage Cove Interpretive Trail, continues with state and local funding. Consultation with James Corner Field Operations provides a plan for interconnectivity with the cruise ship dock, the Chilkoot Indian Association dock

facility, and local parks, sidewalks, trails, and streets.

CPV REVENUE DISTRIBUTION

Between FY2013 and FY2022, the Haines Borough received nearly \$2.2 million in CPV revenue. The highest distribution amount was \$285,790, received annually in FY2020 through FY2022.

LEGISLATIVE GRANTS

In addition to sharing in CPV Revenue, the Haines Borough received legislative grants for port-related projects from the Commercial Vessel Passenger Tax Account. These Grants provided funding for repairs, improvements, and upgrades at the Port Chilkoot Cruise Ship Dock, as well as COVID mitigation measures in 2020.

Haines CPV Revenue Distribution FY2013 to FY2022		
Calendar Year	Passengers [^]	Amount
2013	30,816	\$154,080
2014	28,127	\$140,635
2015	28,804	\$144,020
2016	41,286	\$206,430
2017	37,019	\$185,095
2018	44,854	\$224,270
2019	51,135	\$255,675
2020	57,158	\$285,790
2021*	-	\$285,790
2022*	-	\$285,790
Total	319,199	\$2,167,575

Source: Alaska Department of Revenue, Tax Division.

[^] Only includes passengers that pay CPV Excise Tax. Disbursements for fiscal year are based on passenger counts during the prior calendar year.

* FY2021 and FY2022 shared amounts were ARPA SLFRF funds appropriated by the legislature, and the amounts are based on CPV revenue distributed in FY2020.

Haines CPV-Related Legislative Grants		
Fiscal Year	Project	Amount
2009	Port Chilkoot cruise ship dock repairs and debt retirement	\$1,543,700
2010	Port Chilkoot waterfront improvements	\$1,900,000
2011	Port Chilkoot dock upgrade	\$2,910,000
2020	COVID-19 mitigation	\$65,780
Total		\$6,419,480

Source: Alaska Division of Community and Regional Affairs and Alaska State Legislature, Division of Legislative Audit, Audit 04-30083-16.

CPV REVENUE EXPENDITURES

The Haines Borough uses CPV revenue for port infrastructure and other CPV services to cruise passengers such as security, restrooms, signage, bear safety, transportation, and visitor information.

Haines CPV Revenue Expenditures FY2007 to FY2022					
Category	Description	Expenditures	Category	Description	Expenditures
Port Facilities	Cruise ship water	\$12,000	Other CPV Services	Bear saver trash cans	\$5,581
Port Facilities	PC Dock trestle replacement	\$560,838	Other CPV Services	Dock flowers	\$82,555
Port Facilities	Lightering dock electricity	\$8,551	Other CPV Services	Park benches	\$2,800
Port Facilities	PC dock gangway hoist	\$37,525	Other CPV Services	Chilkoot bear monitor	\$2,000
Port Facilities	Port and harbor labor	\$262,048	Other CPV Services	Restroom janitorial	\$149,100
Port Facilities	Piedad Water Source expansion	\$120,000	Other CPV Services	Port Chilkoot Interpretive Trail	\$215,184
Other CPV Services	Cruise ship survey	\$19,900	Other CPV Services	Cruise ship shuttle	\$286,590
Other CPV Services	PC Dock operating expense	\$70,000	Other CPV Services	PC Dock and restroom repairs	\$158,729
Other CPV Services	Refurbish keystone drill	\$22,759	Other CPV Services	Tourism kiosk	\$20,165
Other CPV Services	Totem pole project	\$5,000	Other CPV Services	Tourism labor	\$226,920
Other CPV Services	Picture point grant match	\$79,606	Other CPV Services	People mover dock cart	\$28,701
Other CPV Services	Signage	\$45,155	Other CPV Services	Extra police/dispatch labor	\$7,800
Total					\$2,429,507

Source: Alaska State Legislature, Division of Legislative Audit, Audit 04-30083-16 and Haines Borough.

RELATED INFORMATION

- Haines Borough. 2012. [*Haines Borough 2025 Comprehensive Plan.*](#)
- McDowell Group, Inc. 2011. [*Haines Cruise and Fast Ferry Passenger Survey.*](#)

CONTACT

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CITY OF HOMER

First Class City

2021 Population: 5,491

FY2013 to FY2022 CPV Excise Tax Revenue: \$297,544



PROFILE

The City of Homer, located at the southern tip of the Kenai Peninsula Borough, has more than 5,000 residents. Commercial fishing and marine industrial transportation services are the traditional mainstay of the Homer economy; however, the city also has well-established arts and recreation sectors, making tourism an important part of the economy. Homer is also a gateway to destinations such as Kachemak Bay State Park and Lake Clark National Park and Preserve.

Homer primarily hosts small and medium-sized cruise ships. Holland America Line vessels regularly visited Homer between 2008 and 2012. From 2015 to 2019, cruise traffic stabilized, with annual passenger numbers between 10,000 and 15,000 visitors. Throughout the past 10 years, Homer has hosted 64 ship calls and 69,800 passengers (excluding passengers received in 2022, since 2022 passenger count was unavailable at time of publication).

Homer Cruise Ship Visitors 2013 to 2022		
Calendar Year	Ship Calls	Passengers
2013	1	254
2014	5	5,662
2015	10	11,399
2016	9	10,071
2017	11	12,788
2018	12	14,814
2019	14	14,812
2020	-	-
2021	-	-
2022	2	*
Total	64	69,800[^]

Source: Cruise Line Agencies of Alaska.

Estimates do not include Un-Cruise or Alaska Dream Cruises.

* 2022 passenger count data unavailable at time of publishing.

[^] Total does not include 2022 data.

Homer Priority Projects for CPV Revenue	
Category	Description
Port Facilities	Cruise ship staging area/restroom
Port Facilities	Restroom and passenger staging area on the Homer Spit at Ramp 2
Other CPV Services	Passenger staging amenities, including benches and signage

Source: City of Homer

PROJECTED NEEDS OF COMMUNITY

To plan for the community’s cruise vessel and passenger needs, the harbor master, city manager, and public works director identify priority projects and propose them for consideration by the Port and Harbor Commission. The Commission sends approved projects to city council to be

vetted through the public appropriations process, which requires a minimum of two public meetings and two public hearings.

CPV REVENUE DISTRIBUTION

When eligible ports of call, such as Homer, are cities located in a borough, the city and the borough each receive \$2.50 of every \$5 passenger fee shared with the port community. From FY2013 to FY2022, the City of Homer’s share of CPV Excise Tax revenue was \$228,187, with the revenue peaking at \$35,815 in FY2019.

The Kenai Peninsula Borough assembly passed an ordinance making the borough’s share of the CPV Excise Tax available to Homer and Seward through a grant process. The ordinance stipulates that the funds must be used for port and harbor improvements that benefit cruise ship passengers for purposes that comply with AS 43.52.200-298, SB 256, and HB 310. Homer and Seward city managers submit letters to the Kenai Peninsula Borough mayor to request funding. The grant request must specify how the project meets the expenditure requirements established in state law.

Homer CPV Revenue Distribution FY2013 to FY2022		
Calendar Year	Passengers [^]	Amount
2013	8,684	\$21,710
2014	13,417	\$33,542 [#]
2015	5,570	\$13,925
2016	10,822	\$27,055
2017	11,052	\$27,630
2018	12,613	\$31,532
2019	14,326	\$35,815
2020	14,178	\$35,445
2021*	-	\$35,445
2022*	-	\$35,445
Total	90,662	\$297,544

Source: Alaska Department of Revenue, Tax Division.

[^] Only includes passengers that pay CPV Excise Tax. Disbursements for fiscal year are based on passenger counts during the prior calendar year.

* FY2021 and FY2022 shared amounts were ARPA SLFRF funds appropriated by the legislature, and the amounts are based on CPV revenue distributed in FY2020.

[#] In January 2016, Homer received shared revenue due in January 2014.

Homer CPV-Related Legislative Grants		
Fiscal Year	Project	Amount
2012	Cruise ship dock and passenger facility improvements	\$6,000,000
Total		\$6,000,000

Source: Alaska Division of Community and Regional Affairs and Alaska State Legislature, Division of Legislative Audit, Audit 04-30083-16.

LEGISLATIVE GRANTS

In addition to sharing in CPV revenue, the City of Homer received one legislative grant from the Commercial Vessel Passenger Tax Account for cruise ship dock infrastructure.

CPV REVENUE EXPENDITURES

Homer used its prior share of CPV revenue for restrooms and a passenger staging area at the end of the cruise passenger ramp in the port and harbor. Since 2014, the City of Homer has let the state CPV revenue accumulate to apply to larger capital improvement projects, specifically the restroom at the cruise ship passenger staging area at Ramp 2 in the port and harbor where many passengers stage for day excursions while in port.

The new Ramp 2 restroom was constructed in 2018-2019; the city utilized accumulated CPV funds to leverage additional Land and Water Conservation grant funds for this meaningful improvement to port facilities. The city expected to complete project financing in FY2020, following receipt of FY2019 CPV revenue in early 2020, but a low number of calls, followed by COVID-19 travel restrictions, limited the amount of CPV funds. Completing financing with CPV funds remains the city’s priority project for future CPV funds.

Homer CPV Revenue Expenditures FY2007 to FY2022		
Category	Description	Expenditures
Harbor Infrastructure	Cruise ship passenger staging	\$31,000
Port Facilities	Ramp 2 restroom	\$240,420
Port Facilities	Ramp 3	\$35,000
Port Facilities	Rebuild Crane #7	\$70,890*
Emergency Response	CAD Dispatch System	\$70,890*
Other CPV Services	Guard house restrooms	\$30,000
Total		\$478,200

Source: Alaska State Legislature, Division of Legislative Audit, Audit 04-30083-16 and City of Homer.

* This represents both the CPV funds received by the City of Homer (\$35,445) and the equivalent pass-through CPV funds from the Kenai Peninsula Borough (\$35,445).

Due to cruise ship travel restrictions in 2020 and 2021, in lieu of CPV funds, the city received American Rescue Plan Act (ARPA) funds based on the city's CY19 CPV award amount. These funds, in accordance with ARPA guidelines, were utilized in important pay-go projects that were principally funded through the city's capital budget but needed additional funding for completion. CY20 ARPA funds assisted with the installation of a CAD dispatch system to significantly improve emergency response. CY21 ARPA funds assisted with the rebuild of Crane #7 in the port and harbor.

RELATED INFORMATION

- City of Homer. 2011. [*Homer Spit Comprehensive Plan*](#).
- City of Homer. 2019. [*Photos of Ramp 2 Restroom Project*](#).

CONTACT

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907-235-812

CITY OF HOONAH

First Class City

2021 Population: 902

FY2013 to FY2022 CPV Excise Tax Revenue: \$9,090,835



PROFILE

The City of Hoonah is a Tlingit community of approximately 750 residents located on the northeast shore of Chichagof Island, 40 air miles west of Juneau. Icy Strait Point, owned by Huna Totem Corporation, is currently Hoonah’s largest employer, with local Tlingit residents comprising 85 percent of the staff.

Between 2013 and 2022, Hoonah received 911 ship calls and 1,237,669 visitors (excluding 2022 visitors, since a visitor count for 2022 was unavailable at the time of publication). Visitation rapidly increased from 2017 to 2019, with a 72% increase during that period. Over a quarter-million visitors came to Hoonah in 2019. Due to COVID-19 cancellations, there were no visitors in 2020 and comparatively few in 2021.

Hoonah Cruise Ship Visitors 2013 to 2022		
Calendar Year	Ship Calls	Passengers
2013	64	124,320
2014	73	142,416
2015	75	150,434
2016	78	159,132
2017	84	155,496
2018	107	189,000
2019	137	267,013
2020	-	-
2021*	33	49,858
2022	260	*
Total	911	1,237,669[^]

Source: Cruise Line Agencies of Alaska.

Estimates do not include Un-Cruise or Alaska Dream Cruises.

* 2022 passenger count data unavailable at time of publishing.

[^] Total does not include 2022 data.

Hoonah CPV Revenue Distribution FY2013 to FY2022		
Calendar Year	Passengers [^]	Amount
2013	122,021	\$610,105
2014	125,245	\$626,225
2015	137,796	\$688,980
2016	144,515	\$722,575
2017	154,319	\$771,595
2018	157,601	\$788,005
2019	186,425	\$932,125
2020	263,415	\$1,317,075
2021 [*]	-	\$1,317,075
2022 [*]	24,146	\$1,317,075
Total	1,315,483	\$9,090,835

Source: Alaska Department of Revenue, Tax Division.

[^] Only includes passengers that pay CPV Excise Tax. Disbursements for fiscal year are based on passenger counts during the prior calendar year.

* FY2021 and FY2022 shared amounts were ARPA SLFRF funds appropriated by the legislature, and the amounts are based on CPV revenue distributed in FY2020.

Hoonah Priority Projects for CPV Revenue	
Category	Description
Other CPV Services	Replacement and upgrade of municipal sewer treatment plant
Other CPV Services	Additional restrooms
Other CPV Services	Public safety services
Other CPV Services	Sewer force main to Icy Strait Point

Source: City of Hoonah.

PROJECTED NEEDS OF COMMUNITY

After gathering input from the planning commission and the public on an annual basis, the city council approves a prioritized list of projects to be funded by the CPV Excise Tax. Priority projects include a sewer force main to Icy Strait Point, and public safety services.

CPV REVENUE DISTRIBUTION

Since FY2013, the City of Hoonah has received \$9,090,835 in shared CPV revenue. The highest distribution amount was \$1,317,075, received annually in FY2020 through FY2022.

LEGISLATIVE GRANTS

In addition to receiving CPV revenue, the City of Hoonah has received grants from the Commercial Passenger Vessel Tax Account. The grants paid for a new berthing facility, harbor improvements, a cruise ship mooring buoy system and a HMIC cargo dock plan.

Hoonah CPV-Related Legislative Grants		
Fiscal Year	Project	Amount
2011	Harbor improvements	\$1,000,000
2011	Passenger walkway construction and upgrades	\$1,500,000
2012	Berthing facility	\$1,000,000
2021	HMIC cargo dock design	\$709,831
Total		\$4,209,831

Source: Alaska Division of Community and Regional Affairs and Alaska State Legislature, Division of Legislative Audit, Audit 04-30083-16.

CPV REVENUE EXPENDITURES

The City of Hoonah uses CPV revenue primarily for passenger services. These services include a visitor information representative, restroom facilities, extra police and EMS coverage harbor maintenance, park walking path maintenance and additional garbage service from Icy Strait Point.

Hoonah CPV Revenue Expenditures FY2007 to FY2022					
Category	Description	Expenditures	Category	Description	Expenditures
Port Facilities	Seafloor survey of guest dock	\$10,000	Other CPV Services	Tunnel Rock project	\$951,000
Port Facilities	Boat launch ramp matching	\$150,000	Other CPV Services	Carver's den	\$35,000
Port Facilities	Caley Marina handicap lift	\$10,000	Other CPV Services	Brush cutting and walkway	\$2,000
Port Facilities	Ports and Harbors matching	\$15,000	Other CPV Services	Tourism WSG	\$16,000
Port Facilities	Transient dock upgrades	\$5,000	Other CPV Services	Water line extension	\$400,000
Port Facilities	Visitor information kiosk	\$15,000	Other CPV Services	Walking path maintenance	\$1,000
Port Facilities	Public trash receptacles	\$6,745	Other CPV Services	Fisherman totem pole	\$8,000
Port Facilities	Visitor information kiosk	\$27,000	Other CPV Services	Wastewater plant filtration	\$10,430
Other CPV Services	Harbor upgrades	\$9,000	Other CPV Services	Harbor Way ped upgrades	\$58,668
Other CPV Services	Graveyard fencing	\$4,000	Other CPV Services	Road repair equipment	\$125,000
Other CPV Services	Summer library access	\$36,000	Other CPV Services	Four public restrooms	\$134,160
Other CPV Services	Ambulance call outs	\$16,000	Other CPV Services	Visitor guide brochures	\$16,273
Other CPV Services	Extra police patrol	\$5,000	Other CPV Services	Wayfinding signage	\$32,682
Other CPV Services	Administrative costs	\$51,000	Other CPV Services	Extra police, EMS, fire, admin, and visitor staff	\$253,000
Other CPV Services	Visitor center employees	\$27,000	Other CPV Services	Seasonal harbor staff	\$15,000
Other CPV Services	Visitor center furniture	\$9,000	Other CPV Services	Additional garbage service	\$10,000
Other CPV Services	Passenger services	\$50,000	Other CPV Services	Visitor center and police staff	\$55,000
Other CPV Services	Police vehicle, garbage truck, and ambulance	\$404,800	Other CPV Services	Shelters, signs, walkway, and brochure	\$244,000
Other CPV Services	Public restroom	\$89,000	Other CPV Services	Extra police, EMS, fire, admin, and visitor staff	\$660,000
Other CPV Services	Janitor for visitor restroom	\$9,000	Other CPV Services	Website development	\$6,000
Other CPV Services	Police, harbor, and visitor center seasonal staff	\$101,000	Other CPV Services	Community readiness passenger experience	\$4,000
Other CPV Services	Passenger services, park, and walking path maintenance	\$477,000			
Total					\$4,563,758

Source: Alaska State Legislature, Division of Legislative Audit, Audit 04-30083-16 and City of Hoonah.

RELATED INFORMATION

- City of Hoonah. 2016. [2017-2027 Hoonah Economic Development Plan.](#)

CONTACT

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CITY AND BOROUGH OF JUNEAU

Unified Home Rule Borough

2021 Population: 32,155

FY2013 to FY2022 CPV Excise Tax Revenue: \$50,179,015



PROFILE

The City and Borough of Juneau (CBJ) is located on the mainland of Southeast Alaska in the heart of the Inside Passage. Juneau is one of Alaska’s oldest cities, established in 1880 before the Klondike Gold Rush of 1898. The city and borough provide access to some of the region’s top attractions including Glacier Bay National Park and Preserve, Tracy Arm-Fords Terror Wilderness Area, and Admiralty Island National Monument.

CBJ received 4,378 ship calls and 8,704,307 cruise visitors between 2013 and 2022, with visitors peaking at nearly 1.3 million during 2019. There were no cruise ships in 2020 and severely depressed cruise visitation in 2021 due to the COVID-19 pandemic. Cruise passengers rebounded to pre-pandemic levels in 2022 as travel restrictions eased and economic activity began to normalize.

Juneau Cruise Ship Visitors 2013 to 2022		
Calendar Year	Ship Calls	Passengers
2013	511	978,559
2014	498	953,055
2015	489	976,367
2016	480	1,004,774
2017	508	1,061,853
2018	524	1,138,702
2019	583	1,294,598
2020	-	-
2021	107	117,099
2022	678	1,179,300
Total	4,378	8,704,307

Source: Cruise Line Agencies of Alaska and Port of Juneau.
Estimates do not include Un-Cruise or Alaska Dream Cruises.

Juneau Priority Projects for CPV Revenue	
Category	Description
Port Facilities	Cruise ship berth enhancement
Port Facilities	Cruise ship berth electrification
Port Facilities	Land acquisition and uplands development for staging and waterfront seawalk
Port Facilities	Waterfront and pedestrian safety improvements
Port Facilities	Expansion of infrastructure to support small cruise ship vessels (< 275 feet)

Source: City and Borough of Juneau.

PROJECTED NEEDS OF COMMUNITY

The City and Borough of Juneau continues to make incremental improvements along its waterfront with a vision to create a world-class destination for cruise vessels and passengers. Judicious expenditures of CPV Excise Tax helps to realize this goal. The most recent capital project was completed in 2020 with the expansion of the Seawalk and construction of a small bus

transportation staging area to create Peratrovich Plaza. The CBJ Assembly has long advocated for cruise dock electrification and CBJ Docks & Harbors is actively pursuing the infrastructure necessary to achieve this carbon reduction initiative. A recent study estimates \$25 million is needed to enable cruise ships to receive shore power when moored at the two CBJ cruise ship docks. The Port of Juneau also sees a need to expand services to accommodate small, American flagged cruise vessels which are typically under 275 feet. Establishing Juneau as a premier small cruise ship turn-port with suitable facilities and amenities will provide greater economic opportunities for local business which may not share in the fortunes provided by the large cruise vessels. These opportunities include restaurants, hoteliers, groceries and fresh fish markets, shipwrights, fuel, laundry services, flowers, and shipping, to name a few.

CPV REVENUE DISTRIBUTION

CBJ has had a \$5 per passenger Marine Passenger Fee since 1999 when Juneau voters passed Proposition 1. This report does not address receipts, priorities, and expenditures of Juneau’s Marine Passenger Fee. Initially, the fee precluded

the city and borough from receiving shared CPV revenue. Legislative changes during 2010 permitted revenue sharing to communities that levied cruise ship passenger taxes. CBJ received its first CPV revenue disbursement in FY2012. Juneau’s largest CPV disbursement was \$5,970,955, received annually in FY2020 through FY2022.

Juneau CPV Revenue Distribution FY2013 to FY2022		
Calendar Year	Passengers [^]	Amount
2013	830,204	\$4,151,020
2014	919,713	\$4,598,565
2015	878,679	\$4,393,395
2016	892,073	\$4,460,365
2017	924,432	\$4,622,160
2018	953,878	\$4,769,390
2019	1,054,227	\$5,271,135
2020	1,194,199	\$5,970,995
2021*	-	\$5,970,995
2022*	114,477	\$5,970,995
Total	7,761,882	\$50,179,015

Source: Alaska Department of Revenue, Tax Division.

[^] Only includes passengers that pay CPV Excise Tax. Disbursements for fiscal year are based on passenger counts during the prior calendar year.

* FY2021 and FY2022 shared amounts were ARPA SLFRF funds appropriated by the legislature, and the amounts are based on CPV revenue distributed in FY2020.

Juneau CPV-Related Legislative Grants		
Fiscal Year	Project	Amount
2009	Commercial passenger vessel dock retaining wall repair and replacement	\$1,500,000
2009	Airport cruise passenger baggage and facility safety improvements	\$1,300,000
2010	Cruise ship dock improvements	\$2,500,000
2010	Auke Bay seawalk construction	\$800,000
2011	Cruise ship dock improvements	\$9,000,000
2015	Last Chance Basin well field	\$1,350,000
2015	Salmon Creek water treatment	\$650,000
2021	COVID-19 mitigation and response supporting the marine enterprise	\$2,444,600
Total		\$19,544,600

Source: Alaska Division of Community and Regional Affairs and Alaska State Legislature, Division of Legislative Audit, Audit 04-30083-16.

RELATED INFORMATION

- City and Borough of Juneau. [Marine Park to Taku Dock Urban Design Plan – additional documents.](#)
- City and Borough of Juneau. [Harbor Facilities – Downtown Cruise Ship Berths and Statter Harbor.](#)

CONTACT

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LEGISLATIVE GRANTS

In addition to receiving shared CPV revenue, CBJ has received more than \$19.5 million since FY2009 in legislative grants from the Commercial Vessel Passenger Tax Account for cruise passenger and cruise industry-related infrastructure and services projects.

CPV REVENUE EXPENDITURES

CPV revenues are combined with funds from the CBJ Port Development Fee to pay down bonds obtained for cruise ship berth enhancement.

Juneau CPV Revenue Expenditures FY2007 to FY2022		
Category	Description	Expenditures
Harbor Facilities	Statter Harbor upgrades	\$9,866,000
Port Facilities	Cruise berth improvements	\$13,122,000
Port Facilities	Waterfront seawalk	\$8,525,000
Port Facilities	Waterfront upgrades	\$8,052,000
Total		\$39,565,000

Source: Alaska State Legislature, Division of Legislative Audit, Audit 04-30083-16 and City and Borough of Juneau.



KENAI PENINSULA BOROUGH

Second Class Borough

2021 Population: 58,957

FY2013 to FY2022 CPV Excise Tax Revenue: \$4,880,504

PROFILE

South of Anchorage, the Kenai Peninsula extends 150 miles southwest from the Chugach Mountains. West of the peninsula lies Cook Inlet, while to the east is Prince William Sound. Most of the peninsula is part of the Kenai Peninsula Borough, a region of nearly 59,000 residents.

Two borough cities, Seward and Homer, are eligible to receive shared CPV revenue. Between 2013 and 2022, Seward received 554 port calls and 1,278,063 passengers. Homer received 64 port calls and 69,800 passengers. Passenger counts exclude 2022 numbers, which were not yet available at the time of publication.

Cruise ship visits to Seward declined between 2009 and 2013 after Holland America Lines and Princess Cruises redeployed ships to Europe, but visitation reached its highest point in a decade during 2019 with nearly 238,000 visitors. Homer cruise passenger visitors peaked at 14,814 visitors during 2018.

PROJECTED NEEDS OF COMMUNITY

When eligible ports of call are cities in a borough, such as Homer and Seward, the city and the borough each receive \$2.50 of every \$5 CPV Excise Tax fee. Each year, the Kenai Peninsula Borough Assembly passes an ordinance, accepting and appropriating the borough’s share of revenue. The ordinance authorizes the mayor to distribute CPV funds to the port cities through grant agreements. To obtain a grant, the cities submit letters to the borough mayor requesting the funds. They confirm that the proposed projects comply with state statutes requiring funds to be used for port facilities, harbor infrastructure, and other services provided to the commercial passenger vessels and their passengers. The cities provide a final narrative and financial report to the borough after a project is complete. The cities utilize the funds to offset reoccurring and ongoing needs related to infrastructure and port related repairs and maintenance. This includes security system upgrades, walkway repairs, safety repairs, and expansions. It also includes electrical system infrastructure investments to support the needs of the community.

Homer Cruise Ship Visitors 2013 to 2022		
Calendar Year	Ship Calls	Passengers
2013	1	254
2014	5	5,662
2015	10	11,399
2016	9	10,071
2017	11	12,788
2018	12	14,814
2019	14	14,812
2020	-	-
2021	-	-
2022	2	*
Total	64	69,800[^]

Source: Cruise Line Agencies of Alaska.
 Estimates do not include Un-Cruise or Alaska Dream Cruises.
 * 2022 passenger count data unavailable at time of publishing.
[^] Total does not include 2022 data.

Seward Cruise Ship Visitors 2013 to 2022		
Calendar Year	Ship Calls	Passengers
2013	50	125,183
2014	52	141,442
2015	64	183,124
2016	66	191,469
2017	63	185,066
2018	71	213,854
2019	97	237,925
2020	-	-
2021	-	-
2022	91	*
Total	554	1,278,063[^]

Source: Cruise Line Agencies of Alaska.
 Estimates do not include Un-Cruise or Alaska Dream Cruises.
 * 2022 passenger count data unavailable at time of publishing.
[^] Total does not include 2022 data.

CPV REVENUE DISTRIBUTION

Between FY2013 and FY2022, the Kenai Peninsula Borough received \$4,880,503 in CPV revenue. The highest distribution amount was \$612,640 received annually in FY2020 through 2022.

CPV REVENUE EXPENDITURES

The Kenai Peninsula Borough distributed all shared CPV Excise Tax revenue to the City of Homer and the City of Seward for passenger/vessel services, port improvement projects, and infrastructure improvements. The borough does not retain a percentage of the annual distribution.

Kenai Peninsula Borough CPV Revenue Distribution FY2013 to FY2022		
Calendar Year	Passengers [^]	Amount
2013	145,990	\$364,975
2014	123,031	\$307,578
2015	144,663	\$361,658
2016	189,690	\$474,225
2017	194,552	\$486,380
2018	195,879	\$489,698
2019	223,228	\$558,070
2020	245,056	\$612,640
2021*	-	\$612,640
2022*	-	\$612,640
Total	1,462,089	\$4,880,504

Source: Alaska Department of Revenue, Tax Division.

[^] Only includes passengers that pay CPV Excise Tax. Disbursements for fiscal year are based on passenger counts during the prior calendar year.

* FY2021 and FY2022 shared amounts were ARPA SLFRF funds appropriated by the legislature, and the amounts are based on CPV revenue distributed in FY2020.

Kenai Peninsula Borough CPV Revenue Expenditures FY2007 to FY2022					
Category	Description	Expenditures	Category	Description	Expenditures
Harbor Infrastructure	Electric transmission system and infrastructure upgrades	\$522,255	Port Facilities	2016 Homer port upgrades	\$13,925
Port Facilities	2014 Seward port upgrades	\$343,265	Port Facilities	2017 Seward port upgrades	\$447,170
Port Facilities	2014 Homer port upgrades	\$21,710	Port Facilities	2017 Homer port upgrades	\$27,055
Port Facilities	2015 Seward port upgrades	\$306,723	Port Facilities	2018 Seward port upgrades	\$522,255
Port Facilities	2015 Homer port upgrades	\$855	Port Facilities	2018 Homer port upgrades	\$35,815
Port Facilities	2016 Seward port upgrades	\$347,733	Port Facilities	2020 Homer port upgrades	\$35,815
Total					\$2,624,576

Source: Alaska State Legislature, Division of Legislative Audit, Audit 04-30083-16 and Kenai Peninsula Borough.

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KETCHIKAN GATEWAY BOROUGH

Second Class Borough

2021 Population: 13,895

FY2013 to FY2022 CPV Excise Tax Revenue: \$23,420,628

PROFILE

The Ketchikan Gateway Borough is a region of nearly 14,000 residents located near the southern-most boundary of Alaska in the Southeast Panhandle. It is comprised of the cities of Ketchikan and Saxman. Between 2013 and 2022, Ketchikan received an average of 899,169 cruise visitors each year. Excluding 2020 and 2021 brings the average to 998,745.

PROJECTED NEEDS OF COMMUNITY

The Ketchikan Gateway Borough uses an analytical approach to spending CPV revenue. Annually, the borough determines (1) the costs of maintaining infrastructure that cruise passengers and crew rely upon, and (2) costs of delivering public services to the passengers and crew. The borough apportions these costs between residents and visitors based on the proportions of overall use. Borough staff completes the analysis and makes recommendations for expending CPV revenue to the borough assembly. The Ketchikan Gateway Borough Assembly hears public comment on proposed expenditures and makes the final decision on how to spend the CPV revenue.

Ketchikan Gateway Borough Cruise Ship Visitors 2013 to 2022		
Calendar Year	Ship Calls	Passengers
2013	490	948,685
2014	450	896,084
2015	462	944,525
2016	456	947,972
2017	488	1,009,160
2018	487	1,052,480
2019	535	1,185,753
2020	-	-
2021	86	102,562
2022	605	1,005,299
Total	4,059	8,092,520

Source: Cruise Line Agencies of Alaska and Ketchikan Gateway Borough
Estimates do not include Un-Cruise or Alaska Dream Cruises.

Ketchikan Gateway Borough Priority Projects for CPV Revenue	
Category	Description
Other CPV Services	Visitor safety
Other CPV Services	Visitor center
Other CPV Services	Transit enhancement

Source: Ketchikan Gateway Borough.

Ketchikan Gateway CPV Revenue Distribution FY2013 to FY2022		
Calendar Year	Passengers [^]	Amount
2013	791,108	\$1,977,770
2014	896,084	\$2,240,210
2015	812,950	\$2,032,375
2016	856,653	\$2,141,633
2017	865,428	\$2,163,570
2018	900,995	\$2,252,487
2019	976,393	\$2,440,982
2020	1,089,547	\$2,723,867
2021*	-	\$2,723,867
2022*	100,003	\$2,723,867
Total	7,289,161	\$23,420,628

Source: Alaska Department of Revenue, Tax Division.

[^] Only includes passengers that pay CPV Excise Tax. Disbursements for fiscal year are based on passenger counts during the prior calendar year.

* FY2021 and FY2022 shared amounts were ARPA SLFRF funds appropriated by the legislature, and the amounts are based on CPV revenue distributed in FY2020.

CPV REVENUE DISTRIBUTION

When eligible ports of call, such as Ketchikan, are cities located in a borough, the city and the borough each receive \$2.50 of every \$5 passenger fee. Between FY2013 and FY2022, the Ketchikan Gateway Borough's share of CPV revenue was \$23,420,628. The highest distribution was \$2,723,867 received annually in FY2020 through FY2022.

LEGISLATIVE APPROPRIATIONS

The Ketchikan Gateway Borough has not received legislative appropriations from the Commercial Vessel Passenger Tax Account.

Ketchikan Gateway Borough CPV Revenue Expenditures FY2007 to FY2022					
Category	Description	Expenditures	Category	Description	Expenditures
Harbor Infrastructure	Creek St. Trestle Berths I-III	\$1,224,000	Other CPV Services	City Park restroom	\$14,000
Harbor Infrastructure	Harbor View Sea Walk	\$50,000	Other CPV Services	SAN-I-PAK equipment	\$200,000
Port Facilities	Berth I improvements	\$156,000	Other CPV Services	Totem Row restroom	\$80,000
Port Facilities	Berth IV dock improvements	\$50,000	Other CPV Services	Airport operations support	\$1,758,068
Port Facilities	Berth IV dock improvements	\$204,000	Other CPV Services	Borough transit operations	\$2,928,638
Port Facilities	Drive down dock	\$1,340,000	Other CPV Services	Transit bus match	\$183,055
Port Facilities	Transportation worker credential	\$27,000	Other CPV Services	Water Street pedestrian improvements	\$138,000
Other CPV Services	Administration fees	\$1,160,000	Other CPV Services	Tourism strategy	\$110,545
Other CPV Services	Downtown CPV planner	\$693,718	Other CPV Services	Transit bus parking	\$44,000
Other CPV Services	Distribution/marketing plan	\$186,266	Other CPV Services	Bus shelters	\$100,000
Other CPV Services	A Fish Story	\$160,000	Other CPV Services	Ketchikan Visitors Bureau	\$2,579,730
Other CPV Services	An Art/Native Culture Story	\$490,000	Other CPV Services	Centennial Bldg. Restoration	\$235,750
Other CPV Services	Deer Mountain Hatchery	\$150,000	Other CPV Services	CPV impact survey	\$60,336
Other CPV Services	Hopkins Alley revitalization	\$254,950	Other CPV Services	ADA restrooms at museum	\$235,750
Other CPV Services	Maritime education	\$21,000	Other CPV Services	Transit vehicle tracking	\$30,000
Other CPV Services	Ketchikan stories	\$325,000	Other CPV Services	"Our Town" magazine	\$16,000
Other CPV Services	Saxman Dewitt Carving P1	\$76,000	Other CPV Services	Story project kiosk app	\$30,000
Other CPV Services	Saxman Dewitt Carving P2	\$248,868	Other CPV Services	General fund	\$330,924
Other CPV Services	Saxman totem restoration	\$250,000	Other CPV Services	Borough transit operations	\$1,665,828
Other CPV Services	"The Rock" sculpture	\$100,000	Other CPV Services	Fire dept. service areas	\$709,934
Other CPV Services	St. John's sprinkler	\$42,000	Other CPV Services	Airport operations support	\$177,828
Other CPV Services	Rainbird Trail	\$30,000	Other CPV Services	Ketchikan Visitors Bureau	\$1,017,280
Other CPV Services	Walking tour signs	\$4,000	Other CPV Services	Volunteer rescue squad	\$123,660
Other CPV Services	Restrooms - First City Players	\$500,000	Other CPV Services	City of Saxman Master Plan	\$97,233
Other CPV Services	Wayfinding signs	\$26,000	Other CPV Services	Trash receptacles	\$4,409
Other CPV Services	Beautification	\$899,912	Other CPV Services	Downtown ambassador	\$39,267
Other CPV Services	Harbor View Park	\$50,000	Other CPV Services	Herring Cove plan	\$50,000
Other CPV Services	Historic resources survey	\$15,000	Other CPV Services	Borough transit technology	\$88,469
Other CPV Services	Hole in the Wall Harbor	\$199,781	Other CPV Services	Transit signage	\$40,000
Other CPV Services	Marquee rain canopy	\$186,000	Other CPV Services	Transit branding	\$30,000
Other CPV Services	Aquatic center	\$110,000	Other CPV Services	Rainbird Trail improvements	\$100,000
Other CPV Services	Non-area wide library	\$90,674	Other CPV Services	City Park sidewalk	\$100,000
Other CPV Services	Recreation	\$275,166	Other CPV Services	City Park enhancements	\$10,000
Other CPV Services	Flight simulator rent	\$48,874	Other CPV Services	Schoenbar Trail upgrades	\$125,000
Other CPV Services	Volunteer rescue squad	\$255,969	Other CPV Services	Transit center renovations	\$127,513
Other CPV Services	Fire dept. service areas	\$957,713	Other CPV Services	Bus shelter improvements	\$55,000
Other CPV Services	Southern Southeast Emergency Training Center	\$100,000	Other CPV Services	Ward Cove transportation plan	\$60,000
Other CPV Services	Herring Cove tourism mgmt.	\$92,830	Other CPV Services	Downtown beautification	\$205,263
Other CPV Services	Seasonal code enforcement	\$100,360	Other CPV Services	Transit vehicle tracking	\$30,782
Other CPV Services	General fund	\$1,135,119	Other CPV Services	Flight simulator rent	\$8,523
Total					\$26,226,985

Source: Alaska State Legislature, Division of Legislative Audit, Audit 04-30083-16 and Ketchikan Gateway Borough.

CPV REVENUE EXPENDITURES

The Ketchikan Gateway Borough uses CPV revenue to cover the costs of delivering services and maintaining infrastructure for the benefit of the cruise industry. The borough uses CPV revenue primarily for passenger safety and enhanced passenger services. Examples of expenditures include upgrades to the borough's transit system, rain

and weather shelters, and passenger enhancement projects through the Ketchikan Visitors Bureau, pedestrian safety upgrades (i.e., walkway improvements and street crossing improvements), emergency services upgrades (i.e., locator beacons for trail use, emergency services response materials and equipment, and equipment for the Short Haul Helicopter Program).

RELATED INFORMATION

- McDowell Group. 2016. [Ketchikan Cruise Industry Surveys](#).
- [Ketchikan Gateway Borough CPV Division](#)
- [Ketchikan Gateway Borough Tourism Strategy](#)
- [Ketchikan Gateway Borough Budgets](#)

CONTACT

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CITY OF KETCHIKAN

Home Rule City

2021 Population: 8,149

FY2013 to FY2022 CPV Excise Tax Revenue: \$23,420,628



PROFILE

Ketchikan, a city of 8,149 residents, is known as Alaska’s first city due to its location at the southern tip of the Inside Passage. It is the first Alaskan city visitors reach as they cruise north and, for many visitors, their first introduction to the beauty and majesty of Alaska. Between 2013 and 2022, Ketchikan received an average of 869,628 cruise visitors each year. If we exclude 2020 and 2021 the average cruise visitors each year increases to 965,511. Passenger traffic grew steadily from 2014 to 2019, with a peak of nearly 1.2 million passengers visiting in 2019. As with all Alaska port cities, passenger counts declined during the COVID-19 pandemic.

City of Ketchikan Cruise Ship Visitors 2013 to 2022		
Calendar Year	Ship Calls	Passengers
2013	490	948,685
2014	450	884,503
2015	462	944,525
2016	456	947,972
2017	488	1,009,160
2018	487	1,052,480
2019	535	1,185,753
2020	-	-
2021	74*	75,804*
2022	456*	767,101*
Total	3,898	7,815,938

Sources: Cruise Line Agencies of Alaska and The Mill at Ward Cove.

Estimates do not include Un-Cruise or Alaska Dream Cruises.

* Calculated based on data reported by The Mill at Ward Cove.

Ketchikan Priority Projects for CPV Revenue	
Category	Description
Port Facilities	Debt service for Berth 3 construction
Port Facilities	Planning and design of improvements to accommodate tourists
Visitor Amenities	Restroom facilities, interpretive exhibits, and wayfinding signage
Various	Waterfront promenade reconstructions and seawall repairs

Source: City of Ketchikan.

PROJECTED NEEDS OF COMMUNITY

The City of Ketchikan follows a three-pronged approach to ensure that CPV Excise Tax revenue is only used for port facilities, harbor infrastructure, or other services and amenities provided to passengers traveling on commercial passenger vessels. The first step is a review of federal and state law regarding the

use of excise tax revenues assessed against passengers traveling on commercial passenger vessels. Ketchikan’s goal is to ensure that programs and capital improvement projects funded from CPV shared revenues benefit passengers in the manner prescribed by federal and state law. The second step is to vet the programs and capital improvement projects with representatives from the cruise industry and other interested parties. Ketchikan ensures that the proposed programs and capital improvements address the needs and safety of passengers traveling on commercial passenger vessels. The final step involves the general public and the city council in setting the priorities and approving programs and capital improvement projects for funding from CPV revenues. In 2015, the City of Ketchikan revised its accounting for CPV revenues and modified its annual operating and capital budget to make the process more transparent.

CPV REVENUE DISTRIBUTION

Ketchikan charges a passenger wharfage fee of \$9 per passenger to offset port facility costs, provide services to ships and passengers who visit Ketchikan, and mitigate the impacts of passenger and ship use of city services. The fee precluded the city from receiving CPV revenue until legislative action during 2010 permitted revenue sharing to communities that levied their own cruise ship passenger taxes. Ketchikan received its first shared revenue disbursement in FY2012.

When eligible ports of call, such as Ketchikan, are cities located in a borough, the city and the borough each receive \$2.50 of every \$5 passenger fee. Between

FY2013 and FY2022, the City of Ketchikan's share of CPV revenue was \$23,420,628. The highest distribution was \$2,723,867.50 received annually in FY2020 through FY2022.

City of Ketchikan CPV Revenue Distribution FY2013 to FY2022		
Calendar Year	Passengers [^]	Amount
2013	791,108	\$1,977,770
2014	896,084	\$2,240,210
2015	812,950	\$2,032,375
2016	856,653	\$2,141,633
2017	865,428	\$2,163,570
2018	900,995	\$2,252,487
2019	976,393	\$2,440,982
2020	1,089,547	\$2,723,867
2021*	-	\$2,723,867
2022*	100,003	\$2,723,867
Total	7,289,161	\$23,420,628

Source: Alaska Department of Revenue, Tax Division.

[^] Only includes passengers that pay CPV Excise Tax. Disbursements for fiscal year are based on passenger counts during the prior calendar year.

* FY2021 and FY2022 shared amounts were ARPA SLFRF funds appropriated by the legislature, and the amounts are based on CPV revenue distributed in FY2020.

City of Ketchikan CPV-Related Legislative Grants		
Fiscal Year	Project	Amount
2014	Ketchikan Promenade	\$1,300,000
2018	Port of Ketchikan cruise ship berths	\$2,000,000
2019	Cruise ship berths expansion	\$3,000,000
2020	Responding to and mitigating the risk of COVID-19 outbreak	\$1,100,300
Total		\$7,400,300

Source: Alaska Division of Community and Regional Affairs and Alaska State Legislature, Division of Legislative Audit, Audit 04-30083-16.

LEGISLATIVE GRANTS

In addition to receiving CPV revenue, Ketchikan has received over \$7.4 million since FY2013 in grants from the Commercial Vessel Passenger Tax Account. The grants were used for debt service, port infrastructure and passenger services including pedestrian and safety enhancements.

CPV REVENUE EXPENDITURES

The COVID-19 pandemic halted all port activity during 2020 and most of 2021. As a mitigation measure, all capital improvements were also minimized during the same time period. The main focus for the near future is to resume capital improvements that have been delayed due to the COVID-19 pandemic and develop new programs that enhance Ketchikan as an attractive and safe tourist destination. Since the last report in 2019, the city continues to use CPV revenue to help fund planning, design and construction of port infrastructure as well as COVID-19 mitigation measures, upgrades to walking tour trails, creek street improvements and downtown visitor amenities. The city is projected to have used \$13,997,495 through December 31, 2022. Additional police, fire, and tourism personnel have been or will be added in 2023 to assist with the additional tourism related services. The city is also using CPV revenues to fund a share of the Ketchikan Visitors' Bureau, which helps promote and encourage tourism.

City of Ketchikan CPV Revenue Expenditures FY2007 to FY2022					
Category	Description	Expenditures	Category	Description	Expenditures
Port Facilities	Berth III engineering	\$1,302,148	Other CPV Services	2017 permanent exhibit	\$151,007
Port Facilities	Berth IV lease payment/bond	\$2,082,948	Other CPV Services	Clean and repair totem poles	\$62,997
Port Facilities	Replace fender piles I-C/I-D	\$434,060	Other CPV Services	Totem Heritage Ctr restrooms	\$144,877
Port Facilities	Berth I & II expansion	\$1,539,845	Other CPV Services	Thomas Basin promenade	\$469,182
Port Facilities	Rock pinnacle removal	\$836,412	Other CPV Services	Creek St boardwalk upgrades	\$228,333
Port Facilities	COVID-19 port improvements	\$100,148	Other CPV Services	Visitor amenities	\$464,849
Port Facilities	Berth III tender barge	\$35,000	Other CPV Services	Stedman St restroom	\$62,200
Other CPV Services	Centennial Building & Totem Heritage Center upgrades	\$1,608	Other CPV Services	Berth III and parking lot reconfiguration	\$126,843
Other CPV Services	Spruce Mill sheet pile	\$31,725	Other CPV Services	Port piling sculptures	\$23,500
Other CPV Services	Thomas Basin Seawall ped decking, footing, and seawall	\$2,976,011	Other CPV Services	Thomas Basin ADA ramp improvements	\$1,156,060
Other CPV Services	2013 seasonal litter program	\$63,769	Other CPV Services	Married Man's Trail upgrades	\$380,967
Other CPV Services	2014 seasonal litter program	\$60,484	Other CPV Services	Visitors Bureau operations	\$138,625
Other CPV Services	2015 seasonal litter program	\$65,637	Other CPV Services	2022 seasonal litter program	\$30,000
Other CPV Services	Centennial Building restroom expansion	\$469,787	Other CPV Services	2021 positions responding to cruise passenger issues	\$291,960
Other CPV Services	2014 tour guides	\$51,158	Other CPV Services	2022 positions responding to cruise passenger issues	\$154,126
Other CPV Services	2016 seasonal litter program	\$25,417	Other CPV Services	Creek St. safety and security	\$1,301
Other CPV Services	2017 seasonal litter program	\$34,511			
Total					\$13,997,495

Source: Alaska State Legislature, Division of Legislative Audit, Audit 04-30083-16 and City of Ketchikan.

RELATED INFORMATION

- Moffat & Nichol. 2017. Planning and Design of Port Improvements.

CONTACT

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KODIAK ISLAND BOROUGH

Second Class Borough

2021 Population: 12,900

FY2013 to FY2022 CPV Excise Tax Revenue: \$346,177



PROFILE

Kodiak Island Borough is located on the western side of the Gulf of Alaska. It encompasses the largest island in Alaska, which is the second largest in the United States. Kodiak Island is known for the Kodiak brown bear and world-class sport fishing. Kodiak is one of the largest commercial fishing ports in the nation, hosting Alaska's largest and most diversified fishing fleet. Kodiak is also home to the largest United States Coast Guard Base and the first commercial rocket launch facility.

All cruise visitors to the Kodiak Island Borough utilize the port facilities at the City of Kodiak. Kodiak received 121 cruise ship port calls and 109,613 cruise passengers between 2013 and 2022. Cruise visitation peaked at 26,259 cruise visitors during 2019. Kodiak had no visitors in 2020 or 2021 due to the pandemic, but in 2022 the borough saw 4,620 passengers, as reported by the City of Kodiak.

Kodiak Cruise Ship Visitors 2013 to 2022		
Calendar Year	Ship Calls	Passengers
2013	7	3,231
2014	10	8,809
2015	12	13,559
2016	15	15,208
2017	20	16,733
2018	19	21,194
2019	30	26,259
2020	-	-
2021	-	-
2022	8	4,620*
Total	121	109,613[^]

Source: Cruise Line Agencies of Alaska and the Kodiak Island Borough.

Estimates do not include Un-Cruise or Alaska Dream Cruises.

* Cruise passenger volume data reported by the borough.

[^] Total is an estimate.

Kodiak Island Borough CPV Revenue Distribution FY2013 to FY2022		
Calendar Year	Passengers [^]	Amount
2013	9,389	\$23,473
2014	1,840	\$4,600
2015	5,570	\$13,925
2016	12,102	\$30,255
2017	12,355	\$30,887
2018	15,050	\$37,625
2019	17,101	\$42,752
2020	21,688	\$54,220
2021*	-	\$54,220
2022*	-	\$54,220
Total	95,095	\$346,177

Source: Alaska Department of Revenue, Tax Division.

[^] Only includes passengers that pay CPV Excise Tax. Disbursements for fiscal year are based on passenger counts during the prior calendar year.

* FY2021 and FY2022 shared amounts were ARPA SLFRF funds appropriated by the legislature, and the amounts are based on CPV revenue distributed in FY2020.

PROJECTED NEEDS OF COMMUNITY

The Kodiak Island Borough is working with the local chamber and the City of Kodiak to determine how CPV Excise Tax revenue can be used to provide for the safety and service needs of cruise ships and passengers who travel to the island.

CPV REVENUE DISTRIBUTION

When eligible ports of call, such as Kodiak, are cities located in a borough, the city and the borough each receive \$2.50 of each \$5 passenger fee. Between FY2013 and FY2022, the Kodiak Island Borough's portion of shared CPV revenue was \$346,177. The highest distribution amount was \$54,220 received annually in FY2020 through FY2022.

LEGISLATIVE APPROPRIATIONS

The Kodiak Island Borough has not received legislative appropriations from the Commercial Passenger Vessel Tax Account.

CPV REVENUE EXPENDITURES

The Kodiak Island Borough’s portion of shared CPV revenue is relatively small. Since the City of Kodiak owns and operates the port and harbor facilities, the borough transferred \$153,000 to the City to help with the costs associated with purchase and installation of a public toilet at the dock/terminal to provide for the needs of cruise ship staff and passengers.

Kodiak Island Borough CPV Revenue Expenditures FY2007 to FY2022		
Category	Description	Expenditures
Other CPV Services	Discover Kodiak and various museums	\$214,636
Other CPV Services	Public Toilet at Dock/Terminal	\$153,000
Total		\$367,636

Source: Alaska State Legislature, Division of Legislative Audit, Audit 04-30083-16 and Kodiak Island Borough.

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CITY OF KODIAK

Home Rule City

2021 Population: 5,495

FY2013 to FY2022 CPV Excise Tax Revenue: \$346,177



PROFILE

The City of Kodiak is located on Kodiak Island, which is Alaska's largest island and the second largest island in the United States. Known as the Emerald Isle, Kodiak's verdant landscape and abundant outdoor opportunities make it a popular destination for nature enthusiasts. Commercial fishing accounts for about one-third of the local economy; Kodiak has Alaska's largest and most diversified fishing fleet, including 700 home-ported commercial fishing vessels and 500 transient vessels. Kodiak is a renowned sport fishing destination that offers access to all five species of salmon, along with halibut, rockfish, cod, and trout.

Kodiak received 121 cruise ship port calls and more than 109,000 cruise passengers between 2013 and 2022. Cruise visitation has rapidly increased since 2013, peaking at 26,259 passengers during 2019. The city suffered a significant downturn during the COVID pandemic, receiving no cruise visits in 2020 or 2021, but saw 4,620 cruise ship passengers in 2021, as reported by the city.

Kodiak Cruise Ship Visitors 2013 to 2022		
Calendar Year	Ship Calls	Passengers
2013	7	3,231
2014	10	8,809
2015	12	13,559
2016	15	15,208
2017	20	16,733
2018	19	21,194
2019	30	26,259
2020	-	-
2021	-	-
2022	8	4,620*
Total	121	109,613[^]

Source: Cruise Line Agencies of Alaska and the Kodiak Island Borough.

Estimates do not include Un-Cruise or Alaska Dream Cruises.

* Cruise passenger volume data reported by the borough.

[^] Total is an estimate.

City of Kodiak Priority Projects for CPV Revenue	
Category	Description
Port Facilities	Port-related projects to improve safety, security, and usability of the cruise ship terminal
Port Facilities	Planning, designing, and building a public passenger vessel terminal
Port Transition	Building designated walkways for transitioning from the passenger terminal to downtown

Source: City of Kodiak.

PROJECTED NEEDS OF COMMUNITY

The City of Kodiak owns Pier 2, a multi-purpose, deep-draft dock that serves cruise ships. When the city receives CPV Excise Tax revenue, it is deposited into a Cargo Enterprise Fund. The harbormaster and Discover Kodiak director recommend cruise ship facility needs to community leaders. Approved projects relating to cruise passenger movement, dock security, and safety are funded from the Cargo Enterprise Fund. Future city plans include expansion of passenger and Arctic operations, with a dedicated pier containing deep draft berthing for cruise ships, AMHS ferries, and designated military vessel moorage.

CPV REVENUE DISTRIBUTION

When eligible ports of call, such as the City of Kodiak, are cities located in a borough, the city and the borough each receive \$2.50 of each \$5 passenger fee. Between FY2013 and FY2022, the City of Kodiak’s portion of CPV revenue was \$346,177. The highest distribution amount was \$54,220, received annually in FY2020 through FY2022.

LEGISLATIVE GRANTS

In addition to receiving shared CPV tax revenue, the City of Kodiak has received nearly \$3 million since FY2009 in legislative appropriations from the Commercial Passenger Vessel Tax Account to provide cruise passengers with safe walking access from the dock to downtown. The pedestrian pathway was scaled back from original plans due to unforeseen construction complications. The most critical and expensive portion of the planned project was completed in October 2013. The remainder of the pathway and reception project requires additional funding. Outdoor toilets were installed in 2022 to provide on-site bathroom access.

City of Kodiak CPV-Related Legislative Grants		
Fiscal Year	Project	Amount
2009	Cruise ship/Pier II master plan	\$250,000
2010	Pedestrian improvements between cruise ship dock (Pier II) and downtown	\$700,000
2012	Pedestrian pathway	\$384,000
2012	Pier and downtown pedestrian improvements	\$1,600,000
2020	COVID-19 mitigation	\$15,800
Total		\$2,949,800

Source: Alaska Division of Community and Regional Affairs and Alaska State Legislature, Division of Legislative Audit, Audit 04-30083-16.

public toilets at the dock and ferry terminal to provide for the needs of cruise ship staff and passengers. The City of Kodiak utilized \$162,660 of CPV revenue to match the borough’s contribution for completion of the project.

RELATED INFORMATION

- Dowl HKM. 2012. *Development Concept Plan for Shelikof Street/Jack Hinkel Way to Marine Way.*
- PND Engineers, Inc. 2010. *City of Kodiak Waterfront Master Plan.*

CONTACT

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City of Kodiak CPV Revenue Distribution FY2013 to FY2022		
Calendar Year	Passengers [^]	Amount
2013	9,389	\$23,473
2014	1,840	\$4,600
2015	5,570	\$13,925
2016	12,102	\$30,255
2017	12,355	\$30,887
2018	15,050	\$37,625
2019	17,101	\$42,752
2020	21,688	\$54,220
2021*	-	\$54,220
2022*	-	\$54,220
Total	95,095	\$346,177

Source: Alaska Department of Revenue, Tax Division.

[^] Only includes passengers that pay CPV Excise Tax. Disbursements for fiscal year are based on passenger counts during the prior calendar year.

* FY2021 and FY2022 shared amounts were ARPA SLFRF funds appropriated by the legislature, and the amounts are based on CPV revenue distributed in FY2020.

CPV REVENUE EXPENDITURES

Wide variations in the number of ship calls dramatically impact the amount of CPV revenue that the City of Kodiak receives. In general, the revenues are used for ship and passenger services. The City of Kodiak has pursued funds through the CPV tax appropriation process for infrastructure improvement projects relating to cruise ships. In 2022, the Kodiak Island Borough transferred \$153,000 to the City of Kodiak to help with the costs associated with purchase and installation of public toilets at the dock and ferry terminal to provide for the needs of cruise ship staff and passengers. The City of Kodiak utilized \$162,660 of CPV revenue to match the borough’s contribution for completion of the project.

City of Kodiak CPV Revenue Expenditures FY2007 to FY2022		
Category	Description	Expenditures
Interfund Transfer	Portland Loos	\$162,000
Intergovernmental Transfer	Portland Loos	\$153,000
Other CPV Services	Direct services for ships and passengers	\$176,005
Total		\$491,665

Source: Alaska State Legislature, Division of Legislative Audit, Audit 04-30083-16 and City of Kodiak.

CITY OF NOME

First Class City, Unorganized Borough

2021 Population: 3,524

FY2017 to FY2022 CPV Excise Tax Revenue: \$15,750



PROFILE

Located approximately 540 miles northwest of Anchorage, Nome sits on the Seward Peninsula along Norton Sound. The City of Nome was founded in 1901, just a few years after a major gold strike. Nome is noted both for its gold rush history and as the terminus for the Iditarod Sled Dog Race.

Nome received 33 cruise ship calls and 7,003 passengers between 2017 and 2022 (excluding 2022 passengers, for which a count was unavailable at the time of publication). Historically, most vessels calling at the Port of Nome have not carried enough passengers to subject them to the CPV Excise Tax. During 2016, the Crystal Serenity made its first port call to Nome. Since that time, Nome has continued to attract new vessels, such as the hybrid-powered MS Roald Amundsen. Cruise visitation during 2019 reached a high of nearly 4,200 passengers.

Nome Cruise Ship Visitors 2013 to 2022		
Calendar Year	Ship Calls	Passengers
2017	6	1,839
2018	5	992
2019	13	4,172
2020	-	-
2021	-	-
2022	9	*
Total	33	7,003[^]

Source: Cruise Line Agencies of Alaska.

Estimates do not include Un-Cruise or Alaska Dream Cruises.

* 2022 passenger count data unavailable at time of publishing.

[^] Total does not include 2022 data.

Nome Priority Projects for CPV Revenue	
Category	Description
Port Facilities	Design and install floats for tenders in the harbor basin
Port Facilities	Upgrade gravel dock surfacing

Source: City of Nome.

2020 and 2021 saw no cruise ship landings in Nome due to the pandemic. In 2022, the industry began to return to normal with 9 total landings, although passenger counts for 2022 were not available at the time of reporting. Several cruise companies used Nome as the point of embarkation or disembarkation providing economic development opportunities to logistics, tourism, and hospitality companies in Nome.

PROJECTED NEEDS OF COMMUNITY

Priority projects for the City of Nome include the Arctic Port Expansion Project, which will expand the Port of Nome into the nation's first Arctic Deep Draft Port. This project is in the design phase and is expected to go out to bid in early 2023. Building this expanded facility will enable larger ships to moor safely within the deep draft basin and transfer passengers at the dock, versus doing so on open water.

CPV REVENUE DISTRIBUTION

Since 2017, the City of Nome has received \$15,750 in CPV revenue. The first, and largest, revenue distribution was in 2018, in the amount of \$8,715.

Nome CPV Revenue Distribution FY2013 to FY2022		
Calendar Year	Passengers [^]	Amount
2017	-	-
2018	1,743	\$8,715
2019	-	-
2020	469	\$2,345
2021*	-	\$2,345
2022*	-	\$2,345
Total	2,212	\$15,750

Source: Alaska Department of Revenue, Tax Division.

[^] Only includes passengers that pay CPV Excise Tax. Disbursements for fiscal year are based on passenger counts during the prior calendar year.

* FY2021 and FY2022 shared amounts were ARPA SLFRF funds appropriated by the legislature, and the amounts are based on CPV revenue distributed in FY2020.

LEGISLATIVE APPROPRIATIONS

Nome received \$1.6 million in design funds, and \$175 million for the first phase of construction for cruise ship port and harbor infrastructure in FY2023 through legislative appropriations from the commercial Passenger Vessel Tax Account.

Nome CPV-Related Legislative Grants		
Fiscal Year	Project	Amount
2023	Cruise ship port design funds	\$1,600,000
2023	Cruise ship port Phase I construction and harbor infrastructure	\$175,000,000
Total		\$176,600,000

Source: Alaska Division of Community and Regional Affairs and Alaska State Legislature, Division of Legislative Audit, Audit 04-30083-16.

CPV REVENUE EXPENDITURES

The amount of shared revenue the city receives is insufficient to undertake large scale projects. To date, the city has not expended any CPV monies, as the city is working to build the CPV revenue fund in order to begin achieving the smaller improvements listed in this profile. As the number of cruise ship calls at Nome continue to increase, the city is hopeful that these funds can better support larger development projects that will effectively serve cruise vessels and their passengers in Nome.

RELATED INFORMATION

- McDowell Group. 2016. [Port of Nome Strategic Development Plan](#).

CONTACT

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CITY OF SEWARD

Home Rule City

2021 Population: 2,603

FY2013 to FY2022 CPV Excise Tax Revenue: \$4,615,646



PROFILE

The City of Seward, situated on Resurrection Bay on the east coast of the Kenai Peninsula, is 125 miles south of Anchorage and is the gateway to the Kenai Fjords National Park. Seward is a turnaround port for cross-gulf itineraries and the point of embarkation and disembarkation for many Alaska cruise vacations. Seward received 554 port calls and more than 1.2 million total cruise visitors between 2013 and 2022, with total passenger counts nearly doubling between 2013 (125,183) and 2019 (237,925).

Seward Cruise Ship Visitors 2013 to 2022		
Calendar Year	Ship Calls	Passengers
2013	50	125,183
2014	52	141,442
2015	64	183,124
2016	66	191,469
2017	63	185,066
2018	71	213,854
2019	97	237,925
2020	-	-
2021	-	-
2022	91	*
Total	554	1,278,063[^]

Source: Cruise Line Agencies of Alaska.

Estimates do not include Un-Cruise or Alaska Dream Cruises.

* 2022 passenger count data unavailable at time of publishing.

[^] Total does not include 2022 data.

PROJECTED NEEDS OF COMMUNITY

To help the city safely and efficiently host cruise ship passengers, the City of Seward’s administration considers improvements recommended by the city staff,

Seward Priority Projects for CPV Revenue	
Category	Description
Port Facilities	Cruise ship dock dredging
Port Facilities	Security float completion
Port Facilities	Harbor float replacement
Other CPV Services	Shuttle bus service
Other CPV Services	Sidewalk from cruise ship dock to small boat harbor
Other CPV Services	Passenger corridor safety and aesthetic improvements
Other CPV Services	Cruise dock ambulance service
Other CPV Services	Cruise ship and dock fire fighting

Source: City of Seward

cruise industry, cruise dock owners, and other local stakeholders. The Port and Commerce Advisory Board, Seward Chamber of Commerce, and other interested parties may provide input and suggestions. The city manager works with the city council to prioritize projects to be funded by shared CPV revenue. Use of CPV revenue is authorized via resolution approved by the Seward City Council.

CPV REVENUE DISTRIBUTION

When eligible ports of call, such as Seward, are cities located in a borough, the city and the borough each receive \$2.50 of every \$5 passenger fee. Since FY2013, Seward has received more than \$4.6 million in shared CPV revenue from the State of Alaska. The highest shared revenue distribution from the State of Alaska was \$577,195, received annually in FY2020 through FY2022.

Seward CPV Revenue Distribution FY2013 to FY2022		
Calendar Year	Passengers[^]	Amount
2013	137,306	\$343,265
2014	122,689	\$306,723
2015	139,093	\$347,733
2016	178,868	\$447,170
2017	183,500	\$458,750
2018	183,266	\$458,165
2019	208,902	\$522,255
2020	230,878	\$577,195
2021*	-	\$577,195
2022*	-	\$577,195
Total	1,384,502	\$4,615,646

Source: Alaska Department of Revenue, Tax Division.

[^] Only includes passengers that pay CPV Excise Tax. Disbursements for fiscal year are based on passenger counts during the prior calendar year.

* FY2021 and FY2022 shared amounts were ARPA SLFRF funds appropriated by the legislature, and the amounts are based on CPV revenue distributed in FY2020.

LEGISLATIVE GRANTS

In addition to shared CPV revenue, Seward received \$7,950,545 since FY2010 in legislative grants from the Commercial Passenger Vessel Tax Account for capital projects to upgrade commercial passenger vessel services and infrastructure.

CPV REVENUE EXPENDITURES

The City of Seward has used CPV revenue for port and harbor infrastructure and passenger services. Plans for future projects include improved ambulance service to cruise ships, safety and aesthetic improvements to the cruise ship pedestrian walkway, and cruise terminal amenities.

In addition to receiving shared CPV revenue directly from the State of Alaska, Seward has also received \$4,272,380 in grants from the Kenai Peninsula Borough between FY2013 and FY2022, after the borough assembly passed an ordinance making the borough’s share of the CPV revenue available to Homer and Seward through a grant process. The ordinance stipulates that funds must be used for port and harbor improvements that benefit cruise ship passengers for purposes that comply with state law. Homer and Seward city managers submit letters to the Kenai Peninsula Borough mayor to request funding. The grant request specifies how the project meets the expenditure requirements established in state law.

Seward CPV-Related Legislative Grants		
Fiscal Year	Project	Amount
2010	Bus transportation for cruise ship passengers	\$167,000
2010	Dredging cruise ship berthing basins and approaches	\$2,508,000
2011	Commercial passenger vessel harbor security and Coast Guard building relocation	\$300,000
2011	Security and fire protection for commercial passenger vehicles	\$2,000,000
2012	Cruise ship boardwalk expansion	\$25,000
2012	Harbor restroom improvements	\$130,000
2012	Water storage tank	\$1,992,000
2020	COVID-19 mitigation	\$440,306
2020	COVID-19 grant for restroom trailers and decontamination equipment at the cruise ship terminal	\$388,239
Total		\$7,950,545

Source: Alaska Division of Community and Regional Affairs and Alaska State Legislature, Division of Legislative Audit, Audit 04-30083-16.

**Seward CPV Revenue Expenditures
FY2007 to FY2022**

Category	Description	Expenditures	Category	Description	Expenditures
Harbor Infrastructure	Harbor breakwater	\$969,000	Other CPV Services	Bus transportation	\$611,000
Harbor Infrastructure	Harbor breakwater	\$134,980	Other CPV Services	Dock firefighting safety	\$32,025
Port Facilities	Cruise ship terminal	\$201,000	Other CPV Services	Shuttle bus service	\$1,284,078
Port Facilities	Dock dredging	\$702,000	Other CPV Services	Volunteer ambulance	\$40,000
Port Facilities	Float replacement	\$1,859,000	Other CPV Services	Volunteer firefighters	\$20,000
Port Facilities	Replace South Harbor ramp	\$419,119	Other CPV Services	Crosswalk signage and flags	\$3,288
Port Facilities	Engineering and design to replace G, K, and L floats	\$65,082	Other CPV Services	Security float for response vessels	\$163,000
Port Facilities	COVID-19 grant for restroom trailers and decontamination equipment	\$391,239	Other CPV Services	Streets, police security, library/museum movie, etc.	\$195,875
Other CPV Services	Ambulance service	\$110,000	Other CPV Services	Library and road upkeep	\$44,717
Other CPV Services	Fire boat outboard motors	\$50,000	Other CPV Services	Dock firefighting safety	\$42,650
Other CPV Services	Coast Guard relocation	\$333,000	Other CPV Services	Volunteer firefighters	\$60,000
Other CPV Services	Water storage tank (fire)	\$98,000	Other CPV Services	Repair fire response vessel	\$37,350
Other CPV Services	Harbor restroom upgrades	\$43,000	Other CPV Services	DMV registration and insurance for restroom trailer	\$597
Total					\$7,910,000

Source: Alaska State Legislature, Division of Legislative Audit, Audit 04-30083-16 and City of Seward.

RELATED INFORMATION

- City of Seward. 2005. *2020 Comprehensive Plan*.
- City of Seward. Resolution 2016-65 2017. City Legislative Priorities.
- City of Seward. Resolution 2016-66 2017. State Legislative Priorities.
- City of Seward. Resolution 2016-67 2017. Federal Legislative Priorities.
- City of Seward. 2016. Seward Shuttle Schedule. City of Seward. 2014. *Seward Small Boat Harbor Plan*.

CONTACT

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CITY AND BOROUGH OF SITKA

Unified Home Rule Municipality

2021 Population: 8,387

FY2013 to FY2022 CPV Excise Tax Revenue: \$3,772,090



PROFILE

The City and Borough of Sitka includes most of Baranof Island, South Chichagof Island, and many smaller islands. Most residents live on Sitka Sound facing the Pacific Ocean and are surrounded by the Tongass National Forest. The city has picturesque remnants of its Russian heritage; Tlingit culture is also deeply rooted in this small seaside city. Long before Russians or Americans inhabited the area, Tlingits made this area their home.

Sitka received 1,303 cruise ship port calls and at least 1,001,167 passengers between 2013 and 2022, although passenger count data for 2022 was not available at the time of reporting. In 2016, several new cruise ships with nearly 123,000 cruise passengers visited Sitka. Holland America Line used the Old Sitka Dock instead of anchoring in the Eastern Channel and lightering passengers to town. This change increased passenger visits and allowed for more time spent in town.

Sitka Cruise Ship Visitors 2013 to 2022		
Calendar Year	Ship Calls	Passengers
2013	96	99,920
2014	112	90,182
2015	118	117,546
2016	137	122,944
2017	152	172,678
2018	156	151,735
2019	200	212,662
2020	-	-
2021	50	33,500
2022	282	*
Total	1,303	1,001,167[^]

Source: Cruise Line Agencies of Alaska.

Estimates do not include Un-Cruise or Alaska Dream Cruises.

* 2022 passenger count data unavailable at time of publishing.

[^] Total does not include 2022 data.

Sitka’s passenger count increased by 73% from 2016 to 2019. There were no cruise visitors in 2020 and greatly reduced numbers in 2021. Although 2022 passenger counts were not available for this report, the community received a record number of ship calls (282) in 2022, a 41% increase from 2019.

Sitka Priority Projects for CPV Revenue	
Category	Description
Port Facilities	Crescent Harbor lightering facility
Port Facilities	Crescent Harbor covered shelter at the High Load dock
Passenger Safety	Provision of services to close downtown to vehicle traffic on high-passenger days. ATV ambulance that can serve cruise ship dock safely. Police and other emergency services. Provision of temporary restrooms and incentives to open restrooms.
Transportation Hub	Ensuring efficient flow of cruise passengers to various parts of the municipality; traffic study to address areas of risk
Other CPV Services	Crescent Harbor Park restroom expansion
Other CPV Services	Sea walk extension (Phase II)
Other CPV Services	Lincoln Street modifications at Cathedral

Source: City and Borough of Sitka

increase in cruise ships visiting in 2022. The CPV Excise Tax benefitted cruise ship passengers by enhancing their safety and the efficiency of interstate commerce, in accordance with Federal law.

PROJECTED NEEDS OF COMMUNITY

The City and Borough of Sitka established a Marine Passenger Fund to accept proceeds of the CPV Excise Tax revenue from the State of Alaska. City and Borough Ordinance No. 2016-32 clarified and streamlined fund administration and stipulated that the assembly appropriate fund proceeds to “address impacts caused by the marine passenger ship industry in full compliance with all state and federal regulations governing the use of these funds.”

After no sailings in 2020 and very limited sailings in the latter part of summer 2021, Sitka saw a significant

The City of Sitka utilizes municipal resources to provide visiting passengers with a safe and enjoyable experience, and to enhance economic development for all within the community. In 2022, the drastic increase in cruise passengers led to the development of a short-term plan to ensure that passengers were able to safely enjoy Sitka’s amenities. Particularly, the closure of downtown’s Lincoln Street shopping area to vehicular traffic on high-passenger days ensured that visitor safety was maintained. Ongoing efforts, including a traffic study and work with the state, will continue in order to ensure safety is further enhanced. In addition, some permanent safety features to accommodate visitors are being considered in the redesign of Lincoln Street, which is due for a significant rehabilitation project. Phase 2 of the Sea Walk is now being led by the state and is still in the design process. This phase will extend the Sea Walk to the west end of Lincoln Street.

Downtown Sitka’s lightering facilities and gathering spaces need structural repairs and replacement. With a focus on health and safety, scheduled improvements at Crescent Harbor High Load Dock, which supports the net shed, are a high priority and are planned to be performed in the near term (2022-2023).

Lincoln Street is the primary economic center for the cruise industry in Sitka. CPV funding is planned to be used to provide expanded pedestrian safety throughout downtown. While it was originally anticipated to be only around the St. Michael’s Cathedral, the recent increase in visitors means that more robust safety needs must be met. This may include expanded sidewalks, conversion of streets to one-way, and/or installation of barricades to facilitate street closures.

CPV funding is also a source for more immediate mitigation of safety concerns resulting from the increase in cruise passengers, this includes a smaller ambulance that can serve ships, a traffic study to help facilitate downtown closure and identify improvements that can be made that will enhance the safety of cruise passengers exploring Sitka on foot.

Sitka CPV Revenue Distribution FY2013 to FY2022		
Calendar Year	Passengers[^]	Amount
2013	27,071	\$135,355
2014	60,597	\$302,985
2015	31,468	\$157,340
2016	43,670	\$218,350
2017	61,902	\$309,510
2018	81,023	\$405,115
2019	79,360	\$396,800
2020	123,109	\$615,545
2021*	-	\$615,545
2022*	35,444	\$615,545
Total	543,644	\$3,772,090

Source: Alaska Department of Revenue, Tax Division.

[^] Only includes passengers that pay CPV Excise Tax. Disbursements for fiscal year are based on passenger counts during the prior calendar year.

* FY2021 and FY2022 shared amounts were ARPA SLFRF funds appropriated by the legislature, and the amounts are based on CPV revenue distributed in FY2020.

CPV REVENUE DISTRIBUTION

The City and Borough of Sitka received \$3,772,090 in shared revenue between FY2013 and FY2022. The borough’s largest distribution was \$615,545, received annually in FY2020 through FY2022.

Sitka CPV-Related Legislative Grants		
Fiscal Year	Project	Amount
2010	Commercial passenger vessel lightering facility improvements	\$2,000,000
2011	Commercial passenger vessel facilities and visitor improvements	\$4,500,000
2011	Crescent Harbor sidewalk widening	\$1,000,000
2012	Commercial passenger vessel and visitor facility improvements	\$3,000,000
2015	Commercial passenger vessel and visitor facility improvements	\$3,300,000
2020	COVID-19 mitigation	\$367,900
Total		\$14,167,900

Source: Alaska Division of Community and Regional Affairs and Alaska State Legislature, Division of Legislative Audit, Audit 04-30083-16.

LEGISLATIVE GRANTS

In addition to shared CPV revenue, Sitka received \$3,300,000 between FY2013 and FY2022 in legislative grants from the Commercial Passenger Vessel Tax Account. The grant, awarded in 2015, funded Centennial Hall reconstruction.

CPV REVENUE EXPENDITURES

The City and Borough of Sitka spends shared CPV revenue primarily on passenger services.

Sitka CPV Revenue Expenditures FY2007 to FY2022					
Category	Description	Expenditures	Category	Description	Expenditures
Harbor Infrastructure	Harbor fund	\$366,000	Other CPV Services	General fund	\$1,019,000
Port Facilities	MARSEC security	\$44,789	Other CPV Services	IT fund	\$18,000
Port Facilities	Harbor personnel and port security FY2020-FY2022	\$38,109	Other CPV Services	Emergency passenger transportation (landslide)	\$1,950
Other CPV Services	Advertising	\$7,000	Other CPV Services	Wayfaring signage	\$282,300
Other CPV Services	Building repair	\$8,000	Other CPV Services	Cross Trail expansion	\$50,000
Other CPV Services	Contracted services	\$554,000	Other CPV Services	Sea Walk expansion	\$153,000
Other CPV Services	Equipment rentals	\$8,000	Other CPV Services	Lincoln Street paving	\$105,000
Other CPV Services	Interdepartmental services	\$42,000	Other CPV Services	Tools and small equipment	\$5,000
Other CPV Services	Telephone	\$14,000	Other CPV Services	Maintenance fund	\$14,000
Other CPV Services	CPET funds for Sitka History Museum	\$50,000	Other CPV Services	Centennial Hall capital projects	\$1,456,000
Other CPV Services	Bus transportation	\$440,000	Other CPV Services	ATV ambulance	\$80,000
Other CPV Services	Portable restroom purchase	\$277,174	Other CPV Services	Security-related telephone	\$1,190
Other CPV Services	Security personnel at lightering dock gangway	\$18,048	Other CPV Services	Safety and mitigation-related increase in cruise passengers	\$368,055
Total					\$5,420,615

Source: Alaska State Legislature, Division of Legislative Audit, Audit 04-30083-16 and City and Borough of Sitka.

RELATED INFORMATION

- City and Borough of Sitka. 2016. *Municipal Code Chapter 4.05 Establishing a Marine Passenger Fee Fund*.
- MRV Architects, Jones and Jones, McDowell Group. 2010. [Sitka Passenger Fee Fund Implementation Plan](#).
- McKinley Research Group, LLC. 2022. *Sitka Cruise Cost Allocation Study*.

CONTACT

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MUNICIPALITY OF SKAGWAY

First Class Borough

2021 Population: 1,203

FY2013 to FY2022 CPV Excise Tax Revenue: \$44,057,175



PROFILE

Skagway is located 90 miles northeast of Juneau at the northern end of Lynn Canal. As a visitor destination, Skagway is ideally located as a cruise ship port, a transfer site for rail and interior bus tours, and a link between the highway system and the Alaska Marine Highway. The Klondike Gold Rush Historical Park and White Pass and Yukon Railroad are major visitor attractions.

Skagway received 3,229 cruise ship port calls and 6,184,956 passengers between 2013 and 2021. Passenger counts for 2022 were not yet available at the time of reporting. Passenger volume peaked at over 1 million visitors during 2019. No cruise ships came to Skagway in 2020 due to the Coronavirus pandemic, and only limited ships returned in 2021. 2022 saw a return to near pre-pandemic levels of cruise ship traffic.

Skagway Cruise Ship Visitors 2013 to 2022		
Calendar Year	Ship Calls	Passengers
2013	388	821,874
2014	396	819,239
2015	380	815,541
2016	362	817,308
2017	370	845,328
2018	413	956,016
2019	441	1,036,452
2020	-	-
2021	68	73,198
2022	411	*
Total	3,229	6,184,956[^]

Source: Cruise Line Agencies of Alaska.

Estimates do not include Un-Cruise or Alaska Dream Cruises.

* 2022 passenger count data unavailable at time of publishing.

[^] Total does not include 2022 data.

Skagway Priority Projects for CPV Revenue	
Category	Description
Port Facilities	Rockslide preventative and protective measures and mitigation
Port Facilities	Ore Peninsula redevelopment

Source: Municipality of Skagway

increased staffing levels and facility hours, (2) increased demand for municipal utilities, (3) increased emergency and non-emergency call volume for public safety departments, (4) increased demand for permits and inspections, (5) increased pedestrian and vehicular congestion, and (6) increased public restroom and other facility maintenance. Skagway uses CPV revenue to pay for municipal services and facilities that benefit cruise ship visitors: fire, police, and public works departments and facilities (e.g., civic center, museum, library, and health center). In addition to identifying passenger service needs, the *Skagway 2030 Comprehensive Plan* identifies port infrastructure and passenger services projects.

PROJECTED NEEDS OF COMMUNITY

In 2008 (with updates in 2016 and 2019), Skagway commissioned a study to quantify cruise ship visitor impacts on municipal services and facilities. Municipal department directors identified impacts such as (1)

CPV REVENUE DISTRIBUTION

The Municipality of Skagway received \$44,057,175 in CPV shared revenue between FY2013 and FY2022. The highest distribution was \$5,083,250, received annually in FY2020 through FY2022.

LEGISLATIVE GRANTS

In addition to receiving shared CPV revenue, Skagway received \$12,012,411 in legislative grants since 2009 from the Commercial Vessel Passenger Tax Account.

Skagway CPV Revenue Distribution FY2013 to FY2022		
Calendar Year	Passengers [^]	Amount
2013	745,621	\$3,728,105
2014	812,443	\$4,062,215
2015	801,667	\$4,008,335
2016	805,709	\$4,028,545
2017	810,675	\$4,053,375
2018	840,287	\$4,201,435
2019	945,083	\$4,725,415
2020	1,016,650	\$5,083,250
2021*	-	\$5,083,250
2022*	78,674	\$5,083,250
Total	6,856,809	\$44,057,175

Source: Alaska Department of Revenue, Tax Division.

[^] Only includes passengers that pay CPV Excise Tax. Disbursements for fiscal year are based on passenger counts during the prior calendar year.

* FY2021 and FY2022 shared amounts were ARPA SLFRF funds appropriated by the legislature, and the amounts are based on CPV revenue distributed in FY2020.

Skagway CPV-Related Legislative Grants		
Fiscal Year	Project	Amount
2009	Seawalk intermodal cruise ship access project	\$2,000,000
2010	Municipal wastewater treatment facility improvements	\$2,500,000
2011	Commercial passenger vessel lightering and harbor improvements	\$4,000,000
2011	Municipal wastewater treatment facility improvements	\$800,000
2015	Float extension to serve cruise passenger vessels	\$800,000
2020	Responding to and mitigating the risk of COVID-19 outbreak	\$1,912,411
Total		\$12,012,411

Source: Alaska Division of Community and Regional Affairs and Alaska State Legislature, Division of Legislative Audit, Audit 04-30083-16.

CPV REVENUE EXPENDITURES

To date, the Municipality of Skagway has used approximately 80% of its shared CPV revenue for port infrastructure and passenger services. The municipality plans to use the remaining CPV revenue for future port development as they prepare to take over the leased tidelands, including 2 of 3 cruise docks, in March 2023.

Skagway CPV Revenue Expenditures FY2007 to FY2022					
Category	Description	Expenditures	Category	Description	Expenditures
Harbor Infrastructure	Small boat harbor maint bldg	\$218,240	Other CPV Services	Playground equipment	\$228,900
Harbor Infrastructure	Small boat harbor masterplan	\$25,000	Other CPV Services	Public safety facility	\$3,358,571
Harbor Infrastructure	Small boat harbor upgrades	\$828,242	Other CPV Services	Rapuzzi Collection	\$93,502
Port Infrastructure	Seawalk and wave barrier	\$3,075,183	Other CPV Services	Recreation center entry	\$178,995
Port Infrastructure	Port master plan	\$80,000	Other CPV Services	Recreation center expansion	\$28,176
Port Infrastructure	Port electrification feas study	\$100,000	Other CPV Services	Recreation center upgrades	\$196,896
Port Infrastructure	Port mgmt office design	\$200,000	Other CPV Services	Redwood water tank	\$165,284
Port Infrastructure	Port utility extension	\$300,000	Other CPV Services	Rural fire suppression	\$488
Port Infrastructure	Seawalk restroom upgrades	\$50,000	Other CPV Services	Streetlight LED conversion	\$58,407
Port Operations	Transfers to port	\$1,119,592	Other CPV Services	Street maintenance	\$285,490
Other CPV Services	7 th pasture dike	\$4,500	Other CPV Services	Trail maintenance	\$5,490
Other CPV Services	AB Hall improvements	\$165,553	Other CPV Services	TWIC equipment	\$17,247
Other CPV Services	Bear-proof garbage lids	\$11,322	Other CPV Services	Upper Dewey Lake Trail	\$9,709
Other CPV Services	Bicycle racks	\$9,732	Other CPV Services	Water well exploration	\$66,690
Other CPV Services	Booster station	\$177,628	Other CPV Services	WWTP upgrades	\$1,718,637
Other CPV Services	Cemetery improvements	\$7,987	Other CPV Services	Water well #4	\$265,706
Other CPV Services	Dock security and signage	\$14,806	Other CPV Services	Public restroom expansion	\$206,869
Other CPV Services	Dyea improvements	\$107,755	Other CPV Services	Garbage collection truck	\$90,528
Other CPV Services	Fire department water tank building	\$12,810	Other CPV Services	Klondike Highway utility expansion	\$59,080
Other CPV Services	Fire department OSHA	\$52,932	Other CPV Services	Composter & transfer station	\$366,611
Other CPV Services	Fire training facility	\$17,451	Other CPV Services	Transfers to general fund	\$25,317,522
Other CPV Services	924-K loader	\$190,537	Other CPV Services	Transfers to garbage	\$2,491,224
Other CPV Services	Incinerator repairs	\$641,457	Other CPV Services	Transfers to visitor dept.	\$1,605,576
Other CPV Services	Library expansion and parking	\$11,166	Other CPV Services	Transfers to water dept.	\$3,611,404
Other CPV Services	Museum collection	\$48,135			
Total					\$47,897,030

Source: Alaska State Legislature, Division of Legislative Audit, Audit 04-30083-16 and Municipality of Skagway.

RELATED INFORMATION

- Blasco, Robert P. and Van Altvorst, James A. 2008. *Allocating Commercial Passenger Vessel Excise Tax Revenues*.
- Van Altvorst, James A. 2017. *Estimating 2016 Cruise Ship Visitor Impact*.
- Van Altvorst, James A. 2019. *A Review: 2019 Cruise Ship Presence*.
- Sheinberg Associates. 2009. [Municipality of Skagway 2020 Comprehensive Plan](#).
- Sheinberg Associates. 2020. [Municipality of Skagway 2030 Comprehensive Plan](#).

CONTACT

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CITY OF UNALASKA

First Class City, Unorganized Borough

2021 Population: 4,195

FY2013 to FY2022 CPV Excise Tax Revenue: \$131,785



PROFILE

Located approximately 900 miles southwest of Anchorage along the Aleutian Island chain, Unalaska sits in the heart of the North Pacific and Bering Sea fisheries and is home to the Port of Dutch Harbor. As the only natural deep-water port in Western Alaska, it has been significant since the 18th century when the Russian fur traders first sailed here.

Unalaska received 76 cruise ship calls and 31,325 passengers between 2013 and 2021. 2022 passenger counts were not available at the time of report publication. Historically, most vessels calling at the Port of Dutch Harbor have not carried enough passengers to subject them to the CPV Excise Tax. This trend changed in recent years, as most ships visiting Unalaska in 2019 carried more than 250 passengers. Cruise visitation during 2019 reached a decade high of 8,336 passengers. Subsequently, Unalaska had no cruise visitors in 2020 or 2021 due to the pandemic; however, the community saw six cruise ships return in 2022.

Unalaska Cruise Ship Visitors 2013 to 2022		
Calendar Year	Ship Calls	Passengers
2013	6	1,285
2014	8	2,652
2015	8	4,112
2016	10	6,526
2017	13	5,533
2018	7	2,881
2019	18	8,336
2020	-	-
2021	-	-
2022	6	*
Total	76	31,325[^]

Source: Cruise Line Agencies of Alaska.

Estimates do not include Un-Cruise or Alaska Dream Cruises.

* 2022 passenger count data unavailable at time of publishing.

[^] Total does not include 2022 data.

Unalaska Priority Projects for CPV Revenue	
Category	Description
Port Facilities	Unalaska Marine Center dock improvements
Port Facilities	S Curves Pathway project

Source: City of Unalaska.

Priority projects include improvements to the Unalaska Marine Center dock and completing pedestrian pathways for cruise visitors.

PROJECTED NEEDS OF COMMUNITY

Although the City of Unalaska receives a relatively small share of the CPV revenue, the *Unalaska Comprehensive Plan 2020* identifies a need for better facilities to

CPV REVENUE DISTRIBUTION

The City of Unalaska has received \$131,785 in CPV revenue between FY2013 and FY2022. The highest distribution was \$28,620, received annually in FY2020 through FY2022.

LEGISLATIVE APPROPRIATIONS

Unalaska has not received legislative appropriations from the Commercial Vessel Passenger Tax Account for cruise ship port and harbor infrastructure.

CPV REVENUE EXPENDITURES

The amount of shared revenue the city receives is insufficient to undertake large scale projects. The city uses CPV revenue to augment funding for city services to cruise ship visitors.

Unalaska CPV Revenue Distribution FY2013 to FY2022		
Calendar Year	Passengers [^]	Amount
2013	824	\$4,120
2014	833	\$4,165
2015	330	\$1,650
2016	1,631	\$8,155
2017	1,301	\$6,505
2018	3,625	\$18,125
2019	641	\$3,205
2020	5,724	\$28,620
2021*	-	\$28,620
2022*	-	\$28,620
Total	14,909	\$131,785

Source: Alaska Department of Revenue, Tax Division.

[^] Only includes passengers that pay CPV Excise Tax. Disbursements for fiscal year are based on passenger counts during the prior calendar year.

* FY2021 and FY2022 shared amounts were ARPA SLFRF funds appropriated by the legislature, and the amounts are based on CPV revenue distributed in FY2020.

Unalaska CPV Revenue Expenditures FY2007 to FY2022		
Category	Description	Expenditures
Other CPV Services	Operating costs - billing	\$30,020
Total		\$30,020

Source: Alaska State Legislature, Division of Legislative Audit, Audit 04-30083-16 and City of Unalaska.

RELATED INFORMATION

- City of Unalaska. 2011. [Unalaska Comprehensive Plan 2020](#).

CONTACT

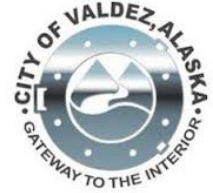
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CITY OF VALDEZ

Home Rule City

2021 Population: 3,971

FY2013 to FY2022 CPV Excise Tax Revenue: \$188,510



PROFILE

The City of Valdez is located on the north shore of Port Valdez, a deep-water fjord in Prince William Sound. It is 305 road miles from Anchorage and 364 road miles south of Fairbanks at the southern terminus of the Trans Alaska Pipeline System. Valdez is an important seaport with a major cargo and container facility. Commercial fishing has also been a key component of the economy. Valdez is surrounded by some of the world’s tallest coastal mountains and offers convenient access to the Columbia Glacier, a popular day trip destination.

Since 2013, Valdez has received 32 cruise ships and 26,344 visitors. Holland America and Viking Cruises first visited Valdez in 2019 and planned to increase visits in 2020 and 2021. Due to COVID-19 cancellations, there was no cruise traffic to Valdez during those two seasons, but In 2022 Viking and Holland Cruise Lines returned with 17 Valdez port calls. Both Windstar Cruises and Norwegian Cruise lines will have stops in Valdez in 2023. Valdez has 44 port calls scheduled for the 2023 season.

Valdez Cruise Ship Visitors 2013 to 2022		
Calendar Year	Ship Calls	Passengers
2013	1	382
2014	-	-
2015	-	-
2016	-	-
2017	1	342
2018	-	-
2019	13	12,438
2020	-	-
2021	-	-
2022	17	13,182*
Total	32	26,344[^]

Source: Cruise Line Agencies of Alaska.

Estimates do not include Un-Cruise or Alaska Dream Cruises.

* Cruise passenger volume data reported by the city.

[^] Total is an estimate.

Valdez Priority Projects for CPV Revenue	
Category	Description
Port Facilities	Move cruise ship berth downtown
Port Facilities	Improve city dock and uplands for better access to downtown area
Port Facilities	Design and feasibility of a third multi-use port terminal
Passenger Services	Optimize pedestrian crossing
Passenger Services	Improved incorporation of interpretive elements

Source: City of Valdez.

- Renovated city dock to facilitate downtown cruise ship berth space – completed in 2019
- Improved uplands for better access to town (e.g., signage, bus turnaround, visitor center, covered terminal space, mooring dolphins) – completed in 2019
- Enhanced physical appearance of downtown (e.g., welcome arch, planters, lighting, banners) – completed in 2019
- Improved trails and new park spaces, including Trans-Alaska Pipeline System Park – completed in 2022
- City wide wayfinding and map for pedestrians who wish to self-navigate and explore
- More than 200 acres next to the downtown Cruise Ship Berth were set aside for preservation, trails, and nature & wildlife viewing

Currently, the community’s top priorities include working with the business sector to provide support and development of activities for large tour groups both by land and sea.

Alaska Department of Commerce, Community and Economic Development

Division of Community and Regional Affairs

REVENUE DISTRIBUTION

Between FY2013 and FY2022, the City of Valdez received \$188,510 in CPV revenue. The highest distribution amount was \$61,845 received in FY2020, FY2021, and FY2022.

LEGISLATIVE GRANTS

In addition to receiving shared CPV tax revenue, the City of Valdez received \$5,800,000 in legislative grants from the Commercial Vessel Passenger Tax Account. The grants paid for cruise ship dock renovation, uplands repair, and an information and interpretive center.

Valdez CPV Revenue Distribution FY2013 to FY2022		
Calendar Year	Passengers [^]	Amount
2013	-	-
2014	253	\$1,265
2015	-	-
2016	-	-
2017	-	-
2018	342	\$1,710
2019	-	-
2020	12,369	\$61,845
2021*	-	\$61,845
2022*	-	\$61,845
Total	12,964	\$188,510

Source: Alaska Department of Revenue, Tax Division.

[^] Only includes passengers that pay CPV Excise Tax. Disbursements for fiscal year are based on passenger counts during the prior calendar year.

* FY2021 and FY2022 shared amounts were ARPA SLFRF funds appropriated by the legislature, and the amounts are based on CPV revenue distributed in FY2020.

Valdez CPV-Related Legislative Grants		
Fiscal Year	Project	Amount
2009	Cruise ship dock renovation and uplands repair	\$1,675,000
2010	Dock improvements	\$3,325,000
2010	City dock information and interpretive center	\$800,000
Total		\$5,800,000

Source: Alaska Division of Community and Regional Affairs and Alaska State Legislature, Division of Legislative Audit, Audit 04-30083-16.

CPV REVENUE EXPENDITURES

The amount of shared CPV revenue the City of Valdez receives has been minimal, so the city has used it to offset general funds invested in the city's waterfront revitalization efforts.

Valdez CPV Revenue Expenditures FY2007 to FY2022					
Category	Description	Expenditures	Category	Description	Expenditures
Port Facilities	Kelsey Dock bridge upgrade	\$500	Other CPV Services	Flowers	\$1,000
Port Facilities	Kelsey Dock decking	\$28,000	Other CPV Services	Landscaping mulch	\$1,000
Port Facilities	Kelsey Dock piling caps and jersey barrier chains	\$1,000	Other CPV Services	Benches	\$19,000
Port Facilities	Sea floor soundings and steel fish in waves art sculpture	\$5,000	Other CPV Services	Pennants	\$4,500
Other CPV Services	Picnic tables	\$6,000	Other CPV Services	Signs and welcome banners	\$1,000
Total					\$67,000

Source: Alaska State Legislature, Division of Legislative Audit, Audit 04-30083-16 and City of Valdez.

RELATED INFORMATION

- PND Engineers, Inc. (2007). [Valdez Waterfront Development Master Plan](#).

CONTACT

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CITY OF WHITTIER

Second Class City

2021 Population: 260

FY2013 to FY2022 CPV Excise Tax Revenue: \$8,334,045



PROFILE

Whittier is on the southeast shore of the Kenai Peninsula, at the head of Passage Canal in Prince William Sound, 60 miles southeast of Anchorage. The US Army constructed a port and railroad terminus in Whittier to transport fuel and supplies into Alaska during World War II. A rail spur and two tunnels were completed during 1943. One rail tunnel was adapted to accommodate both rail and highway vehicles in 2000. Prince William Sound offers world-class tours, charters, hunting, kayaking, and sportfishing in a pristine wilderness area.

Whittier is a primary transfer or destination port for cross-gulf cruises. Cruise ships call at Whittier because of its unspoiled beauty and its proximity to Anchorage and destinations throughout Southcentral Alaska. Between 2013 and 2022, Whittier received 294 cruise ship calls and 1,143,894 passengers, excluding passenger counts for 2022, which were not available at the time of reporting. Whittier saw a loss in cruise visitation due to reduced ship calls between 2013 and 2016, but cruise passenger numbers increased by 45% between 2017 and 2019 and are expected to increase further in the coming years. The privately-owned cruise ship dock was sold to Princess Cruise Lines in 2022 and is expected to accommodate an increase in cruise visitors as Holland America also shifts vessels to Whittier. In 2022, the city approved a new lease of tidelands and uplands to construct and operate a new double-berth cruise ship dock and upland amenities. This new facility will increase cruise ship visitors to Whittier. Visitors transfer from cruise lines to either bus or rail. Alaska Railroad Corporation owns rail facilities where passengers transfer between cruise and rail lines.

Whittier Cruise Ship Visitors 2013 to 2022		
Calendar Year	Ship Calls	Passengers
2013	45	202,336
2014	35	162,002
2015	36	146,528
2016	29	129,894
2017	29	133,969
2018	38	175,375
2019	37	193,790
2020	-	-
2021	-	-
2022	45	*
Total	294	1,143,894[^]

Source: Cruise Line Agencies of Alaska.

Estimates do not include Un-Cruise or Alaska Dream Cruises.

* 2022 passenger count data unavailable at time of publishing.

[^] Total does not include 2022 data.

Whittier Priority Projects for CPV Revenue	
Category	Description
Harbor Infrastructure	Harbor float replacement
Other CPV Services	Waterfront planning and visitor information
Other CPV Services	Expanded public safety and EMS
Other CPV Services	Enclosed rest areas, benches, and additional restrooms
Other CPV Services	Public safety equipment
Other CPV Services	New Tourism Best Management Program
Other CPV Services	Beautification and interpretive/wayfinding signage

Source: City of Whittier.

growing number of cruise visitors. Public safety investments are required to meet the first goal; improvements to the harbor, city core, parks, and pedestrian corridors are needed to achieve the second goal; and investments in public restrooms and trail maintenance are needed to achieve the third goal.

PROJECTED NEEDS OF COMMUNITY

The city’s goals for spending shared CPV revenues are: 1) expand public safety coverage to ensure a safe environment for cruise passengers and pedestrians; 2) enhance opportunities for cruise visitors to enjoy the community, recreate in Prince William Sound, and patronize local businesses and charters; and 3) improve public amenities such as restrooms, lighting, streets, sidewalks, parks, and trails to meet the needs of the

The Whittier City Council utilizes a Commercial Passenger Vessel Special Revenue Fund to receive shared revenue. The Whittier Planning Commission, Port and Harbor Commission, and City Council engage the public in discussions on potential uses of CPV funds. Each commission may suggest, review, and evaluate capital improvement projects and make recommendations to the council, which appropriates CPV funds during the budget process.

SHARED CPV REVENUE DISTRIBUTION

Between FY2013 and FY2022, the City of Whittier received \$8,334,045 in CPV revenue. The highest distribution was \$958,385, distributed annually in FY2020 through FY2022.

Whittier CPV Revenue Distribution FY2013 to FY2022		
Calendar Year	Passengers [^]	Amount
2013	165,773	\$828,865
2014	190,127	\$950,635
2015	158,310	\$791,550
2016	144,265	\$721,325
2017	124,068	\$620,340
2018	134,864	\$674,320
2019	174,371	\$871,855
2020	191,677	\$958,385
2021*	-	\$958,385
2022*	-	\$958,385
Total	1,283,455	\$8,334,045

Source: Alaska Department of Revenue, Tax Division.

[^] Only includes passengers that pay CPV Excise Tax. Disbursements for fiscal year are based on passenger counts during the prior calendar year.

* FY2021 and FY2022 shared amounts were ARPA SLFRF funds appropriated by the legislature, and the amounts are based on CPV revenue distributed in FY2020.

Whittier CPV-Related Legislative Grants		
Fiscal Year	Project	Amount
2021	Ambulance with EMS equipment	\$291,630
Total		\$291,630

Source: Alaska Division of Community and Regional Affairs and Alaska State Legislature, Division of Legislative Audit, Audit 04-30083-16.

LEGISLATIVE GRANTS

In addition to receiving CPV revenue, the City of Whittier has received direct legislative appropriations, including pandemic response funds in 2021.

SHARED CPV REVENUE EXPENDITURES

In general, the City of Whittier uses CPV revenues for harbor infrastructure and passenger services, primarily public safety. These services include hiring seasonal paramedics, police officers, and fire protection, along with maintaining vehicles for police, fire, and ambulance, which far exceed the needs of the community alone.

Whittier CPV Revenue Expenditures FY2007 to FY2022					
Category	Description	Expenditures	Category	Description	Expenditures
Harbor Infrastructure	Harbor project	\$172,000	Other CPV Services	Bear proof trash cans	\$11,000
Harbor Infrastructure	Harbor float repairs	\$870,665	Other CPV Services	Ambulance purchase	\$19,000
Harbor Infrastructure	Harbor facility grant program	\$2,001,000	Other CPV Services	P-12 roof survey	\$29,000
Harbor Infrastructure	Transfer to matching fund	\$71,000	Other CPV Services	Public safety vehicle purchase	\$23,000
Harbor Infrastructure	Harbor Triangle Area gazebo	\$12,000	Other CPV Services	Public safety building	\$1,492,217
Harbor Infrastructure	Harbor float replacement	\$1,500,000	Other CPV Services	Cruise dock security cameras	\$90,000
Other CPV Services	Port security cameras & wifi	\$90,000	Other CPV Services	Parks and trail maintenance and upgrades	\$209,221
Other CPV Services	Whittier Museum funding	\$100,000	Other CPV Services	Portable restrooms	\$249,049
Other CPV Services	Whittier Creek levee emergency watershed protection	\$6,000	Other CPV Services	Transfer to police, EMS, and fire department	\$1,169,000
Other CPV Services	EMS equipment purchase	\$103,000			
Total					\$8,217,152

Source: Alaska State Legislature, Division of Legislative Audit, Audit 04-30083-16 and City of Whittier.

RELATED INFORMATION

- City of Whittier. 2020. [Whittier Comprehensive Plan Update](#).

CONTACT

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CITY AND BOROUGH OF WRANGELL

Unified Home Rule Borough

2021 Population: 2,096

FY2013 to FY2022 CPV Excise Tax Revenue: \$412,065



PROFILE

The City and Borough of Wrangell lies on the northwest tip of Wrangell Island near the mouth of the Stikine River, a historic trade route to the Canadian Interior. Wrangell's economy is based on commercial fishing, tourism, and the marine service and repair industry. The Stikine River and surrounding area attract visitors who engage in fishing, wildlife and glacier viewing, and jetboating and kayaking adventure tours. Nearby Anan Wildlife Observatory is famous for black and brown bear viewing.

Wrangell received 203 cruise ship port calls and 67,902 passengers between 2013 and 2022. Wrangell is mostly a destination for small and medium-sized cruise ships following Norwegian Cruise Lines' exit from the community in 2006; however, in 2019, the Maasdam made three port calls – Wrangell's first visits from a large cruise ship since 2006.

Wrangell Cruise Ship Visitors 2013 to 2022		
Calendar Year	Ship Calls	Passengers
2013	12	6,417
2014	10	5,171
2015	12	7,471
2016	12	7,926
2017	25	11,003
2018	30	11,974
2019	37	17,309
2020	-	-
2021	3	*
2022	62	*
Total	203	67,271

Source: Cruise Line Agencies of Alaska.

Estimates do not include Un-Cruise or Alaska Dream Cruises.

* 2021 and 2022 passenger count data unavailable at time of publishing.

^ Total does not include 2021 or 2022 data.

Wrangell Priority Projects for CPV Revenue	
Category	Description
Port Facilities	Security checkpoint facility improvements
Port Facilities	Additional mooring dolphin
Port Facilities	Improved disembarkation and embarkation of passengers on cruise ships of over 500 feet
Port Facilities	Relocate barge ramp and yard to increase visitor waterfront usage
Other CPV Services	Street banners, information kiosk, benches, and pocket park near cruise ship dock
Other CPV Services	Waterfront access near cruise ship dock and Nolan Center
Other CPV Services	Access to and/or extensions of trails utilized by cruise passengers
Other CPV Services	Restrooms located at City Dock
Other CPV Services	Wayfinding signage

Source: City and Borough of Wrangell.

Shakes Island, improved access to trailheads, extending trails, adding restroom facilities at City Dock, improving the security check point, expanding walkable waterfront, and improving safety for passenger embarkation and disembarkation for ships over 500 feet.

The downtown dock is properly equipped to handle Panamax-size cruise ships, with very good access to and from the dock for arriving and departing cruise ships; however, improved disembarkation and embarkation for passengers on ships over 500 feet by the addition of a floating dock will improve passenger safety and ship

PROJECTED NEEDS OF COMMUNITY

A recent economic development survey by the Wrangell Cooperative Association indicates Wrangell is more interested in attracting small- to mid-size ships than large ships; however, the City and Borough of Wrangell's comprehensive plan states that residents are also interested in attracting a limited number of large cruise ships. Community forums in 2022-2023 will provide more guidance regarding resident views and needs for the visitor industry.

Priority projects include pedestrian connections and signage from the cruise ship dock to the Nolan Center and

operational issues. Downtown revitalization and improving Wrangell’s physical presentation along the waterfront will strengthen Wrangell’s viability as a cruise destination. A key component of this effort is to relocate the barge ramp and yard which is located immediately adjacent to the cruise ship dock.

The Wrangell Borough Manager, Economic Development Director, Capital Facilities Director, Harbor Master, Wrangell Port Commission, and the Wrangell Convention and Visitor Bureau recommend projects to be funded by the CPV Excise Tax. The Wrangell City and Borough Assembly conducts public meetings for a capital improvement plan and priority list that may include appropriate projects. In preparation for fiscal year budget approval, a series of workshops devoted to visitor industry, harbor improvements, and capital improvements are held to identify additional projects, including CPV projects.

CPV REVENUE DISTRIBUTION

The City and Borough of Wrangell received \$412,065 in CPV revenue between FY2013 and FY2022. The highest distribution was \$58,660 received in FY2020, FY2021, and FY2022.

Wrangell CPV Revenue Distribution FY2013 to FY2022		
Calendar Year	Passengers[^]	Amount
2013	346	\$1,730
2014	6,286	\$31,430
2015	4,813	\$24,065
2016	7,769	\$38,845
2017	7,926	\$39,630
2018	10,283	\$51,415
2019	9,794	\$48,970
2020	11,732	\$58,660
2021*	-	\$58,660
2022*	631	\$58,660
Total	59,580	\$412,065

Source: Alaska Department of Revenue, Tax Division.

[^] Only includes passengers that pay CPV Excise Tax. Disbursements for fiscal year are based on passenger counts during the prior calendar year.

* FY2021 and FY2022 shared amounts were ARPA SLFRF funds appropriated by the legislature, and the amounts are based on CPV revenue distributed in FY2020.

Wrangell CPV-Related Legislative Grants		
Fiscal Year	Project	Amount
2010	Marine passenger service center	\$2,500,000
2010	Stikine Avenue sidewalk extension / Front Street	\$390,000
2011	Commercial passenger vessel facility	\$3,250,000
2011	Waterfront master plan	\$75,000
Total		\$6,215,000

Source: Alaska Division of Community and Regional Affairs and Alaska State Legislature, Division of Legislative Audit, Audit 04-30083-16.

CPV REVENUE EXPENDITURES

The City and Borough of Wrangell allows CPV revenue to accumulate over time so that funds can eventually be leveraged as a match toward larger projects. Since 2013, the City and Borough of Wrangell has spent CPV funds on street decorations, park benches, trash receptacles, landscaping, restrooms at the entrance to Petroglyph Beach State Historic Park viewing deck, handrails on City Dock, summer floats for passenger and charter staging, Mt. Dewey Historical Trail extension, and port fill. Future

LEGISLATIVE GRANTS

In addition to receiving shared CPV revenue, the City and Borough of Wrangell received \$6,215,000 in legislative grants from the Commercial Passenger Vessel Tax Account.

Wrangell CPV Revenue Expenditures FY2007 to FY2022		
Category	Description	Expenditures
Other CPV Services	Banners, bumpouts, and landscaping	\$14,000
Other CPV Services	Park benches and trash receptacles	\$33,000
Other CPV Services	Additional landscaping, trash receptacles, and bench installation	\$13,200
Other CPV Services	Cruise ship dock port fill	\$20,000
Other CPV Services	Petroglyph Beach State Park improvements	\$50,000
Other CPV Services	Mount Dewey Historical Trail extension	\$50,000
Other CPV Services	City Dock summer float	\$85,000
Total		\$265,200

Source: Alaska State Legislature, Division of Legislative Audit, Audit 04-30083-16 and City and Borough of Wrangell.

priorities include restrooms near City Dock, wayfinding signage from the dock to key assets, relocation of the barge ramp and yard adjacent to the cruise ship dock for expanded passenger services, a floating dock to improve passenger safety while disembarking and embarking, and an additional mooring dolphin.

RELATED INFORMATION

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- Sheinberg and Associates. 2010. [City and Borough of Wrangell Comprehensive Plan.](#)
- Corvus Design Inc. 2015. [Wrangell Waterfront Preferred Master Plan.](#)
- Rain Coast Data. 2015, 2018, 2019. [Wrangell Visitor Economy by the Numbers.](#)

CONTACT

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