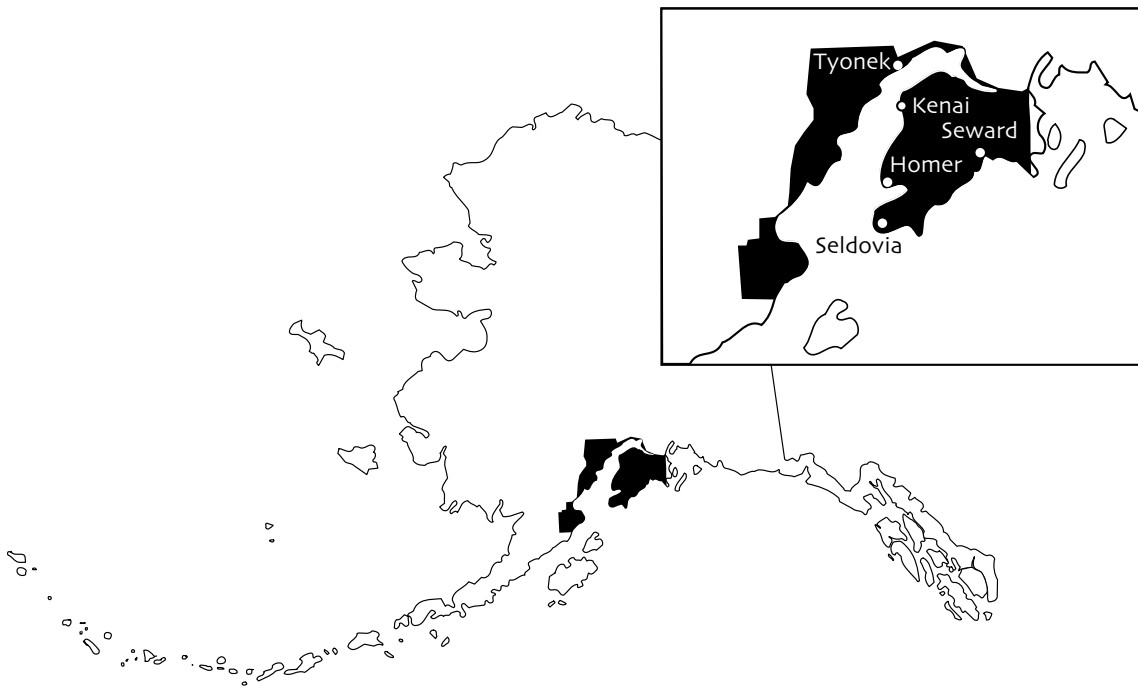


Rural Alaska Tourism Infrastructure Needs Assessment



Kenai Peninsula Borough

A joint project of the
Kenai Peninsula Borough Economic Development District
and the
Alaska Department of Commerce and Economic Development
Divisions of Trade & Development and Tourism

Introduction

In 1995, the Alaska Regional Development Organizations (ARDORs), a network of state-designated and regionally-empowered economic development corporations, identified tourism industry development as a common objective. Further, they concluded that a lack of basic public infrastructure was one of the greatest barriers to orderly industry development and impeded the optimum movement and accommodation of travelers within the state. This lack is particularly pronounced in rural Alaska, where tourism represents one of the few economic development opportunities available to many communities. Subsequently, the ARDORs determined that a top priority was to conduct a rural tourism infrastructure needs assessment. Although other projects could be considered, the focus of the assessment would be on “public infrastructure,” or that for which state and/or local government would have the primary responsibility.

Performance of the infrastructure needs assessment was included in a successful funding proposal submitted to the U.S. Department of Commerce, Economic Development Administration (EDA) by the Alaska Department of Commerce and Economic Development, Division of Trade and Development (DTD).

Concurrently, Governor Knowles' *Marketing Alaska* Initiative recommended that the Alaska Division of Tourism (DOT) prepare a comprehensive strategic plan for tourism development using a public process that involves all affected parties, looks at the desired future condition of tourism in the state, identifies infrastructure needs and opportunities for public/private partnerships, creates an effective permitting process, considers sustainability, and creates year-round jobs for Alaskans. The information collected through this regionally-based assessment is essential to the beginning of any statewide tourism planning process and is also relevant to other state planning efforts including the Statewide Transportation Improvement Program, the Airport Improvement Program and Governor Knowles' Trails and Recreational Access in Alaska (TRAAK) initiative.

Marketing Alaska also directed the Division of Tourism to work with the Department of Community and Regional Affairs to implement rural tourism development strategies using the recently established Rural Tourism Center as a one-stop resource for rural Alaskans interested in tourism development. The objectives of the Center, a joint venture of the division, Alaska Village Initiatives, and USDA Rural Development are to coordinate statewide rural tourism efforts, provide rural tourism assistance, and collect and share general tourism information.

The joining of these initiatives, and the financial support of the EDA, resulted in a partnership between the ARDORs, the Division of Trade and Development and the Division of Tourism to carry out a process to identify the public infrastructure needs of rural Alaska as identified by the people and organizations who are stakeholders in the regions.

Project Implementation

Successful implementation of the tourism infrastructure needs assessment project required participation from a broad spectrum of stakeholders including representatives of tourism businesses and organizations, communities and municipal agencies, public land managers and private land owners, and others who participate in or are impacted by tourism industry development in each region. The Department of Natural Resources, Division of Land, and the Department of Transportation and Public Facilities, Division of Statewide Planning, with

their planning and graphics expertise and understanding of capital improvement project processes, were involved in early discussions about the structure, content and outcomes of this effort.

The assessment was carried out through a series of regional roundtable meetings occurring from May through September 1996. A standardized format for each meeting was agreed, with flexibility for the unique requirements of individual regions. Roundtable meetings were open to the public, however, invitations were specifically sent to agencies and organizations involved in the management of tourism-impacted lands and facilities and to those having a direct interest in tourism industry development in the region. Although the summertime scheduling of these meetings made it difficult for some potential participants to attend, it was determined that this problem would exist to a greater or lesser extent no matter when they were held.

The roundtable meetings were structured to specifically accomplish three objectives. First, to identify the public infrastructure already in place. In support of this objective, Geographic Information System-generated maps of each region were produced showing existing tourism infrastructure and resources to the extent this information was available in existing GIS databases. These maps illustrated what was in place, where development opportunities might exist, and the spacial relationships between infrastructure and geographic features. At the conclusion of each meeting, these valuable reference tools were presented to the local host organization.

The second objective was to become aware of new infrastructure and attractions under development in each region. Federal, state and local organizations made brief presentations regarding their planning processes and new projects under development or in various planning stages. Private sector project developers were also encouraged to share information about their new or planned projects.

Then, recognizing what is in place and what is being planned, participants identified additional infrastructure projects that would either build on what exists, meet current industry needs, or create new industry development opportunities. A panel discussion followed to explain the criteria various funding sources use in assessing project feasibility. It was recommended that "fundability" should be considered in prioritizing projects.

Although it was suggested each region prioritize proposed projects to indicate their relative importance or the preferred sequence for implementation, some regions elected not to take this approach.

Each meeting closed with a discussion of how to move the proposed projects ahead through individual initiatives, through legislative action, and by forming partnerships among stakeholders to advocate for priority projects.

It should be noted that the projects and priorities identified in these meetings reflect the thinking of those in attendance. Although every effort was made to have broad representation of the public and private sector interests, the projects identified and the priorities given them do not necessarily represent a majority opinion of the residents of the specified region. Additionally, some areas of rural Alaska are not included in this assessment. Those are the regions in which there were no designated Alaska Regional Development Organizations at the time the meetings were conducted. These areas include the Bering Straits region, the majority of the Doyon region, and the area of the Fairbanks North Star Borough.

KENAI PENINSULA BOROUGH

Sources: *Overall Economic Development Program Update: 1995-1996*, Kenai Peninsula Economic Development District, Inc., June, 1995; *Kenai Peninsula Tourism Study*, Kenai Peninsula Economic Development District, Inc./Kenai Peninsula Borough, July, 1991; *Alaska Visitor Statistics Program III*, DOT, Summer 1993; *Rural Alaska Community Visitor Profiles*, Rural Tourism Center, June, 1996; and, *Rural Tourism Infrastructure Roundtable Meeting*, Soldotna, Alaska, August, 1996.

A. REGIONAL SNAPSHOT

The Kenai Peninsula Borough encompasses 25,600 square miles located directly south of Anchorage, Alaska's largest population center. The region is bordered on the south and east by the Gulf of Alaska and Prince William Sound. To the west are the Chigmit Mountains of the Alaska Range. The borough's 47,000 residents live in fourteen principal communities and in smaller settlements scattered along its highways.

The region is well-endowed with natural resources including seafood, forests, coal, oil and gas, and natural attractions that support recreation and tourism industry development. National parks, wildlife refuges and forests, along with over 700 registered historic and cultural sites make the peninsula a popular destination for both Alaskans and nonresident visitors.

ACCESS

The Kenai Peninsula is accessible by air, land and water. The state-maintained Seward, Sterling and Kenai Spur highways, along with connecting state and local roads, provide highway access to Resurrection Bay, the west coast of the Kenai Peninsula and the central peninsula. Access to the west side of Cook Inlet and the southern tip of the Kenai Peninsula Borough is limited to air and water. An ice road provides winter access to the Beluga area from Point McKenzie. Three public ports, four small boat harbors, twenty-three public airports and numerous private facilities provide daily air and water access to communities throughout the borough. Year-round rail service between Anchorage and Seward is provided by the Alaska Railroad. The port of Seward is the major Southcentral port of call for cruise ships and ferry service is available to Homer, Seldovia and Seward.

PRIMARY TOURISM ATTRIBUTES AND ASSETS

The Kenai Peninsula is rich in recreational opportunities including sport fishing and hunting, wildlife viewing, canoeing and kayaking, camping and hiking. National parks and refuges offer a range of wildlife viewing and recreational opportunities. Cultural and heritage attractions include Gold Rush historic sites, Russian cultural sites and Native history and cultural sites.

A sampling of the region's tourism assets and attributes includes:

NATIONAL PARKS, REFUGES AND FORESTS

- Chugach National Forest
- Kenai Fjords National Park
- Kenai National Wildlife Refuge
- Lake Clark National Park and Preserve
- Alaska Maritime National Wildlife Refuge

CULTURE AND HERITAGE SITES

- Hope - Gold Rush history
- Historic Kenai "old town"
- Russian churches and historic sites
- Native villages and historic sites

RECREATIONAL AREAS

- Swanson River canoe trail
- Resurrection Bay
- Resurrection Pass trail system
- Kachemak Bay
- State and federal camping areas
- Kenai River
- Turnagain Pass

WILDLIFE VIEWING OPPORTUNITIES

- Kenai Fjords
- Kachemak Bay
- Katmai flightseeing

WILDLIFE VARIETIES

- Moose
- Bear
- Wolves
- Sea Lions
- Seals
- Whales and other marine mammals

GLACIERS

- Portage Glacier
- Exit Glacier
- Harding Ice Field

SPORTFISHING

- Russian River
- Kenai River
- Homer Spit
- Anchor Point
- Deep Creek
- Resurrection Bay

SCENERY

- Volcanoes
- Kachemak Bay
- Resurrection Bay
- Turnagain Pass
- Portage Valley
- Kenai Fjords

CURRENT VISITATION TO REGION

The Kenai Peninsula has made visitor volume gains at a rate even greater than the strong statewide growth trends. Approximately 68% of all visitors to Alaska in 1993 visited the southcentral region and 43% of that number visited the Kenai Peninsula. Nonresident visitation to the Kenai Peninsula increased from 160,400 in 1989 to 244,800 in 1993; an increase of over 50% in four years.

Currently, Alaska residents represent the single largest visitor market to the Kenai Peninsula. The peninsula is effectively southcentral Alaska's playground, with residents visiting often and in large numbers. An estimated 203,119 Anchorage residents travel to the peninsula annually.

Non-resident visitors to the Kenai Peninsula are primarily independent visitors, traveling by auto and RV, and those who are visiting friends and relatives in Alaska. Currently, Seward and Cooper Landing are the only Kenai Peninsula communities that are destinations for package tour visitors.

POTENTIALS FOR DEVELOPMENT

The areas of greatest potential for tourism development on the Kenai Peninsula lie in finding ways to get current visitors to "stay longer and spend more" and to capture more of the package tour market. Currently, several peninsula communities are working on developing destination attractions which can go a long way to achieving this objective.

The Alaska Sealife Center, with a planned 1998 opening, is now under construction in Seward. The City of Kenai has taken the lead in developing a Challenger Learning Center. The southern peninsula is pursuing a North Pacific Volcano Learning Center and Homer is working with the federal government to develop an Alaska Maritime National Wildlife Refuge Visitor Center. Taken individually these attractions represent modest opportunities for growth. However, collectively they represent a strong opportunity to both attract more visitors to the peninsula and entice existing markets to "stay longer and spend more."

Additionally, there is good potential in further development and improvement of trails and recreation sites, accommodations and cultural tourism attractions.

CHALLENGES TO TOURISM DEVELOPMENT

Major challenges to tourism development on the Kenai Peninsula center on: (1) overcrowding of many existing attractions and facilities; (2) a mature Anchorage market which is unlikely to see appreciable growth and (3) the lack of significant package tour traffic.

TOURISM DEVELOPMENT AND PROMOTION ORGANIZATIONS

The primary tourism promotion organizations for the Kenai Peninsula are the Kenai Peninsula Tourism Marketing Council, the Kenai Convention and Visitors Bureau and the Soldotna/Homer/Seward Chambers of Commerce. Tourism development issues are a major priority for the Kenai Peninsula Borough Economic Development District, which is an Alaska Regional Development Organization.

B. PRIORITY INFRASTRUCTURE DEVELOPMENT PROJECTS

Participants from throughout the Kenai Peninsula Borough identified a variety of tourism infrastructure and tourism attraction projects which they believe should be implemented. They opted not to prioritize these projects, but to pursue them as additional analysis and unfolding events determined the time to be right.

TRAILS

- Develop a paved bike trail along the Exit Glacier road
- Develop a bike-hike trail along the Old Sterling Highway between Kenai and Tern Lakes
- Develop a mountain bike trail between Jakalof and Windy Bays
- Develop a bike-hike trail from Moose Pass to Trail Lakes
- Develop more walking trails and interpretive sites on the west coast of the Kenai Peninsula

VISITOR INFORMATION CENTERS

- Develop an inter-agency visitor center in Seward
- Develop an Alaska Maritime National Wildlife Refuge Visitor Center in Homer
- Maintain a Lake Clark National Park visitor center and park access services on the Kenai Peninsula

VISITOR INFORMATION/MARKETING

- Develop color-coded signage along the Seward and Sterling highways directing visitors to wildlife viewing, photo opportunities, historical and cultural sites
- Provide more interpretation of historical sites
- Produce a regional map showing the location of Kenai Peninsula visitor attractions, amenities and services
- Market the Kenai Peninsula as an overall “soft adventure” destination; de-emphasize consumptive use activities
- Conduct familiarization tours for potential tourism investment and development partners

VISITOR FACILITIES

- Build public facilities on the dock in Homer (restrooms, staging space for tour groups off busses and ships)
- Install and maintain wayside services signage (toilets, trash, water)
- Develop a low density (as opposed to elbow-to-elbow) tent camping park, possibly at Diamond Gulch site

VISITOR ATTRACTIONS

- Support development of the Alaska Sealife Center in Seward
- Support development of the North Pacific Volcano Learning Center
- Support development of the Kenai Challenger Learning Center

TRANSPORTATION

- Establish a public or, if necessary, a subsidized privately-operated interborough bus system to connect peninsula communities
- Support and fund high-level maintenance of the region’s highways
- Develop a commercial RV park near the west boundary of Kenai Refuge
- Secure “Scenic Corridor” designation as mechanism to protect the visual qualities along the Sterling and Seward highways

PUBLIC/PRIVATE PARTNERSHIPS

- Develop partnerships between the tourism industry and local communities to insure the most positive impacts of tourism

