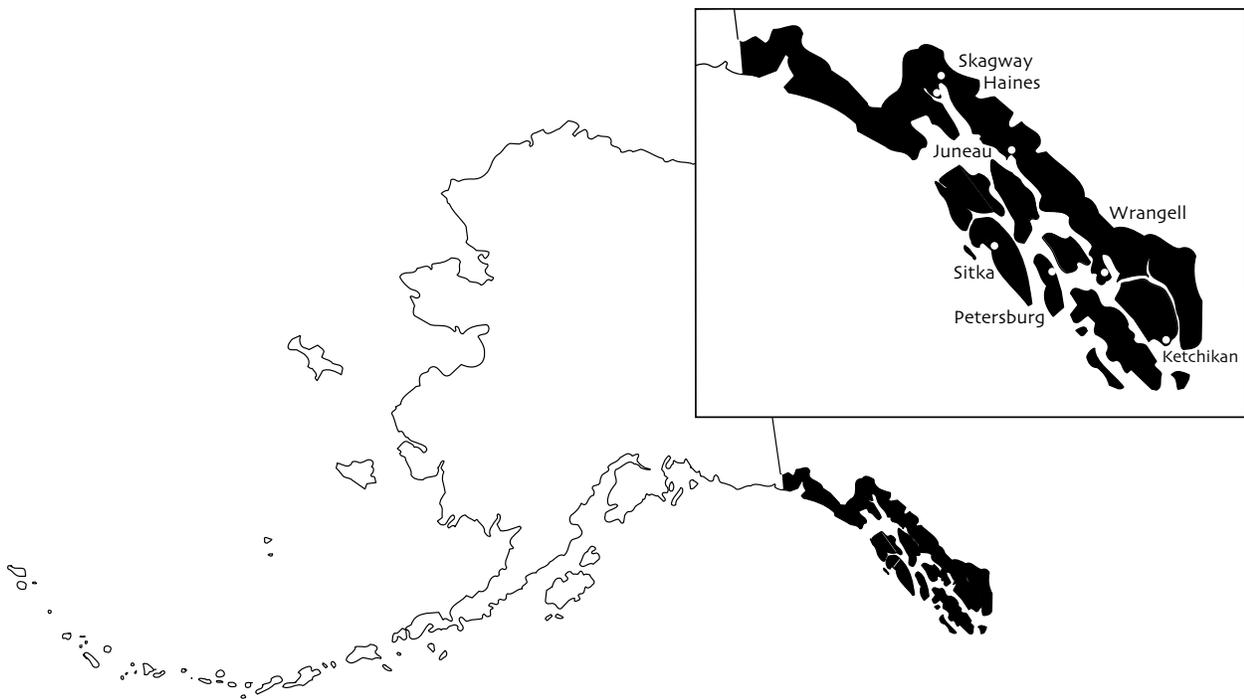


# Rural Alaska Tourism Infrastructure Needs Assessment

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## Southeast

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A joint project of the  
**Southeast Conference**  
and the  
Alaska Department of Commerce and Economic Development  
Divisions of Trade & Development and Tourism

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# 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 spatial 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.

# SOUTHEAST ALASKA

Sources: *Regional Development Strategy for Southeast Alaska*, Southeast Conference, June, 1996; *Southeast Alaska Visitor Profiles*, Southeast Alaska Tourism Council, October, 1994; *Wrangell Year-Round Tourism Plan*; City of Wrangell, June, 1993; *Ketchikan Visitor Study*, Ketchikan Visitors Bureau, November, 1991; *Alaska Visitor Statistics Program III*, DOT, Summer 1993; *Rural Alaska Tourism Assessment*, Community Enterprise Development Corporation, June, 1991; and, *Rural Tourism Infrastructure Roundtable Meeting*, Juneau, Alaska, August, 1996

## A. REGIONAL SNAPSHOT

Commonly called Alaska's "panhandle," Southeast consists of a 550 mile strip of mountainous, glaciated mainland and the densely-forested islands of the Alexander Archipelago. Much of Southeast's 48,000 square miles of land and enclosed waterways is included in the Tongass National Forest. The region enjoys a mild, maritime climate of moderate winters and comfortable summers with generous precipitation throughout the year. About 40% of the region's 75,000 residents live in Juneau, Alaska's capital city. Another 45% live in other urban areas in the region and the remainder in rural settings.

The region is rich in natural resources including minerals, spruce and hemlock forests, and fish. Its scenic beauty and diverse recreational and cultural attractions make it a popular visitor destination.

### ACCESS

Topography dictates that few Southeast communities are accessible by direct land routes. Thus travel to and within the region is achieved by a variety of transportation modes.

By water - Alaska Marine Highway System service, with greater frequency in the summer months, and privately-operated ferry service, water taxis, charter boats and cruiseships.

By air - Air service into the region and between communities ranges from jet service once to several times a day and scheduled and charter air taxi service.

By land - In southern Southeast, the border community of Hyder is accessed by the Cassiar Highway from British Columbia. In northern Southeast, there is highway access to and from Haines via the Alaska Highway and to and from Skagway via the Klondike Highway.

### PRIMARY TOURISM ATTRIBUTES AND ASSETS

Southeast Alaska enjoys a rich variety of natural tourism attributes and assets. They include the scenery; geographical features including glaciers, old growth rainforests, mountains and meadows; unique communities and villages; cultural heritage including Native, Russian and Norwegian; Gold Rush history; wildlife including birds, fish, and marine and land mammals; and national parks and monuments.

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

## WILDLIFE VIEWING

- brown and black bear
- humpback and orca whales
- seals, sea lions and otter
- moose and mountain goats
- bald eagles and oyster catchers
- blacktail deer and elk

## HISTORY AND CULTURAL

- Gold Rush history
- Tlingit, Haida and Tsimshian history and culture
- Saxman Native Village
- Totem Heritage Center
- Sitka's New Archangel Russian Dancers
- Norwegian heritage
- Wrangell's petroglyphs

- Alaska's capital city
- Alaska State Museum Festivals
- Haines' Eagle Festival
- Petersburg's Little Norway

## FESTIVALS

- Ketchikan's Mayfest
- Wrangell's Tent City Days
- Sportfishing derbies

## NATIONAL PARKS AND MONUMENTS

- Glacier Bay National Park and Preserve
- Admiralty Island National Monument
- Gold Rush National Historical Park
- Misty Fjords National Monument

## CURRENT VISITATION TO REGION

The majority of visitors to southeast Alaska, 53% according to the Alaska Visitor Statistics Program (AVSP) data for 1993 arrive by cruiseship or smaller touring vessels. While some communities welcome their first cruise/tour passengers in late April, the majority of visitors arrive between mid-May and mid-September. Many of these passengers are traveling on 7-day round-trip cruises out of Vancouver and will visit 4 or 5 southeast Alaska ports and attractions. Others will begin their cruise in Vancouver or San Francisco and continue across the Gulf of Alaska after making an average of three stops in Southeast. Larger cruise ships generally visit Ketchikan, Juneau, Skagway, Glacier Bay and Sitka.

Smaller tour vessels tend to also visit the smaller ports including Petersburg and Wrangell and may include more visits to natural attractions such as scenic fjords and allow more time for wildlife observation and individualized activities in their itineraries.

Southeast Alaska is home to a number of adventure and ecotourism programs. Enjoyed by both independent travelers and those traveling with a guided tour group, programs may last for an afternoon or for 10 to 12 days. Kayaking, rafting, hiking and camping are generally major components of these experiences. Flightseeing (both fixed wing and helicopter) may be incorporated as well, either as transportation to a remote site or as a local tour.

Whereas cruiseship visitors are in port for several hours or a full day, independent travelers (28% of summer visitors) have the option to stay overnight in Southeast's many communities. Overnight accommodations range from hotels and motels to B & Bs, lodges, youth hostels, campgrounds and RV parks. Visitors can choose from a variety of tour options including but not limited to city sightseeing, local flightseeing, Native dance and theatrical performances, canoeing, rafting, hiking, and visiting museums and other local history attractions. Dining options range from fast food to outdoor salmon bakes to gourmet. In addition to shopping at gift shops and galleries, many visitors make purchases at local grocery, clothing, sporting goods, and drug stores.

Visitors also come to southeast Alaska for prime sportfishing opportunities. Sportfishing is available throughout the region as an independent or an organized activity lasting from a few hours to several days, using a chartered boat or lodge as home base. Sportfishing is primarily in saltwater and features the five species of salmon, halibut and Dolly Varden. Guided hunting, primarily for bear, deer and goats, attracts visitors as well.

Vacation/pleasure visitors make up 92% of Southeast's summer visitor; 3% arrive to visit friends and relatives. Business only travelers make up 2%, with the remaining 3% mixing business and pleasure. While 53% of summer visitors arrive in the state by cruiseship, 27% fly in, 14% drive and 5% arrive by ferry.

## POTENTIALS FOR DEVELOPMENT

Interest in ecotourism, educational and adventure tourism continues to grow. Offering opportunities to meet the needs and interests of these niche markets are areas with considerable potential for Southeast tourism development. With a focus on what makes them unique, small communities in this diverse region could develop the infrastructure (accommodations, attractions and activities) to meet the needs of small, special interest groups and individuals.

Another area for development is in the improvement of existing infrastructure. RV campground capacity could be increased in select communities. Access to both large and small communities could be improved whether by improving existing ferry service, encouraging the development of more private ferry services or by constructing roads to eliminate the need for ferry service and shorten the travel time in certain areas.

## CHALLENGES TO TOURISM DEVELOPMENT

Challenges to tourism development occurs in several areas. Among them are access, capacity and tour traffic patterns.

The frequency and cost of travel to some Southeast communities can be an obstacle to tourism development. Ferry service may be weekly. Air taxi service may be costly and only available on a charter basis. The fact that only one air carrier offers year-round jet service into Southeast works against the advantages of competitive fares. Unpredictable weather can also challenge the best laid plans of any tour operator.

Ferry capacity and scheduling continue to frustrate established tour operators who have expressed interest in spending more time in southeast Alaska with their tour groups. Often ferries cannot offer enough cabins to accommodate tour groups and ferry schedules are not made available early enough to include itineraries in tour brochures.

Given the mature nature of much of the Southeast tour product, tour traffic patterns are well established for the majority of visitor segments. This can challenge the development or introduction of new tour product for this market.

## TOURISM DEVELOPMENT AND PROMOTION ORGANIZATIONS

Tourism development and promotion organizations operate throughout southeast Alaska. Most communities have a chamber of commerce and/or a convention and visitors bureau. Several smaller committees currently involved with tourism or in the process of organizing local efforts have visitor associations (Yakutat, Gustavus, Pelican). The Southeast Alaska Tourism Council (SATC) represents all of Southeast and focuses on attracting the independent traveler. One of the newest organizations is the Southeast Alaska Native Tourism Alliance (SANTA) which works with Native communities interested in developing tourism programs.

## B. PRIORITY INFRASTRUCTURE DEVELOPMENT PROJECTS

### 1. A ROAD BETWEEN SITKA AND BARANOF WARM SPRINGS

**LOCATION:** Baranof Island

**Description:** A road from Sitka to Baranof Warm Springs with a BWS ferry terminal would increase the capacity and frequency of ferry service throughout the Southeast region and would eliminate 17 hours of ferry travel into and out of Sitka and promote better utilization of Marine Highway System vessels. Access to Sitka would be improved for residents and visitors, for recreation, commerce and health services. Challenges include funding for construction and maintenance and would require statewide and complete regional support. Affected parties include all southeast Alaska communities, the Department of Transportation, U.S. Fish & Wildlife Service and the tourism industry. Project partners could include the State of Alaska, business and commercial interests throughout Southeast. Funding could come from state and federal sources including Department of Transportation highway and ferry system, federal highway funds, U.S. Forest Service, tolls and commercial developers.

### 2. JUNEAU ACCESS

**LOCATION:** Northern Southeast Alaska

**Description:** Construct a road link between Juneau and Skagway. This would increase capacity of the Alaska Marine Highway System in Southeast, have implications for the visitor industry and create numerous job opportunities. Challenges are financial, environmental, political and technical. The project

could be opposed by “no-growth” advocates and some environmental groups but supported by most southeast and southcentral Alaska residents and our Canadian neighbors. Some funding could come from Department of Transportation, federal highway funds, tolls and other creative financing mechanisms.

### 3. WRANGELL MUSEUM

**LOCATION:** Wrangell

**Description:** Build a new museum in Wrangell in conjunction with the US Forest Service for interpretative services and Native cultural heritage plans. The museum would house existing collections and those anticipated to be secured under repatriation, including the possible return of Chief Shakes’ canoe from the Smithsonian. Land has been obtained and a conceptual design completed for this facility. Funding is needed and potential sources include US Forest Service economic relief monies, Native corporations, Indian Community Development Block Grant, Alaska Historical Society, State Museum or legislative appropriations. Both visitors and residents would benefit.

### 4. ASSURE SOUTHEAST HAS COMPETITIVE MAJOR AIR CARRIER SERVICE

**LOCATION:** Southeast Regionwide

**Description:** Southeast Alaska loses discretionary travelers to other cities with competitive air rates. Juneau rates, in particular, need to be competitive with other Alaska destinations. Communities and civic organizations need to encourage Alaska Airlines to keep rates competitive and seek additional, reliable air carriers to enter the market. Residents and visitors, local air taxi services, Juneau CVB, Juneau Economic Development Council, Southeast Conference and the entire business community could benefit from and support the project. Funding to market this concept to the major air carriers could come through the Southeast Conference, Senator Stevens, and the Alaska Committee.

### 5. KEEP MALASPINA ON-LINE ALONG WITH THE NEW FERRY

**LOCATION:** Ferry system

**Description:** Keeping the Malaspina in service, along with the entrance of the new ocean-class vessel (the Kennicott) in 1998, presents an opportunity for enhanced ferry service for independent travelers, increased commerce between communities, more capacity and regional traffic. Funding to support this level of service and for the necessary education of Alaska residents, especially in the railbelt, to the overall importance of the project are challenges. Southeast Conference could assist in these efforts.

## C. ADDITIONAL PROPOSED PROJECTS

- Expand Mendenhall Glacier Visitor Center and improve Steep Creek trail to include viewing platforms
- Develop bear and glacier viewing opportunities at Hyder
- Develop Prince of Wales independent traveler attractions and services including alternative ferry between Prince of Wales and Petersburg - Wrangell
- Develop and promote Wrangell natural attractions, activities and festivals including garnet festival, shorebird migration
- Complete Sitka Community House development plan
- Pursue LUD II soft adventure tourism development opportunities throughout region
- Build additional Juneau and Ketchikan RV parks and facilities
- Establish a plan to identify, protect and promote the region's historic properties and attractions including Metlakatla's "Old Council Chambers"
- Develop Bradfield road connection from Wrangell to the Cassiar Highway
- Implement recommendations of National Park Service's Sitka "Gateway City" plan
- Improve access and facilities at Eagle Beach State Recreation area near Juneau
- Enhance Benjamin Island sea lion observation opportunities
- Enhance safety and all-weather capability of 135 (commuter class) regional air carriers
- Secure borough easement and move to implement the Ward Creek trail project (Ketchikan)
- Develop high speed, passenger-only, seasonal ferry service between Sitka and Juneau as a private/public joint venture
- Expand and improve the State dock at Gustavus
- Support regional mass casualty training for air and marine incidents
- Develop "Winter Reality" tours to promote "off season" industry growth
- Implement the Sitka Harbor Drive project (seawalk, lightering facility and signage)
- Implement infrastructure recommendations in Juneau's Tourism Working Group (TWG) plan
- Package and export Juneau's Tourism Working Group process to other interested communities
- Provide increased ferry service to Hyder
- Complete development of and promote the Wrangell golf course
- Support completion of the Walden Point Road and ferry service project linking Metlakatla and Ketchikan



