

Tuesday, June 03, 2025 5:30 PM Location: Borough Assembly Chambers City Hall

- 1. CALL TO ORDER
- 2. ROLL CALL
- 3. AMENDMENTS TO THE AGENDA
- 4. CONFLICT OF INTEREST
- 5. APPROVAL OF MINUTES
  - a. Approval of the Economic Development Board regular meeting minutes from April 1, 2025.
- 6. DIRECTOR REPORT
  - a. Economic Development Director Report May 2025
- 7. CORRESPONDENCE
- 8. PERSONS TO BE HEARD
- 9. UNFINISHED BUSINESS
- **10. NEW BUSINESS** 
  - <u>a.</u> Review and approval to move forward with American Cruise Line negotiations.
- 11. BOARD MEMBER REPORTS
- 12. NEXT AGENDA ITEMS
- 13. ADJOURN

### Minutes of Economic Development Board Meeting Held on April 01, 2025

### 1. CALL TO ORDER - 6:45 PM

a. Work session was held before the meeting from 5:30-6:30 PM

### 2. ROLL CALL

**PRESENT:** Ashton, Privett, O'Brien, DeRuyter, Chair Dalrymple

**STAFF:** Kate Thomas, JR Meek

### 3. AMENDMENTS TO THE AGENDA - None

### 4. CONFLICT OF INTEREST

O'Brien declared a conflict as he is working with the Borough on the Timber Initiative, specifically to perform appraisals in advance of timber sales.

The commission determined that there was no conflict of interest

- 5. PERSONS TO BE HEARD None
- 6. APPROVAL OF MINUTES None
- 7. DIRECTOR REPORT None
- 8. CORRESPONDENCE None
- 9. UNFINISHED BUSINESS None

### **10. NEW BUSINESS**

a) Facility Use Agreement between the City and Borough of Wrangell and the Wrangell Chamber of Commerce.

### *M/S: Privett/Dalrymple*

Move to recommend to the Borough Assembly approval of the Facility Use Agreement between the City and Borough of Wrangell and the Wrangell Chamber of Commerce, as presented.

### Polled Vote: All in favor

Staff expanded the discussion to address storage capacity, the decision to forgo raffles and pull tabs, and the establishment of a three-year agreement, which will still require separate Assembly approval. Chair Dalrymple approved the facility-use agreement between the Chamber and the Borough but expressed concerns about cybersecurity, particularly regarding the potential risk of hacking. Staff clarified that the Chamber and the Borough will maintain separate document storage, servers, and phone lines, with the option for the Chamber to install its own phone and network services at the Nolan Center. A separate line item will be added to the agreement to specifically address cybersecurity measures.

b) Review and approval of the Tideline Construction proposal to purchase a portion of the Six-Mile-Deep Water Port property for economic development purposes.

### M/S: Privett/DeRuyter

Move to recommend that the Borough Assembly authorize the Borough Manager to proceed with project development plans and the negotiation of a Purchase and Sale Agreement with Tideline Construction, LLC, for economic development purposes.

Staff clarified that William Tonsgard, owner of Tideline Construction, LLC, submitted a proposal in January. Tideline is a sister company to Channel Construction. Channel Construction has operated locally for five years, assisting with abandoned vehicle removal and town clean-up efforts, providing relief to Borough resources. Tideline Construction offered \$250,000 for approximately 10 acres of land, although the land has not yet been appraised. Staff explained that the offer includes both monetary payment and labor contributions, such as clearing logs, sawdust, and abandoned buildings, to improve the site's marketability for future development.

Staff emphasized that Tideline's operations would likely compete with small businesses, focusing instead on larger-scale commercial industry and projects. The Borough currently lacks the funding and manpower to complete the site clean-up, which remains a barrier to attracting new investment.

Further discussion covered the need for a formal appraisal and survey to establish fair market value before negotiations proceed. Staff noted that Tideline's offer aligns with the Borough's long-term economic development goals. DeRuyter stressed the importance of proper documentation of appraisals and clear valuation metrics. The Borough Manager, Borough Attorney, and Tideline Construction will collaborate to draft an agreement.

Chair Dalrymple expressed concern about conducting land clearing activities without proper environmental clearance and recommended that environmental oversight and a long-term land development plan be clearly outlined in the agreement, to ensure protection of community interests and support responsible site development. He further commended Tideline Construction, LLC, for their productive contributions to Wrangell, recognizing the company's positive long-term impact and identifying them as a key tenant critical to helping centralize economic activity needed for the Borough's growth.

Staff referenced a 2016 Assessment and Feasibility study that had designated 12.6 acres for future development but had not identified a specific use. The study identified recycling and processing as a viable use, although costly for a municipally operated division/ Staff highlighted that incentivizing an existing tenant like Tideline could finally move land development forward. Staff stated that an Appraisal, Survey, and Driveway permit are all necessary for the sale of the requested area.

There was also a discussion about whether Tideline would move all operations or just a portion to the area. Staff stated that it is the understanding that Tideline would relocate all regional operations to Wrangell. Staff referenced Tideline's larger-scale work history and affirmed their proven experience and strong relationship with the Borough as valuable assets for the project.

c) Information and Resources on the Wrangell Timber Initiative and prospective areas for zoning Timber Management.

Staff presented a PowerPoint overview to the Planning & Zoning Commission regarding efforts for the Borough to gain ownership and control over the development of land entitlement. Surveying these lands will be necessary, at a cost of approximately \$2,000 per application. Staff outlined the challenges in prioritizing land areas for recreational versus environmental purposes.

The Borough identified rights to entitlement land areas, allowing for zoning and potential timber harvesting activities, provided they occur away from sensitive areas. A partnership opportunity was noted with the Mental Health Trust, an organization that manages timber land assets. Ongoing discussions were held with the Trust Land Office to better understand the economic potential of these lands. Staff also highlighted other development efforts under the Initiative and noted outreach to companies such as Viking and Alcan to explore timber development opportunities in Wrangell.

The Borough Manager has engaged with key stakeholders to advance the Initiative. The proposed plan is to zone all identified lands for timber management initially, with the flexibility to recommend different zoning designations at a later time if needed. Staff clarified that land use under this Initiative would be multi-purpose unless formally re-zoned through an adopting district.

Chair Dalrymple emphasized the significant, underutilized potential of Wrangell's timber resources and stressed the importance of inter-agency cooperation to responsibly develop these assets. He commended the Borough's proactive approach in launching the Initiative.

Staff announced plans for a lumber workshop to be established in Wrangell. Staff also referenced the University of Alaska Fairbanks' training programs that could further support the timber initiative.

### 11. BOARD MEMBER REPORTS

Chair Dalrymple reported that the USFS Tongass Forest Management Plan is currently on hold.

### 12. NEXT AGENDA ITEMS

Staff will need a special meeting within the next two months, topics TBD. DeRuyter will be absent within the last few weeks of June; Chair Dalrymple will also be absent for a portion of the summer.

May 6<sup>th</sup> is tentatively scheduled for a special meeting.

13. ADJOURN - 8:05 PM		
	 Chair	
ATTEST:		
Secretary		

### **ECONOMIC DEVELOPMENT DEPARTMENT**

PO BOX 531 WRANGELL, AK, 99929 | +1 (907) 874-2381 205 BRUEGER STREET, WRANGELL, AK, 99929



Date: Tuesday, June 3rd, 2025

**To**: Economic Development Board

From: Kate Thomas, Economic Development Director

**Subject**: Department Report Highlights

- 1. Fourth of July Cruiseship Logistics
- 2. Community Addressing Project
- 3. Waterfront Master Plan Work Session
- 4. American Cruise Line Presentation
- 5. Trust Land Office Partnership and Prospective Land Exchange
- 6. Entitlement Lands and Timber Initiative
- 7. Lumber Grading Certification Workshop
- 8. Relocation Guide
- 9. Alder Top Village Subdivision
- 10. Deep Water Port Project and Land Disposal
- 11. Chamber of Commerce Update
- 12. Downtown Signage Project
- 13. Conferences, Conventions and Events Manual
- 14. Planned Unit Development SEARHC Prospective Housing Development
- 15. Industrial Land for Sale
- 16. Wrangell Medical Center
- 17. Tlingit and Haida Childcare
- 18. Parks and Recreation Playground Fundraising Campaign
- 19. Oregon State University Tourism Academic Research
- 20. Data Center
- 21. CBW Title 16 Public Lands Repeal and Replacement
- 22. Sales Tax Cap Increase and Tax for Sales on board Cruise ships within Borough Waters
- 23. Digital Marketing Certification Course 120 Hrs.



### **Project Overview**

### Why The Research

Communities around the world have grappled with tourism—its positive and negative impacts—for years. For many, it serves as the primary economic driver, meeting the basic needs of community members. However, in other destinations, the cost-benefit balance of tourism is less clear.

In the wake of the pandemic, communities are reassessing their relationship with tourism, exploring how to make the industry sustainable from economic, social, and environmental perspectives.

The goal of the OSU Sustainable Tourism Lab is to support these efforts by providing applied research, objective information, and best practices.





Destination Lifecycle

Community Sentiment Impact

Discovery Development Expansion Rejuvenation
Stagnation Decline

Rejuvenation
Inflection Point Stagnation
Decline

Time

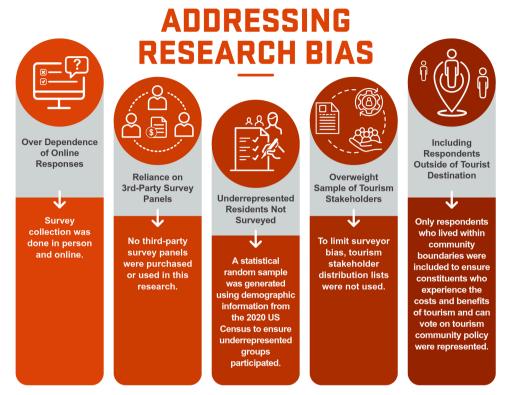
### **Project Overview**

Our research has shown a strong relationship between a destination's lifecycle stage and the sentiment levels within its community. Additionally, we've found that community sentiment levels influence the community carrying capacity of the destination.

When a community's sentiment falls below neutral, it often prompts action—directly or indirectly—through political entities to reduce the area's overall carrying capacity. This may manifest as restrictions on visitor numbers, the implementation of policies aimed at preserving local resources, or changes to infrastructure planning. Such actions are typically driven by a desire to protect the community's quality of life and mitigate negative impacts on the environment and local culture.

Item a.





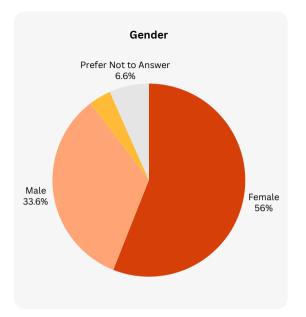
### Methodology

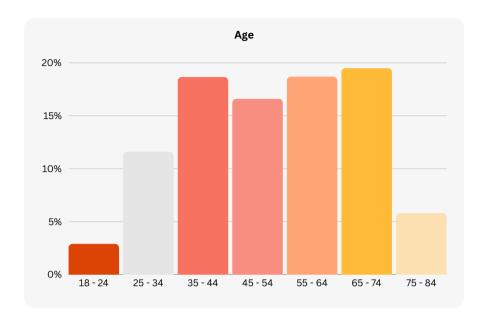
During our research, we have reviewed hundreds of studies conducted worldwide. The quality of these surveys varied greatly, with several common gaps identified, including:

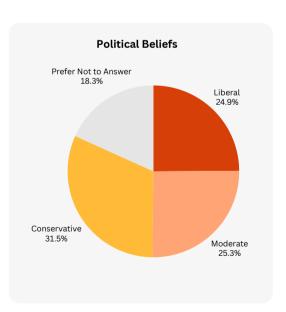
- Were underrepresented groups included in the study?
- Was the sample statistically representative of the community?
- Were non-tourism stakeholders equally represented?
- Were the studies one-off efforts, or were follow-up studies conducted to track changes over time?

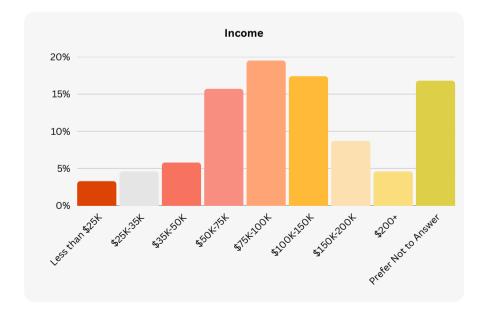
Our report ensures that community-specific survey data were statistically representative of the entire population in question. To amplify the voices of all community members, we made extensive efforts to engage people where they were, conducting surveys both in person and online. After collecting the initial data, we identified and performed outreach to groups underrepresented in our sample. Despite these efforts, we recognized that more rigorous methods were needed to ensure fairness and accuracy.

To meet this challenge, we employed stratified random sampling, followed by a downsampling technique to align category percentages with census data. Downsampling involves repeatedly drawing random samples—5,000 times in our case—as each random sample from the original dataset can yield different results. This approach allowed us to account for ability and ensure a balanced representation. The histograms in this report depict this variability, forming a bell curve that highlights the importance of repeated sampling in account reving reliable outcomes.









### **Demographics**

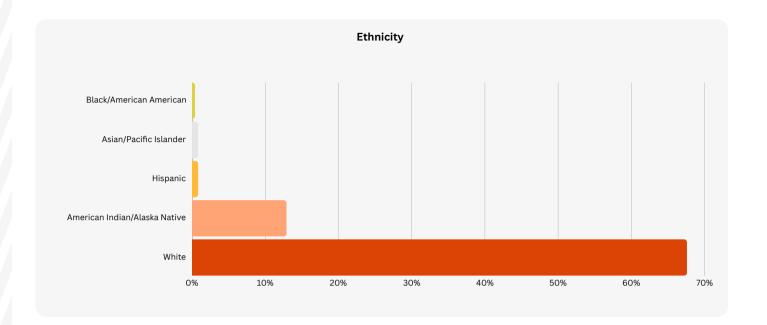
In all our projects, we strive to collect a representative sample grounded in U.S. Census data. For Wrangell—a community of approximately 2,000 residents—our sample of 241 survey responses offered a strong foundation, even prior to applying stratified random sampling techniques. The high response rate relative to the town's population underscores the community's engagement and lends additional credibility to the findings. This strong participation also enhances our ability to draw meaningful conclusions about local attitudes and priorities.

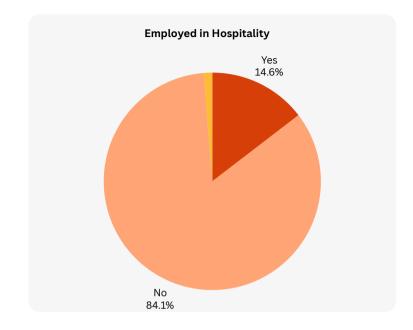
Gender representation in the sample leaned slightly female. Age and income distributions formed a balanced bell curve, with most respondents falling into mid-range categories.

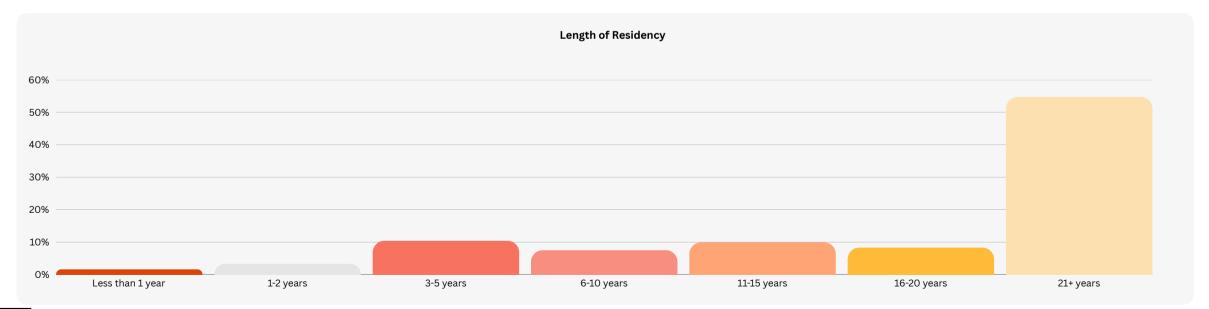
The sample also captured key aspects of Wrangell's unique demographic profile, including a high proportion of long-term residents. Notably, most participants did not work in the hospitality sector, reducing the potential for bias toward tourism-related perspectives. The majority of respondents also identified as white.

This well-rounded dataset provided a reliable basis for understanding local sentiment, ensuring our analysis accurately reflects the views and dynamics of Wrangell's community.









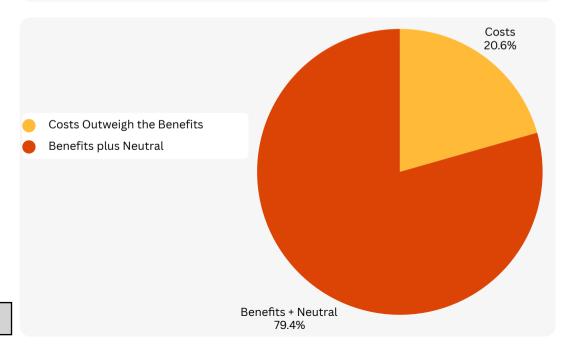


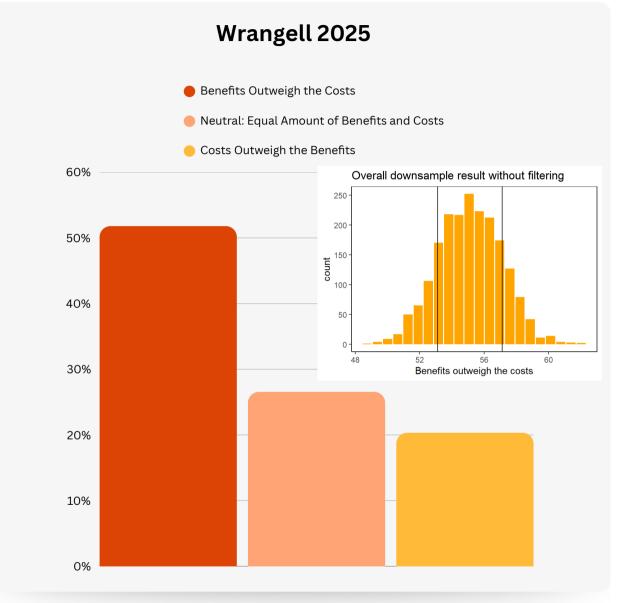
### **Costs Vs Benefits**

As part of our Carrying Capacity Model, one of the most insightful and widely adopted measures of community sentiment is the "Costs vs. Benefits" question. This question cuts to the core of how residents weigh tourism's impact—do the positives outweigh the negatives?

In Wrangell, about 52% of respondents believe tourism brings more benefits than costs, while 20% feel the opposite—that the costs are too high relative to the benefits.

These results are later benchmarked against other destinations to provide context and reveal how Wrangell stacks up. Overall, the data suggests a relatively healthy sentiment toward tourism. Still, without thoughtful planning and management, public opinion could shift—potentially resulting in policies that limit tourism growth down the line.





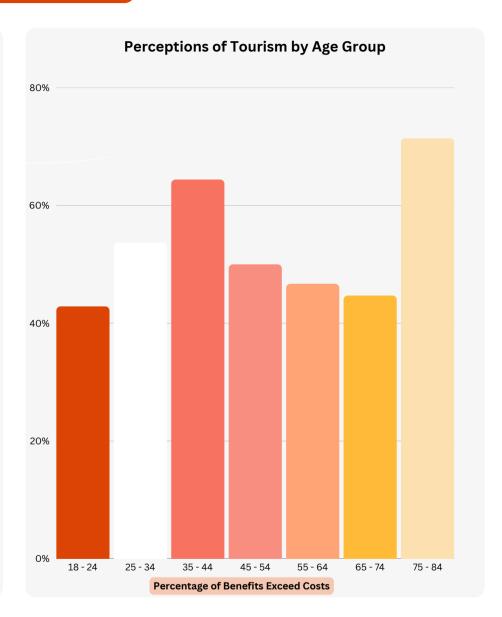
In general, do you feel the benefits of tourism outweigh the costs or the costs of tourism outweigh the benefits of tourism?

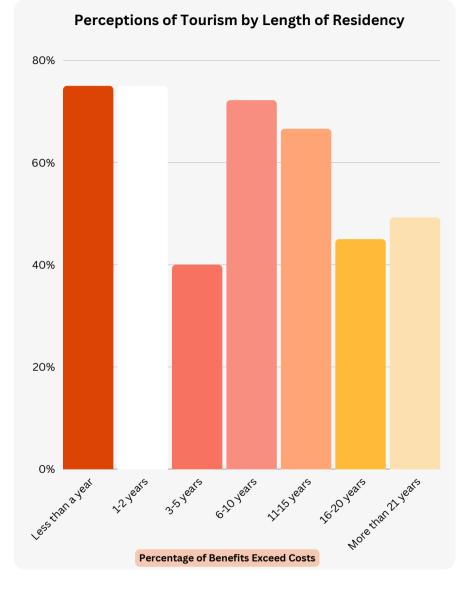
### Age & Residency Benefits vs Costs

In a departure from trends seen in many other destinations, older residents in Wrangell view tourism more favorably than their younger counterparts. This may reflect the community's strong base of long-term residents who are well established and continue to benefit from tourism's economic contributions.

Conversely, newer residents—those who have lived in Wrangell for a shorter time—also report high levels of perceived benefit. This likely stems from choosing to move to an active tourist destination, drawn by its opportunities and amenities tied to the tourism economy.

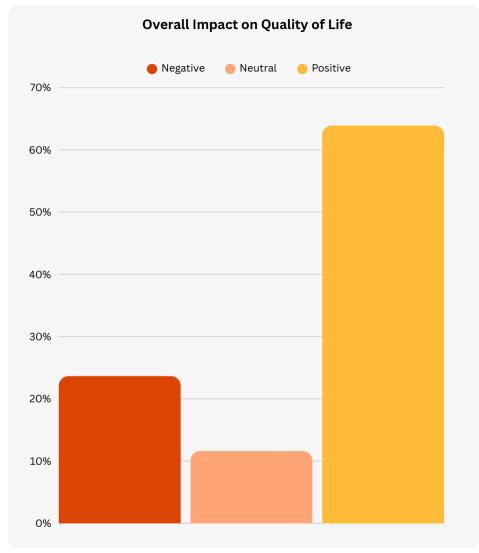
What makes Wrangell especially interesting is how this pattern diverges from what we typically see elsewhere. In many places, longtime residents tend to express much greater skepticism, often yearning for the quieter, pre-tourism version of their community. Having witnessed substantial change over time, they may be more cautious about the pace and direction of tourism growth.







### **Resident KPI: Quality of Life**



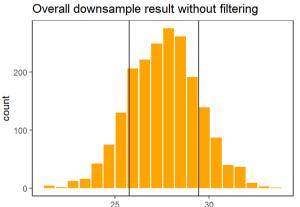
How would you rate the overall impact tourism has on the following: My Quality of Life?

### **Quality of Life**

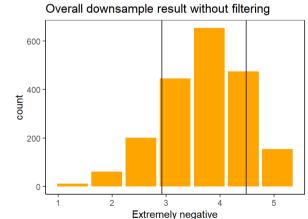
Our second key indicator for assessing tourism's impact is its effect on residents' quality of life. Unlike broader economic or community-wide measures, this metric serves as an early warning signal—often predicting future shifts in how residents weigh tourism's overall costs and benefits unless efforts are made to address negative impacts and amplify the positives.

In Wrangell, 64% of residents say tourism improves their quality of life, while about 24% report a negative impact. These numbers tend to be less favorable than responses to the "Costs vs. Benefits" question, likely because quality of life taps into how tourism affects individuals on a personal level, rather than its broader community value.

The takeaway is clear: sustaining positive sentiment requires a deliberate balance—ensuring tourism supports, rather than erodes, the day-to-day experience of local residents. Without that, support for tourism can quickly erode over time.



Extremely positive

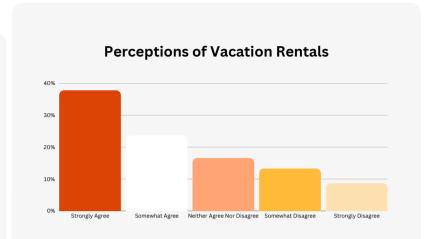


Item a.

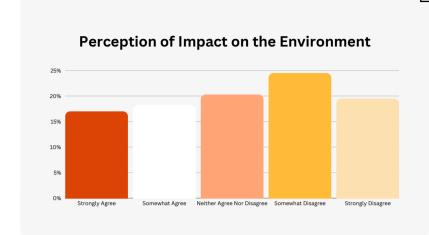
### **Common Tourism Costs**

Globally, vacation rentals, traffic, overcrowding, and environmental degradation are among the most commonly cited costs of tourism. In Wrangell, resident concerns mirror broader trends when it comes to traffic and environmental impacts.

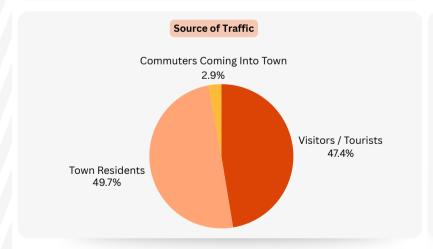
However, perceptions of vacation rentals stand outgenerally viewed in a more favorable light compared to many other destinations. This divergence may be linked to Wrangell's cruise-centric, day-trip tourism model, where fewer visitors stay overnight, reducing pressure on local housing. While this pattern is noteworthy, it warrants further investigation to better understand the underlying dynamics.



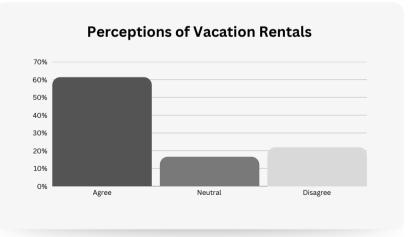
Do you agree or disagree with the following statements about short term rentals (i.e.: Airbnb, VRBO) in your town? Vacation rentals are a positive addition to our town.



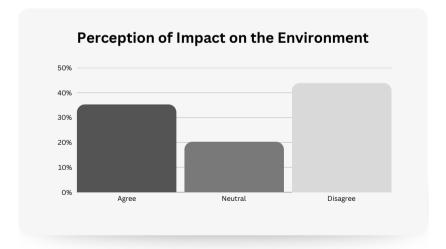
Do you agree or disagree with the following statements about tourism and the environment? Tourism causes more positive environmental effects than negative ones.



Who contributes most to traffic congestion in your town?



Perception of Vacation Rentals



Perception of Tourism Impact on the Environment



### **Priority for Tourism Tax Revenue**

Item a.

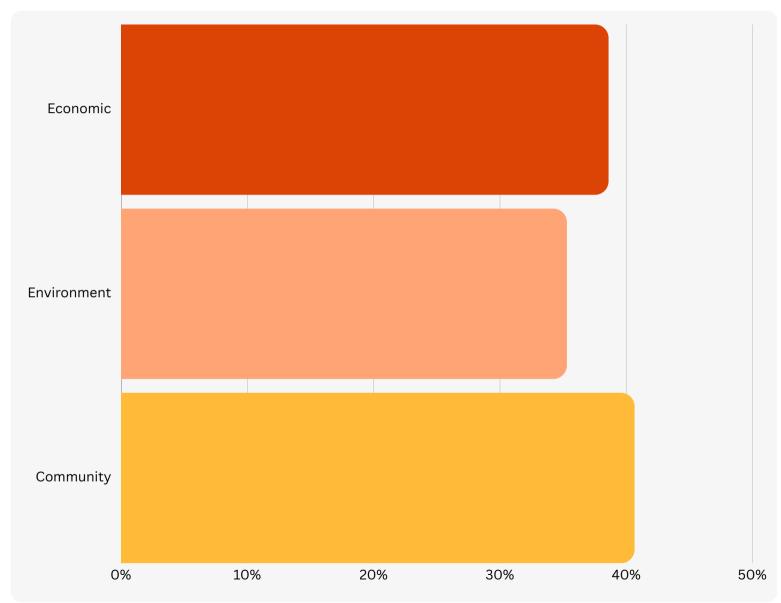
Tourist destinations often have a lodging tax (aka a tax on tourists) for anyone staying in a hotel, vacation rental, or other short-term lodging. Please rank how you feel tax revenue should be reinvested in your town.

### **Tax Revenue Priorities**

Wrangell residents voiced opinions on how tourism tax revenue should be spent, with an emphasis on projects that directly benefit the community. While environmental initiatives and economic development also received notable support, they trailed slightly behind community-focused investments.

As we've observed in many destinations, the definition of "community benefit" can vary widely. For some, it means upgrading public infrastructure like parks, roads, or waterfronts. For others, it may involve support for social services, education, or the preservation of local culture and heritage.

A key takeaway from this data is the importance of digging deeper into what specific types of community projects residents prioritize. Clarifying these preferences can help ensure that funding decisions truly reflect the community's shared vision. Just as importantly, involving residents in these conversations can foster a greater sense of ownership, increase transparency, and ultimately lead to more successful and sustainable project outcomes.

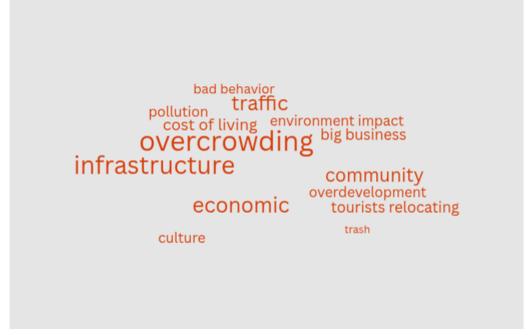


### What are the biggest benefits of tourism?



In a few words, what is the biggest benefit of tourism to your town?

### What are the biggest costs of tourism?



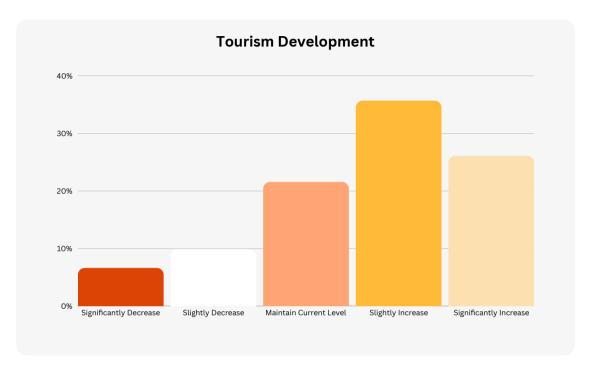
In a few words, what is the biggest cost of tourism to your town?

### **Perceived Costs & Benefits of Tourism**

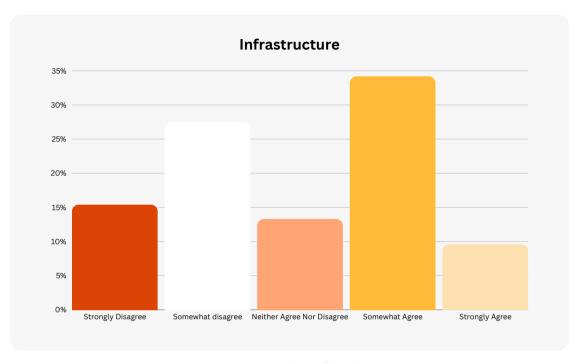
Around the world, communities tend to view tourism primarily through an economic lens—and Wrangell is no exception. Residents most frequently cited economic benefits such as tax revenue, job creation, and increased local spending as the key advantages of tourism.

When it comes to perceived costs, Wrangell showed both alignment and divergence from broader trends. While concerns about community, infrastructure, and traffic echoed those seen in other destinations, Wrangell stood out as only the second destination in our research to rank overcrowding as the top concern. This finding contrasts with nearby Skagway, where cost-related concerns leaned more heavily toward community strain and affordability.

Upcoming sections on tourism development and greenspace will offer deeper insight into how these concerns connect to residents' broader views on quality of life.



Do you support more or less tourism development in our town?



Do you agree or disagree with the following statement: The current infrastructure and visitor services can support the volume of tourism in my town?

### **Tourism Development & Infrastructure**

In 2024, the OSU Sustainable Tourism Lab introduced new questions exploring resident views on tourism development and existing infrastructure. Wrangell residents expressed a clear preference for expanding tourism development—one of the strongest pro-development sentiments recorded across all destinations in the study. This is particularly noteworthy given Wrangell's current stage in the tourism lifecycle, where communities often become more cautious about growth.

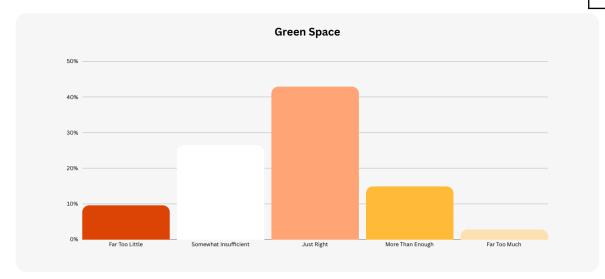
Perceptions of infrastructure were more mixed. A majority of residents felt the existing infrastructure could adequately support current tourist volumes. This stands out, as most destinations typically show broad support for infrastructure expansion. Wrangell's response suggests a degree of confidence in current capacity, or perhaps a measured view of the scale of tourism growth needed.

### Greenspace

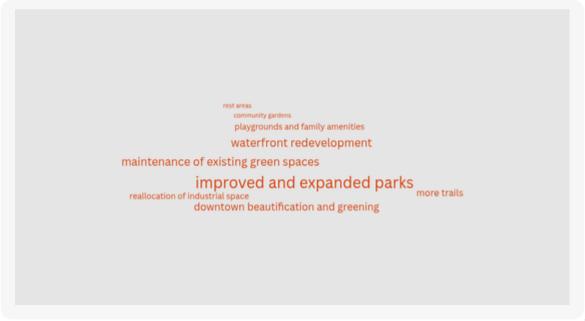
Wrangell residents' views on greenspace reflect a balanced and measured approach, closely aligning with sentiment in other Alaskan cruise destinations. Unlike many global tourism hotspots—where the lack of accessible greenspace is considered a major cost of tourism and a growing source of resident frustration—Wrangell has not yet reached a critical threshold in this regard. This suggests that while concerns exist, they are not as acute as in more densely developed destinations.

The open-ended comments section of the survey adds valuable context to this finding. Many residents expressed a desire for more parks, gardens, and natural gathering spaces that could serve both locals and visitors. A recurring theme was the call for expanded waterfront development, particularly through the creation of additional trails and recreational areas that showcase Wrangell's natural assets while promoting health, accessibility, and tourism appeal.

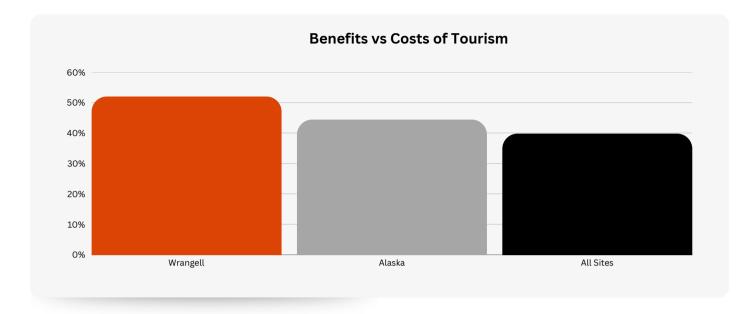
In addition, respondents highlighted the need for further beautification of the downtown core. Suggestions included landscaping, public art, and cleaner, more welcoming streetscapes—elements that could enhance the visitor experience while also fostering local pride. These responses point to a community that values its natural environment and recognizes the opportunity to make strategic, low-impact improvements that support both resident well-being and tourism development.

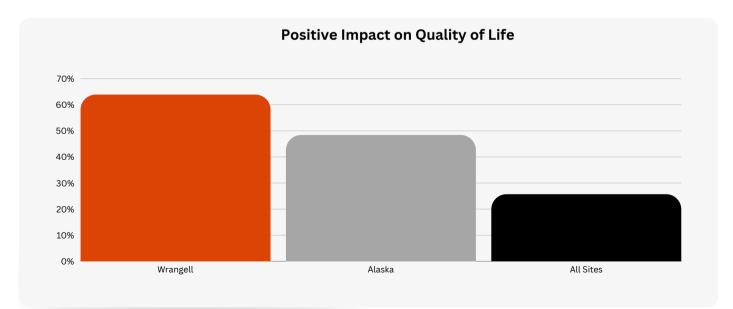


What is your opinion on the current amount of green space in our town?



# **Destination Benchmarks**





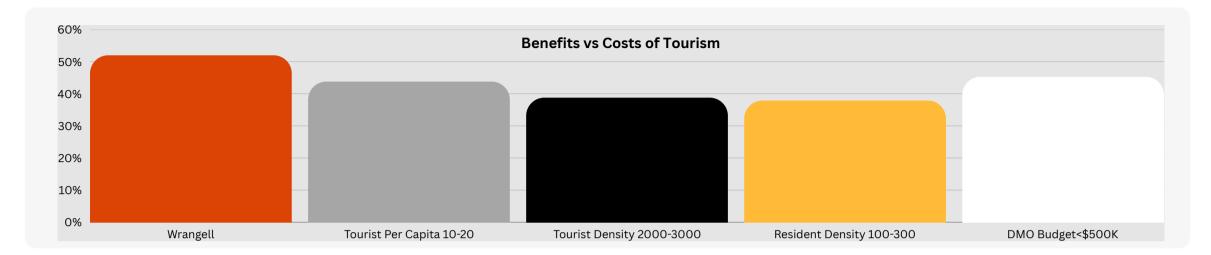
### **Tourism Impacts**

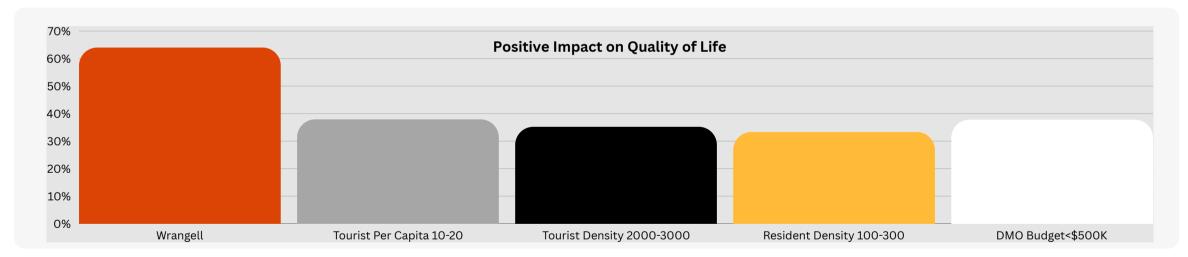
Wrangell stands out as a distinctive destination with its own mix of opportunities and challenges. Still, comparing it to other destinations—including those across Alaska—can offer valuable context and insight.

Across the 300 destinations we monitor as of 2025, including several in Alaska, residents generally report less favorable views of tourism than those in Wrangell. However, it's important to interpret these comparisons carefully. Community-level data doesn't always align neatly with regional trends—especially when some Alaskan residents live in areas with little to no tourism, which naturally shapes their perceptions.

One interesting finding was Wrangell's notably positive quality of life ratings compared to other Alaskan communities. This contrast may again reflect differences in exposure: in areas where tourism is minimal, residents may not experience either the benefits or the challenges firsthand. These differences underscore how the scale and visibility of tourism can significantly shape public sentiment—especially when residents are closely connected to its local impact.

It also points to the importance of localized planning efforts that reflect each community's unique tourism profile. For Wrangell, maintaining this positive sentiment will likely depend on balancing growth with a continued focus on resident well-being.





- 1. Tourists per Capita: Tourists per Capita = Annual Tourist Arrivals / Resident Population
- 2. Tourist Density: Tourist Density = Annual Tourist Arrivals / Land Area (in square miles)
- 3. Resident Density: Resident Density = Resident Population / Land Area (in square miles)
- 4. DMO Budget Total Budget: Total DMO Budget

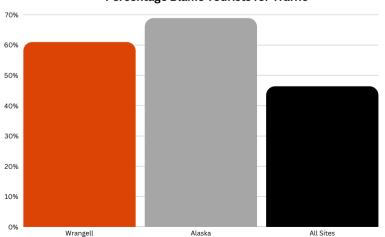


### **Benefits vs Costs of Tourism**

Shorter-term residents generally view tourism more favorably, likely because they benefit directly from tourism-related jobs. This trend holds true in Wrangell, where newer residents expressed more positive perceptions of tourism. Attitudes by age group were less consistent, though the 35–44 and 75+ age groups showed the highest levels of approval.

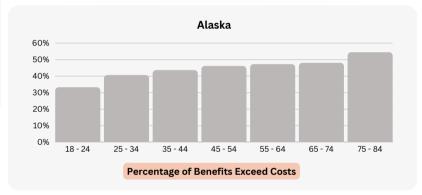
Traffic concerns are often tied to tourism, and Wrangell follows this pattern: 61% of residents attributed traffic problems to tourists. However, this figure is lower than in other Alaskan destinations, suggesting Wrangell faces a distinct set of challenges—particularly related to day-cruise visitors.

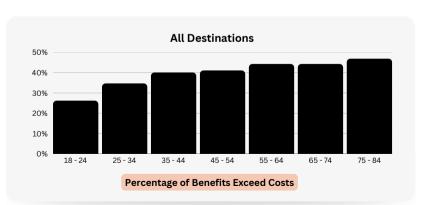
### Percentage Blame Tourists for Traffic



### **Perceptions of Tourism by Age Group**

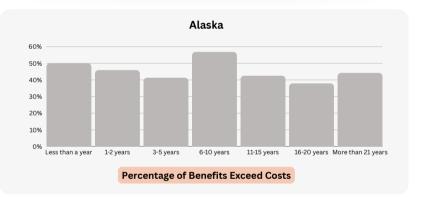


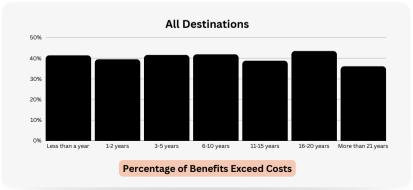




### Perceptions of Tourism by Length of Residency









Strongly disagree

### **Vacation Rentals & Environment**

Vacation rentals are currently viewed more positively in Wrangell than in many other destinations. This likely reflects their relatively limited presence in the community, as Wrangell hosts a smaller volume of overnight visitors compared to more heavily trafficked areas. However, as tourism grows, resident sentiment may shift—making it important to track future changes in attitudes.

10%

Strongly agree

Wrangell is widely regarded as a pristine and scenic destination, and residents expressed fewer concerns about the negative impacts of tourism than respondents in Alaska and in other benchmark destinations. This is a data point to monitor, as the town's natural beauty is a core driver of visitor demand. If residents perceive that tourism is degrading the environment, it may present a growing challenge for destination management.

Interestingly, the views on environmental impacts are in line with support levels allocating additional tax dollars to address these issues. This may also reflect uncertainty about effective solutions, hesitation to invest public funds, or a lack of consensus on who should bear the responsibility for mitigation.

# ● Wrangell ● Alaska ● All 40% 30% 20%

**Perceptions of Vacation Rentals** 

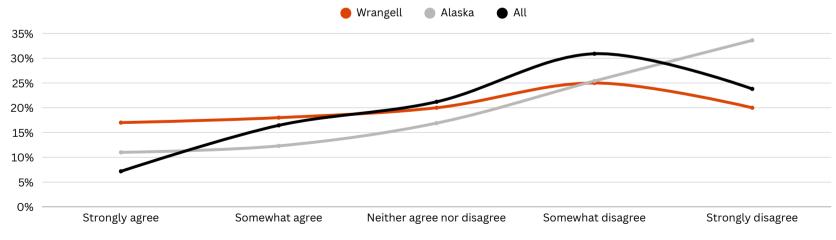


Neither agree nor disagree

Somewhat disagree

Somewhat agree

### **Perception of Tourism Impact on the Environment**



Do you agree or disagree with the following statements about tourism and the environment? Tourism causes more positive environmental effects than negative ones.

# 





In a few words, what is the biggest benefit of tourism to your town?

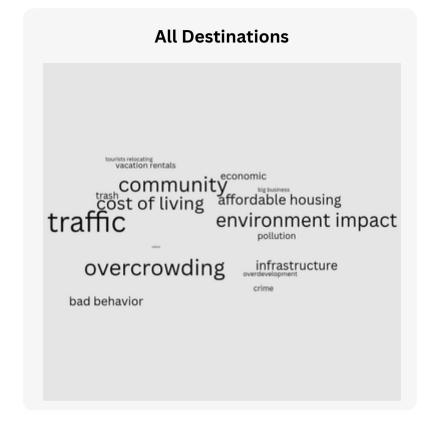
### **Benefits**

As previously noted, Wrangell residents' perceptions of tourism's benefits generally align with those observed in similar destinations. Economic benefits—such as support for local businesses, job creation, and increased tax revenue—are widely recognized and appreciated. This mirrors a common pattern in tourism communities, where economic growth is viewed as one of tourism's primary advantages.

At the same time, there is a growing recognition among residents of the need for sustainable, well-managed growth. While economic gains are valued, there is likely a desire to protect the community's quality of life —a key attribute that make Wrangell appealing to both residents and visitors. This suggests a nuanced perspective: one that embraces the economic potential of tourism, but also calls for deliberate planning to ensure those benefits endure without compromising the town's character.

# bad behavior environment impact pollution traffic cost of living big business overcrowding infrastructure community overdevelopment economic tourists relocating culture trash





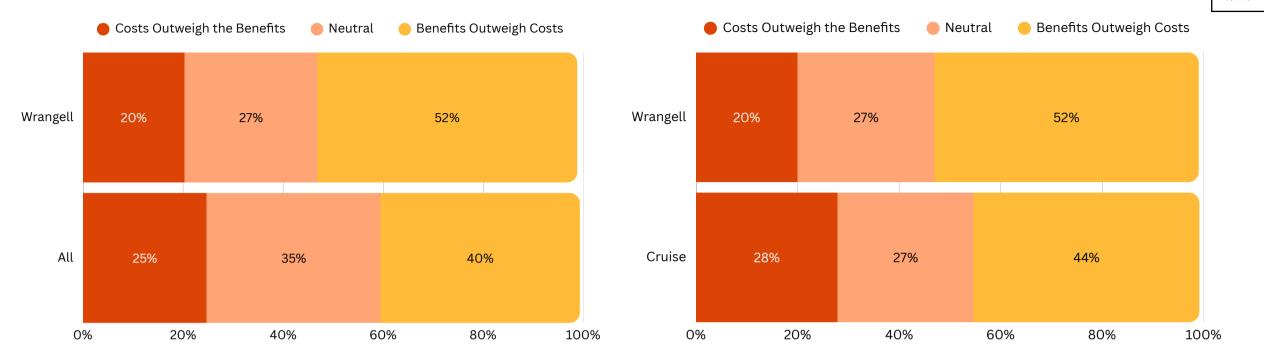
In a few words, what is the biggest cost of tourism to your town?

### Costs

Overcrowding stands out as one of the most significant perceived costs of tourism in Wrangell—more prominently than in many other destinations. While this concern appears in other benchmark communities, it tends to rank lower on their list of tourism-related challenges. In Wrangell, however, residents also expressed concerns about infrastructure strain and traffic, underscoring a broader sense of pressure on local systems.

This pattern points to a unique challenge: Wrangell's smaller geographic footprint and high seasonal influx of visitors likely intensify the experience of overcrowding. As such, tourism-related impacts may feel more visible, suggesting the need for proactive planning to manage peak periods and protect residents' quality of life.





### **Benchmarks**

To provide additional context for evaluating Wrangell's performance, new benchmark sets were introduced—focusing on other cruise destinations and communities with similar population sizes.

Compared to its cruise destination peer group, Wrangell reports a more favorable overall perception of tourism. Specifically, residents in Wrangell perceive tourism-related costs to be approximately 8% lower than those reported in comparable cruise ports. This suggests that, despite recognizing some downsides, residents see the benefits—such as increased tax revenue and business activity—as outweighing the costs.

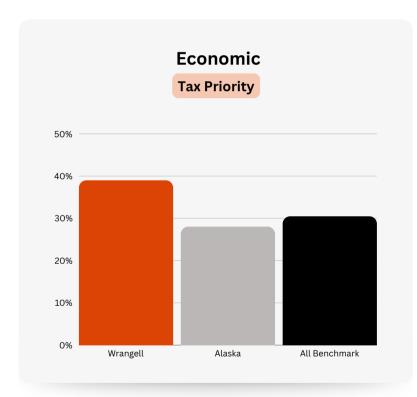
Similarly, Wrangell's perceived tourism costs were also lower than in other small communities with similar populations. This trend may reflect Wrangell's distinct tourism dynamics, where the seasonal concentration of visitors and relatively modest scale of tourism activity reduce the intensity of negative impacts—at least for now.

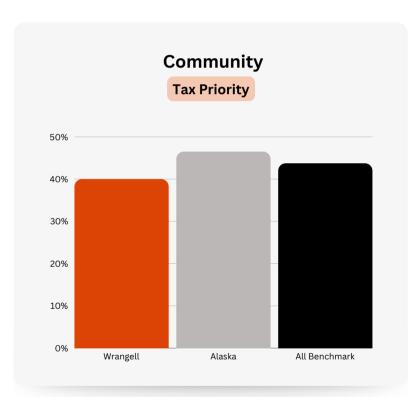


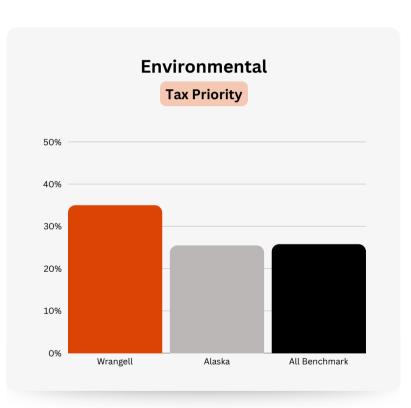
### **Tax Priorities**

Overall, Wrangell residents demonstrated a consistent preference for tourism tax revenue to be allocated across economic, community, and environmental priorities. Among these, community projects ranked slightly higher than economic initiatives, with environmental projects receiving the lowest prioritization.

While community investments tend to be the top priority across most Alaskan destinations, Wrangell stood out for placing greater emphasis on economic uses of tourism revenue. As noted earlier, this economic prioritization is notably higher than in both other Alaskan communities and similarly sized destinations, reflecting Wrangell's distinct perspective on the role of tourism in supporting local development.



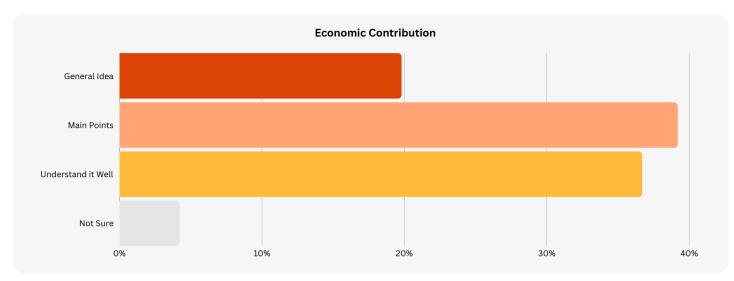




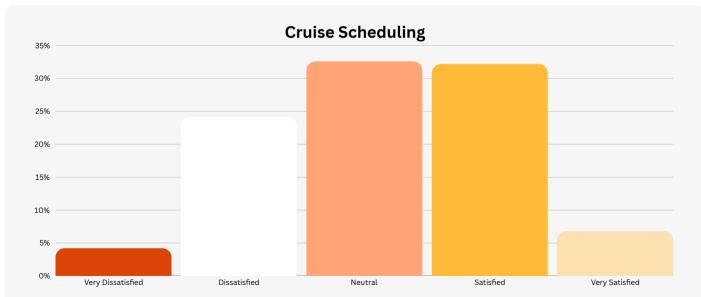
Tourist destinations often have a lodging tax (aka a tax on tourists) for anyone staying in a hotel, vacation rental, or other short-term lodging.

Please rank how you feel tax revenue should be reinvested in your town.





Which of the following best describes your understanding of the economic contribution of tourism to Wrangell (e.g. benefits of independent versus cruise ship visitors, revenue allocation, state passenger tax, port fees)?



How satisfied or dissatisfied are you with the current scheduling of cruise ship arrivals in Wrangell (e.g., number of ships per day, time of day)?

### **Local Questions**

The Wrangell community believes it has a strong understanding of the economic benefits associated with tourism. Approximately 76% of respondents indicated they either understood tourism's economic contribution well or were at least familiar with its key points. This level of awareness reinforces responses to our broader economic benefits question, which serves as a key performance indicator (KPI) across all of our destination studies. It suggests that residents are not only seeing the benefits but are also well-informed about how tourism supports local businesses, jobs, and tax revenue.

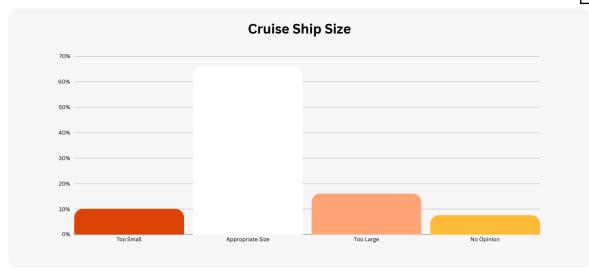
In a related question, residents also expressed support for the current cruise ship scheduling. This is particularly notable when compared to other cruise destinations, where scheduling often becomes a flashpoint for concerns around overcrowding and quality of life. Wrangell's approval of cruise scheduling may indicate that the town has found a balance between welcoming visitors and maintaining a manageable flow of tourism activity. It may also reflect proactive planning or natural advantagessuch as fewer ship arrivals-that help mitigate the more visible costs of cruise tourism. As cruise visitation patterns evolve, this will be an important area to monitor, especially given its influence on resident satisfaction in other similarly situated communities.

### **Local Questions**

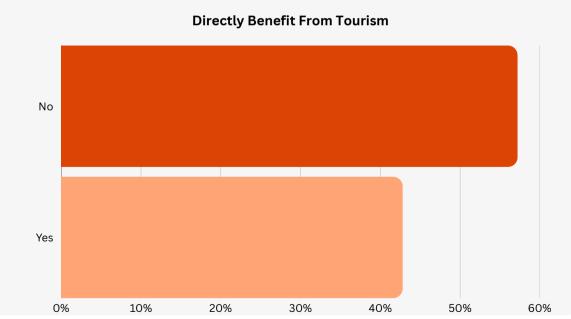
The Wrangell community overwhelmingly approved of the sizes of cruise ships visiting their port. In many other destinations, ship size has emerged as a contentious issue, often linked to overcrowding, infrastructure strain, and environmental concerns. Wrangell's approval on this front reinforces earlier findings that residents are generally satisfied with the current balance and scale of tourism activity.

The final Wrangell-specific survey questions offer several layers of interpretation. On one hand, a majority of residents indicated that they do not personally benefit directly from tourism. This lends credibility to the survey sample and findings, suggesting the results are not skewed by individuals with a vested interest in the tourism industry.

On the other hand, this response could also signal a potential gap in public understanding or recognition of tourism's broader impact. It is likely that many residents experience indirect benefits—such as improved services, enhanced community infrastructure, or greater economic vitality—without necessarily linking these to tourism. Gaining a clearer understanding of how residents perceive and differentiate between direct and indirect benefits could provide valuable insights for future engagement and communication strategies.



When you think about cruise ships visiting Wrangell, which of the following best describes your perception of their size?



Do you or any member of your household directly benefit from the tourism industry in Wrangell (e.g., employment, business ownership, etc.)?

## **THANK YOU**

**OSU Sustainable Tourism Lab** 



Item a.

# Wrangell, Alaska, Takes Steps to Enhance Public Safety Through Partnership with DATAMARK Technologies

Firm to support Next Generation 9-1-1 addressing services for Borough of Wrangell

Wrangell, AK -- May 2025 – In a step toward modernizing public safety infrastructure, the City and Borough of Wrangell, Alaska, is partnering with <u>DATAMARK Technologies</u>, an industry leader in location-based public safety solutions, to launch an addressing project aimed at improving local 9-1-1 response. This project, which includes Next Generation 9-1-1 (NG9-1-1) geographic information systems (GIS) addressing consulting, a current-conditions assessment, and an addressing development plan, will help the Borough identify and remediate inaccurate addresses in the local database, resulting in more precise emergency response that empowers first responders to reach those in need without delay.

DATAMARK Technologies is a public safety GIS organization whose mission is to support local, regional and state governments through their transition to NG9-1-1. NG9-1-1 is a nationwide upgrade to public safety infrastructure, shifting to a cloud-based network that enhances system redundancy and aligns with the communication technologies people use every day. One of the most pressing challenges in emergency response is identifying precise 9-1-1 caller locations. DATAMARK's advanced addressing services tackle this head-on by offering expert assessments and data remediation aligned with NG9-1-1 standards to ensure that every address is accurate, actionable, and ready to support life-saving response.

"This project has been a long time coming for the Borough. We are thrilled to launch this initiative to enhance 9-1-1 response and prepare Wrangell for the future of emergency services," said Kate Thomas, Economic Development Director for City and Borough of Wrangell, Alaska. "Our partnership with DATAMARK Technologies will ensure our address data is accurate, up-to-date, and fully aligned with the latest public safety standards—ultimately helping our first responders reach people faster and more efficiently when every second counts."

As Wrangell takes this important step toward modernizing its emergency response capabilities, the Borough sets a powerful example for other communities navigating the transition to NG9-1-1. By investing in accurate location data and partnering with trusted experts like DATAMARK Technologies, Wrangell is laying the groundwork for a more resilient, responsive future.

### **About DATAMARK Technologies**

DATAMARK Technologies provides a new era of 9-1-1 and redefines interoperability for the public safety industry. The company combines DATAMARK, Michael Baker International's public safety division known for best-in-class geographic information systems (GIS) data management and software solutions, with Digital Data Technologies, LLC (DDT), a top-tier Next Generation 9-1-1 (NG9-1-1) location services provider.

This strategic union heralds a new era of 9-1-1 and redefines geospatial data management for the public safety industry. DATAMARK Technologies offers a fully integrated solution that empowers public safety agencies to manage, maintain and leverage GIS data to the highest industry standards. The unified approach breaks down barriers of data silos to improve call routing accuracy, offer seamless discrepancy resolution and provide unwavering location fidelity for call takers with enhanced interoperability.



### Economic Development Board Regular Meeting Tuesday, June 3, 2025 Agenda Statement

Agenda Item: New Business, Item 10A

From: Kate Thomas, Economic Development Director

Subject: Review and approval to move forward with American Cruise Line negotiations.

### INTRODUCTION

The City and Borough of Wrangell has received a formal tidelands lease application from American Cruise Lines (ACL), Inc. to lease a portion of tidelands within Parcel 02-024-600, located off Campbell Drive. ACL proposes to design, permit, and construct a new dock to accommodate their small U.S.-flagged cruise vessels. The estimated \$3 million investment would enable more consistent and weather-resilient visitation while improving pedestrian access to downtown businesses, the Nolan Center, and the Wrangell Museum.

The Economic Development Board is asked to review the proposed lease in the context of Wrangell's planning goals, tourism infrastructure needs, and economic development priorities, and to issue a recommendation to the Borough Assembly. Final approval is subject to review by the Planning & Zoning and Port Commissions.

### **BACKGROUND**

In 2015, the City and Borough of Wrangell adopted a Waterfront Master Plan to guide future shoreline development. In spring 2025, the Borough re-engaged the public to review and reactivate the plan in light of evolving visitor trends and infrastructure needs. Updated concepts emphasize enhancing water-dependent uses, increasing greenspace, and supporting managed tourism growth.

The ACL lease proposal aligns with these priorities. The company has identified Wrangell as a strategic partner in its Alaska expansion, with dockings expected to increase from 16 in 2024 to over 50 by 2028. A new dock would eliminate the need for weather-dependent anchoring and shuttle logistics, while increasing reliability and economic opportunities for local businesses and tour operators.

### SUPPORTING INFORMATION

- Lease Proposal: 40-year lease of tidelands (Parcel 02-024-600)
- Project Value: \$3 million privately funded infrastructure
- Construction Timeline: Q3 2026 Q2 2027

- Community Access: Pedestrian access to downtown; public dock access provisions under discussion
- Tourism Growth: ACL projects up to 7,800 passengers per season by 2028
- Partnership Model: Long-term agreements and infrastructure investments similar to Richland and Kalama, WA

### **ADDITIONAL CONSIDERATIONS**

In evaluating the lease proposal, the Borough will consider the lease structure (berthing vs. long-term lease), infrastructure ownership, and terms of public access. Topics for further discussion include shared economic value, revenue models, scheduling protocols, upland improvements, public utility needs, and alignment with Wrangell's environmental, operational, and tourism management standards. Emergency coordination, right of first refusal provisions, and dispute resolution mechanisms will also be addressed in the negotiation process.

### STAFF RECOMMENDATION

Staff recommend that the Economic Development Board support the lease proposal in concept and issue a positive recommendation to the Borough Assembly. Staff further recommend that the Assembly authorize the Borough Manager to enter into lease negotiations with American Cruise Lines, subject to Commission reviews and consistent with Borough code.

### RECOMMENDED MOTION

Move to recommend that the Borough Assembly authorize the Borough Manager to negotiate a tidelands lease agreement with American Cruise Lines, Inc. for the purpose of dock construction within Parcel 02–024–600, subject to final review by the Planning & Zoning and Port Commissions, and in support of long-term economic development.

### CITY & BOROUGH OF WRANGELL

### OFFICE OF THE BOROUGH CLERK

PO BOX 531 WRANGELL, AK, 99929 | +1 (907) 874-2381 205 BRUEGER STREET WRANGELL, AK, 99929



### **PUBLIC LAND & TIDELANDS LEASE APPLICATION**

WMC 16.08.010 - 16.08.210 & WMC 16.10.010 - 16.10.210

APPLICATION FEE: \$250.00 NON-REFUNDABLE - MUST BE PAID AT TIME OF FILING								
OFFICIAL USE ONLY	RECEIVED BY			DATE RECEIVED		PAYMENT  CREDIT CARD	CHECK   CASH	
Applications for tidelar presented to the boro manager and the plan consideration.	ugh assembly	for consideration	ı. Appli	cations for real pro	perty leases	shall be submitted to	the borough	
The applicant shall proplement planning and zoning a applicant to amend its but are not limited to a	and/or port com development	nmissions may re plan. All fees as	equest. sociate	The planning and d with the lease sh	zoning and pall be paid by	ort commissions may  the applicant. Such	require the	
SECTION I.								
APPLICANT'S FULL N	AME		EMA	ALL ADDRESS		PHONE NUMBER		
American Cr	uise Line	es Inc.	eric.dı	ussault@americancruis	selines.com	203-453-68	00	
741 Boston		ad Suite 2	00 (	Guilford, C	T 06437	,		
APPLICANT'S MAILIN	IG ADDRESS							
741 Boston Post Road Suite 200 Guilford, CT 06437								
SECTION II. REQUEST TO LEASE T PLEASE PROVIDE THE				<u>'HER</u> THE PHYSICA		_	PROPERTY   ON OF THE	
PROPERTY.								
PARCEL ID NUMBER		PHYSICAL ADDRESS						
02-024-600		Campbell Drive						
		LOT:		BLOCK:	S	SUBDIVISION:		
PROPOSED TERM OF	LEASE (YEARS	)				50	YEARS	

#### Item a.

### **CITY & BOROUGH OF WRANGELL PUBLIC LAND & TIDELANDS LEASE APPLICATION**

**CONTINUED FROM PAGE 1** 

SECTION II. (CONT)			
CURRENT ZONING OF PROPERTY			LOT SIZE
WFD			
CURRENT USE OF PROPERTY			
SECTION III.			
INCLUDE AND LIST HERE ANY SUPPO	ORTING DOCUMENTS (I.E. MAPS).		
See attached			
STATE THE PURPOSE AND PROPOSE	D USE OF THE PROPERTY.		
See attached			
DESCRIBE THE IMPROVEMENTS THA	T WILL BE ADDED TO THE PROPE	RTY.	
See attached			
WHEN WILL THE PROPOSED CONST		AND WHEN WILL 1	THEY BE COMPLETED?
START DATE:Q3 2026	END DATE:Q2 2027		
WHAT IS THE ESTIMATED COST OF I	MPROVEMENTS THAT WILL BE		соѕт: \$\$3,000,000.00
DESCRIBE THE EFFECTS THAT THE PERPUBLIC UTILITIES, TRAFFIC, AND PARE FACILITIES, PUBLIC SERVICES, PUBLIC ASSOCIATED COSTS.	RKING. INCLUDE A PLAN FOR MIT	IGATING ADVERSE	EFFECTS ON STREETS, PUBLIC
See attached			

Item a.

### CITY & BOROUGH OF WRANGELL PUBLIC LAND & TIDELANDS LEASE APPLICATION

**CONTINUED FROM PAGE 2** 

### **SECTION IV. ACKNOWLEDGEMENT**

I hereby affirm all the information submitted with this application is true and correct to the best of my knowledge. I also agree to fulfill the tenants of any permits or approvals required by the City and Borough of Wrangell. I understand that incomplete applications will not be accepted and that all fees must be paid prior to review of this application.

TURE OF APP	Elfant.		4/11/2025	





## City & Borough of Wrangell Public Land & Tidelands Lease Section III

Parcel Number 02-024-600

4/11/25



## City & Borough of Wrangell Public Land & Tidelands Lease Application Additional Information

**Applicant: American Cruise Lines** 



#### Section III

#### STATE THE PURPOSE AND PROPOSED USE OF THE PROPERTY.

American Cruise Lines proposes to lease an area of tidelands located inside Parcel 02-024-600 on Campbell Drive for the purpose of constructing a new dock. This project will allow small overnight cruise vessels to operate with a consistent schedule which in turn will contribute to the local economy.

#### DESCRIBE THE IMPROVEMENTS THAT WILL BE ADDED TO THE PROPERTY.

American Cruise Lines would design and construct a dock which would be utilized by small overnight passenger vessels. Wrangell's 2015 Waterfront Preferred Master Plan outlines a need to create open green space along the waterfront. This includes area within the proposed lease area in this application. American Cruise Lines is accustomed to operating and docking in park settings all over the country. This location would provide our guests with consistent and easy access to downtown to visit the Wrangell Museum and the Nolan Center Theater.

DESCRIBE THE EFFECTS THAT THE PROPOSED USE WILL HAVE ON PUBLIC STREETS, PUBLIC FACILITIES, PUBLIC SERVICES, PUBLIC UTILITIES, TRAFFIC, AND PARKING. INCLUDE A PLAN FOR MITIGATING ADVERSE EFFECTS ON STREETS, PUBLIC FACILITIES, PUBLIC SERVICES, PUBLIC UTILITIES, TRAFFIC CONGESTION, AND PARKING, AND A PLAN FOR PAYING ALL ASSOCIATED COSTS.

American Cruise Lines vessels bring sustainable and consistent tourism without overwhelming the community and with no additional vehicular access. The parcel identified would help to alleviate congestion as guests are able to walk to downtown attractions. The current location of City Dock requires American Cruise Lines to contract transportation to/from downtown. If utilities are required, American would work directly with the Borough to identify the least intrusive manner to install.





## AMERICAN CRUISE LINES & WRANGELL

## OVERVIEW

- ★ 100% American
- ★ The largest operator of U.S. cruise ships
- ★ 22 small ships operating in 35 states
- ★ 140 U.S. ports of call
- ★ Focus on small towns with big history
- ★ Educational & cultural programming
- ★ Boutique hotel on a ship
- ★ 2 ships in Alaska with more under construction
- ★ Adding 3 ships per year













# CHESAPEAKE SHIPBUILDERS & NAVAL ARCHITECTS

- ★ Family business under the same ownership as American Cruise Lines
- ★ Based in Salisbury, MD
- Designers and builders of commercial vessel up to 400 feet
- ★ In-house naval architects and marine engineers
- Steel and aluminum construction
- ★ Builders of every new American Cruise Lines ship
- ★ 8 cruise ships currently under construction with a new ship rolled out every 4 months

### MADE IN AMERICA

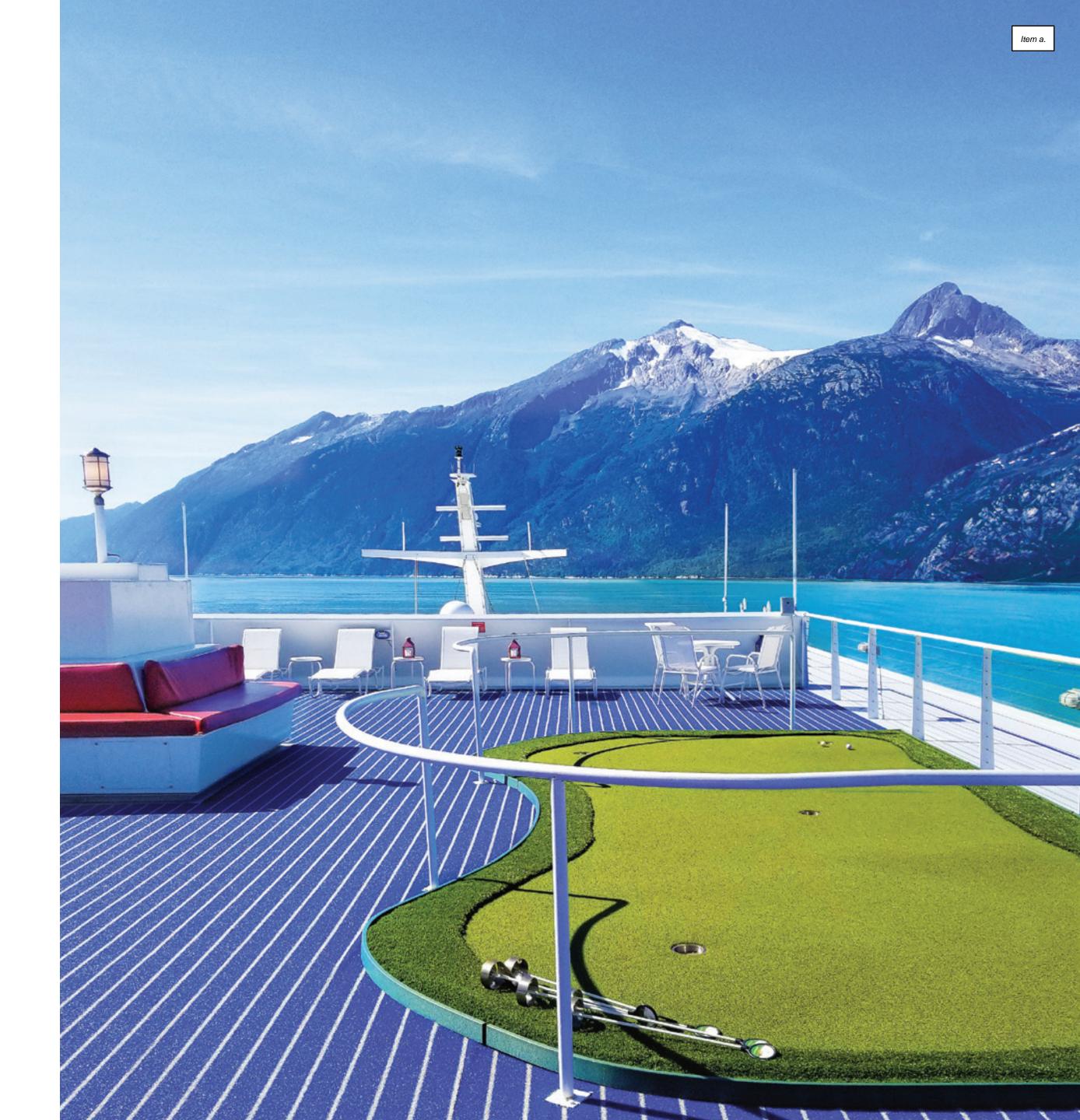
with American Materials and Manpower



## Sharing America's Story on the Finest American Ships

## Our Mission

- ★ All US-flagged fleet with 100% domestic itineraries
- ★ Ability to operate in public access facilities without CBP control infrastructure
- Ships between 240 and 270 feet carrying less than 200 guests each
- ★ 2 ships currently cruising in Alaska with more under construction
- More time spent in port than any other Alaska cruise line to maximize guest engagement and economic impact







## Our Demographic

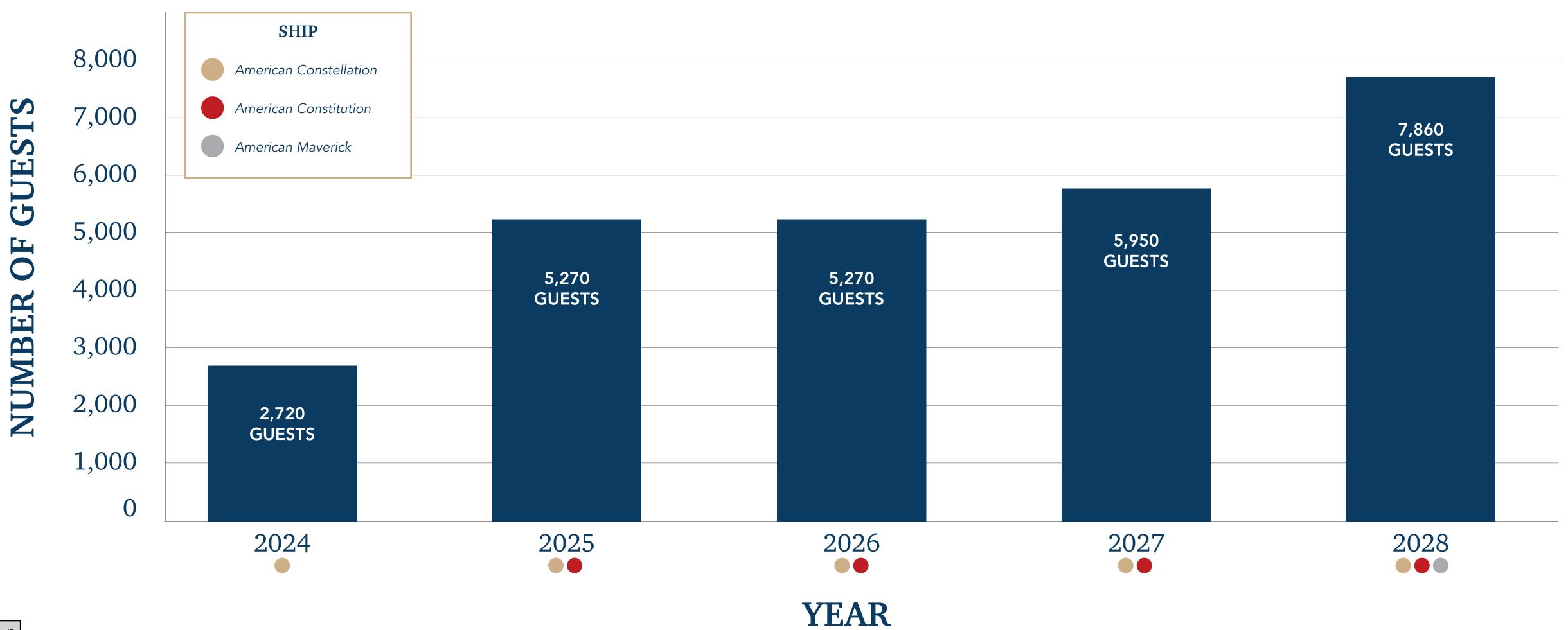
- ★ Mature affluent Americans
- ★ Former global travelers who now want to explore their own country
- ★ High net worth and retired
- ★ High willingness to spend on genuine or personalized experiences
- ★ Typical cruise costs more than \$1,000 per person, per day, plus shoreside expenses in excess of \$250 per person, per day
- ★ Where others spend 2-4 days in port, we spend 6 days in port





# Southeast Alaska

### Sustainable Tourism Growth





# Long-Term Partnership & Infrastructure

Case Study: Richland, WA

Use Agreement between the City of Richland, WA and American Cruise Lines. City sought to monetize an existing dock in a public park.

- ★ 5 years, with four 5 year options
- ★ American is anchor tenant with fixed annual payments
- ★ American has priority and manages docking schedule
- ★ American designed, permitted, managed, and paid for the construction of brand new berthing dolphins
- ★ Dock remains public access and recreational facility









# Long-Term Partnership & Infrastructure

Case Study: Kalama, WA

Dock usage agreement between the Port of Kalama and American Cruise Lines. Port sought long-term commitments as part of its mixed use development vision which includes open space.

- ★ 13-year agreement with one 7-year extension followed by two 10-year extensions totaling 40 years
- ★ American made capital contribution to project along with port
- ★ American manages dock schedule and has priority scheduling rights
- ★ Park is always a popular recreation facility for the public even when vessels are docked
- ★ Port managed construction project with input from American through concept, design, and construction

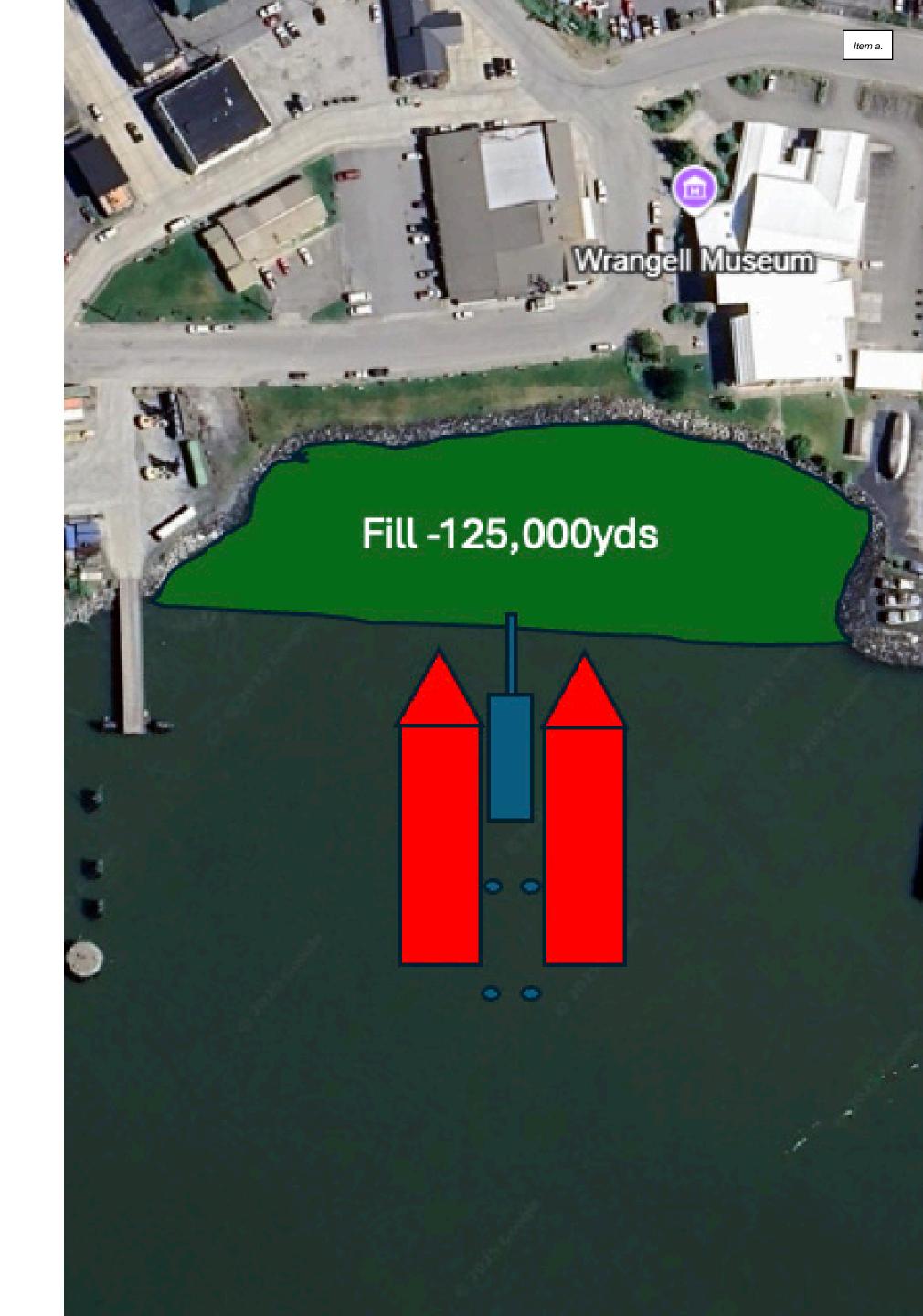


# Long-Term Partnership & Infrastructure

Potential Partnership: Wrangell, AK

A long term agreement between the Borough and American Cruise Lines would allow for a consistent schedule in Wrangell allowing for greater economic benefit.

- ★ Projected Dockings by year:
   2024 16 ★ 2025 31 ★ 2026 31 ★ 2027 35 ★ 2028 51
- ★ American is open to fully funding a dock infrastructure project or partnering with the Borough
- ★ American will work directly with Borough to ensure terms of the lease meet the needs of the community
- ★ Dedicated dock for small, U.S. flagged cruise vessels would eliminate need to anchor. Docking allows guests more flexibility to depart the vessel and explore town on their own
- ★ Docking allows greater operating constantly. 30% of planned anchorages are missed due to weather conditions, resulting in disappointed guests and last minute cancellations for vendors ashore







# Community Partnership & Economic Benefit

Current Shoreside Excursions & Community Benefits

- ★ Wrangell Experience Includes a stop at Wrangell Museum
- ★ Wild Bears of Anan
- ★ Stikine River Wilderness Jet Boat Adventure
- **★** Experience Nature
- ★ Ancient Forest of Anan
  Jet Boat Cruise
- ★ Collaboration with local Chamber of Commerce