

HAINES CONVENTION CENTER FEASIBILITY STUDY

***PREPARED FOR:
Haines Borough***



Research-Based Consulting

Juneau
Anchorage

May 2003

HAINES CONVENTION CENTER FEASIBILITY STUDY

PREPARED FOR:

Haines Borough
PO Box 1209
Haines, Alaska 99827

PREPARED BY:



Juneau • Anchorage

IN CONSULTATION WITH:

MRV
MINCH RITTER VOELCKERS ARCHITECTS

***This study was produced in part with Mini-Grant Assistance
funds made available through the Department of Community
and Economic Development and the Denali Commission.***

May 2003

TABLE OF CONTENTS

Executive Summary	1
Introduction and Methodology.....	4
Community Situation Analysis	5
Haines' Meetings and Conventions Infrastructure.....	5
Accommodations	5
Available Meeting Space	5
Access	9
Transportation, Dining, Catering and Other Services.....	9
Summary	10
Competitive Analysis	12
Southeast Alaska Meeting and Convention Market.....	12
Haines' Competitive Position	14
Advantages.....	14
Disadvantages.....	14
National Meeting Considerations	15
Comparable Meeting Facility Review	16
Sitka Harrigan Centennial Hall	16
Amenities.....	16
Budget and Operations	17
Facility Marketing and Economic Impact Estimates	18
Ted Ferry Civic Center	19
Amenities.....	19
Budget and Operations	20
Facility Marketing and Economic Impact Estimates	21
Valdez Convention Center	21
Amenities.....	21
Budget and Operations	22
Facility Marketing and Economic Impact Estimates	23
Convention Facility Concept Evaluation.....	24
Design and Construction Considerations.....	25
Facility Diagram	27
Operating Budget.....	27
Potential Economic Impact.....	28
Strategic Recommendations	30
Appendix.....	33
Alaska Small Meetings and Conventions.....	33
Haines Suppliers	36

Haines is considering a more aggressive approach to marketing itself as a meeting destination. The Haines Borough contracted with the McDowell Group to conduct an analysis of Haines' position in this market and study the economic feasibility of constructing and operating a convention facility in Haines.

The feasibility study has several components, including a situation analysis, market assessment, competitive analysis and review of comparable meeting facilities, and an economic feasibility analysis. A site inspection was held in March 2003 to review existing meeting facilities and meet with local suppliers such as hoteliers, caterers, facility managers and Borough staff. Other information sources included interviews with meeting planners, convention and visitor bureau staff and several meeting facility managers. Analysts also drew from meeting and convention economic impact studies conducted by McDowell Group and other sources.

Key findings and recommendations are presented below:

Capsule Summary

Haines has both assets (including good community support) and limitations (especially access issues) for the regional small convention and meeting market. If Haines chooses to develop a convention facility, then a competitive one as described in this report by the study team – plus an aggressive and long-term marketing program – would bring additional economic benefits to the community. The convention facility would be financially subsidized as is common for these facilities throughout Alaska.

Haines' Assets

- Residents are supportive of the meeting and convention market. In a recent survey, 77 percent of Haines residents supported increased development of the meeting and convention market.
- Managers of meetings recently held in Haines complimented the planning assistance provided by the community and city staff. Good on-the-ground local support is a positive factor for meeting planners choosing a location.
- Haines' local government is proactive about investing in the community's economic future.
- Haines' attraction as a special and beautifully situated Alaskan community is clearly an asset.
- Haines has appeal to groups with special interests unique to the area such as wildlife, history, culture and selected sports.

Haines' Challenges

- Access in terms of aircraft size and type and the associated weather risk is a limiting factor for the kind of market Haines can attract, especially in winter. The perception of remoteness can affect attendance, something most meeting planners want to maximize. Marine and highway access are dependable but time-consuming.
- Quality of hotel accommodations, though clean and adequate, may limit Haines' attraction for some premium groups.
- Many of the existing meeting facilities are too small for modern meetings and conventions, where general sessions, break out sessions, trade shows and catered meals are available under one roof.
- Very few facilities are able to provide the audio visual and communications equipment required by meeting planners, including computer projection systems, Internet access and teleconference capabilities.
- Serving sit down meals to large groups is challenging due to facility size and lack of onsite commercial cooking and serving equipment.

The Small Convention and Meeting Market

- The regional small convention and meeting market available to Haines and its larger regional competitors is estimated by the study team to total about 50,000 delegate days and \$8 million annually.
- Haines share of this market is estimated – for the short term – at about 2,000 delegate days and \$300,000 in direct economic impacts, plus some additional multiplier impacts as this new money circulates in the local economy.
- Haines' portion of the regional market could be expanded through aggressive marketing program and quality convention and meeting support service. Haines' current share is minor as the community attracts less than a handful of regional groups.

Comparable Convention Facility Operations Analysis

- Convention facilities in other moderately-sized coastal communities are partially subsidized by local government interests in exchange for the greater overall economic benefits of the convention and meeting trade.
- The comparable operations analyzed had operating budgets between \$300,000 and \$400,000. Deficits run between \$200,000 and \$300,000.

Recommended Facility

- To meet existing and likely future market demand, the study team recommends a new, modern facility of approximately 11,000 square feet that can accommodate up to 300 delegates for a formal banquet.

- The recommended facility allows for all meeting functions to be under one roof – the standard for competing in today’s market. This means accommodating 400-500 theater-style, alternative spaces for multipurpose meetings of 60 and for seminars of 20, the commercial kitchen for meal service, and state-of-the-art technology and equipment.
- The recommended Haines facility – moderately smaller than the comparables analyzed in this report – would have an operating budget of about \$275,000 and run a deficit of about \$200,000 annually.

Strategic Recommendations

- Before committing to development, the study team recommends exploring management options and evaluating the community’s ability to absorb a loss in exchange for larger economic benefits.
- Commit to an aggressive long-term marketing plan to build the Haines convention and meeting market over time. Market-building takes time but Haines’ building blocks will be solid with a long-term and sound marketing plan.
- Focus the Haines message on groups that:
 - Have a special interest in Haines (wildlife, history, Alaska Native, tourism, seafood, agriculture, retirement, and specific sports, for example),
 - Are easily accessible and already know about Haines (Yukon, Skagway, Juneau, and Southeast regional organizations) and,
 - Could utilize alternative access modes of highway and ferry.

INTRODUCTION AND METHODOLOGY

The meetings and conventions market is attractive because of the economic benefits derived from visitor-related spending on hotels, transportation, dining, entertainment, retail items and local sales taxes. This market segment is especially appealing because of the ability to stimulate the economy during the fall, winter and spring months—when many visitor-related businesses are experiencing their quietest months.

Haines is considering a more aggressive approach to marketing itself as a meeting destination. The Haines Borough contracted with the McDowell Group to conduct an analysis of Haines' position in this market and study the economic feasibility of constructing and operating a convention facility in Haines.

The feasibility study has several components, including a situation analysis, market assessment, competitive analysis and review of comparable meeting facilities, and an economic feasibility analysis. A site inspection was held in March 2003 to review existing meeting facilities and meet with local suppliers such as hoteliers, caterers, facility managers and Borough staff. Other information sources included interviews with meeting planners, convention and visitor bureau staff and meeting facility managers. Analysts also drew from meeting and convention economic impact studies conducted by McDowell Group and other sources.

The report concludes with several strategic recommendations that will enhance Haines' position in this competitive market, whether or not a new facility is constructed.

COMMUNITY SITUATION ANALYSIS

Haines has hosted many meetings and conventions in the past, though not on a consistent basis. The community typically hosts up to three conventions annually, with a range of non-resident attendance between 50 and 200 people.¹ Haines also attracts occasional regional and statewide meetings, including government, corporate and various non-profit groups.

The quality and quantity of Haines' accommodations, access, meeting facilities, dining opportunities, and other services will determine the community's ability to attract and develop the meetings and convention market. In addition to assessing Haines' existing infrastructure, the project team estimated the market size and economic impact of the regional meeting market. Together, this information will help define Haines' market potential and any infrastructure improvements needed to become more successful in this competitive market.

Haines' Meetings and Conventions Infrastructure

Accommodations

Haines' assets include approximately 200 guest rooms. The majority, 141 rooms, are in hotel/motel facilities. About 30 rooms are located in bed and breakfasts. The remainder of Haines' accommodations inventory is found in vacation rentals, cabins and furnished suites. While these alternate lodging types enlarge Haines' inventory, cabins and shared living space are not desirable for many groups.

Overall, Haines' accommodations can be described as clean and comfortable. The community does not have many upscale or premium rooms. Higher-end properties have greater level of amenities onsite including dining rooms, lounges, workout facilities, and meeting rooms. Similarly, upscale properties have greater technology available to guests and meeting planners including video conferencing, teleconferencing, high speed Internet access to guest rooms and meeting rooms. This could limit Haines' ability to attract some organizations, which may prefer a higher degree of service, amenities and technology. In addition, the room inventory is spread throughout the community, which presents some logistical difficulties for meeting planners and delegates.

Available Meeting Space

Haines offers groups a variety of meeting spaces. However, each has limitations since their original design was not specifically for this market. No single facility can house general sessions, breakout sessions, trade shows and banquets all under one roof. In addition, many buildings lack the appropriate aesthetics for business and professional groups. The table below identifies Haines' meeting spaces and their specifications. Descriptions of the facilities follow.

¹ McDowell Group, *Haines Tourism Management Plan*, City of Haines, June 2002.

Haines' Existing Meeting Spaces and Estimated Capacity

Facility Name	Theater/ Reception	Banquet Seating	Commercial Kitchen	Parking
American Legion Hall	250	120	Yes	No
Alaska Native Brotherhood	450	200	Yes	Yes
American Bald Eagle Foundation	150	100	No	Yes
Chilkat Center for the Performing Arts	300	50	Yes	Yes
Elks Lodge Hall	210	100	Yes	Yes
Haines Borough Library	150	N/A	No	Some
Harriet Hall	500	250	Yes	Yes
Senior Center	230	80	Yes	Yes
Sheldon Museum	160	N/A	No	Yes

Source: Interviews with Haines facility managers, Chilkoot Indian Association, Haines Convention & Visitors Bureau and Haines Borough. In some facilities, the banquet area is not the same space as the reception or theater-style seating area.

American Legion Hall

The American Legion Hall is an older facility located at Second and Main Streets. The hall can accommodate up to 120 people at banquet-style seating. Use of the lower floor lounge is reserved for members of the American Legion. The commercial kitchen, located on the lower floor, can be used for catered events if the caterer is affiliated with the American Legion. User groups must bring in their own audio-visual equipment. Amenities at this facility are limited to banquet tables and chairs. Restrooms are located downstairs. There is no adjacent parking.

The facility is acceptable for small and mid-sized banquets or seminars. Transportation is required for delegates if they are meeting at another location. The facility's age and aesthetics are an issue if meeting planners seek a professional meeting environment.

Alaska Native Brotherhood

The Alaska Native Brotherhood (ANB) hall is centrally located and adjacent to the Haines Visitor Center. An addition was completed in 1996, expanding the main level seating area. The well-used facility could use further updating, especially to enlarge the restrooms and upper food service area. The lower level includes a smaller meeting room, bathrooms, and a commercial kitchen. Up to 200 can be seated at tables; tables and chairs are available on site. The hall has little audio-visual equipment besides a sound system. The ANB has convenient parking and the organization owns an estimated 100 square feet of additional land that could be utilized for further expansion.

The facility is currently one of the best locations for serving a luncheon or banquet for up to 200 people, despite having a small kitchen and very small restrooms. There are some catering challenges, since the kitchen is located on the lower level. Most events use paper plates and cups due to a limited supply of plates and flatware, coupled with the logistical issues of moving food and equipment between floors.

American Bald Eagle Foundation

The American Bald Eagle Foundation is a newer facility that frequently hosts educational seminars and smaller meetings. The modern building has interesting displays and large windows, creating an inviting atmosphere. The building can

accommodate a total of 150 people in theater-style seating if the two main rooms are used. The building design allows 100 people to meet in the Exhibit Room and utilize the remaining area for reception or dining space. The facility includes a small kitchen area, which has a sink and serving counters. Meals must be prepared offsite in a commercial kitchen. The Foundation owns enough chairs and tables to accommodate 150 people. The Foundation has audio-visual equipment including a microphone, podium and a screen. The facility is also hard-wired for computer and telephone access. Parking is adjacent to the building.

The facility is well-suited for small meetings and seminars due to the central location, adequate parking, modern building design and onsite amenities. Catering sit-down dinners to groups of 100 or larger becomes difficult due to space limitations and limited kitchen facilities.

Chilkat Center for the Performing Arts

The Chilkat Center houses a theater and a wide array of smaller rooms. The theater accommodates 229 people in fixed seats. Additional seating can be added in the theater wings and orchestra area, bringing the total seating to 300. The Chilkat Center is equipped for stage performances, with a green room and scene shop. The Center has fairly extensive audio-visual equipment, including an overhead projector, big screen television, slide projector, and an extensive sound and lighting system. Additionally, the Center has public restrooms and a small kitchen located in the main lobby area. The center has parking, though Theater Drive needs some refurbishing.

The Chilkat Center is well-designed to accommodate general sessions during a conference. The lobby area works well for coffee breaks and allows delegates a visual break from the darkened theater area. The facility's banquet space is limited to the lobby, making onsite served luncheons or dinners difficult for many groups. In addition, smaller rooms that could be used for break-out sessions are located in the unfinished basement and upper floors.

Elks Lodge Hall

The Elks Lodge Hall is located on Main Street, between Fourth and Fifth Avenues. The building has a main room for meetings and banquets, an adjacent bar and a commercial kitchen. The hall can hold 210 people for a reception or 100 people for a banquet. Audio-visual equipment is limited to a sound system. It does have parking and the organization has considered expansion of the facility.

The Elks Hall is frequently used for banquets and receptions. The facility is not well-suited for seminars or break-out sessions due to the ongoing operation of the Elks lounge.

Haines Borough Library

The new Haines library is available for some meetings. It has a small meeting room that can accommodate between fifteen and twenty people and a larger seating area that holds up to 132 people. The large room can also be divided into two meeting spaces. The library has some audio-visual equipment available for user groups, including high speed telephone and computer access for planners and presenters. There is no onsite kitchen for meal preparation. A small sink and counter are located in the small meeting room. Limited parking is available.

The beautiful, contemporary design makes the facility well suited for board meetings, small conferences and break-out sessions. The public's access to the library is not to be interrupted, so any meeting or event will share the facility with library patrons. The facility does not allow alcohol on site, limiting its suitability for some events.

Harriet Hall/Southeast Alaska State Fair

Harriet Hall is located on the grounds of the Southeast Alaska State Fair. It has a main room that is unfinished with an adjacent smaller board room, bathrooms and an Alaska State Department of Environmental Conservation approved kitchen. It is available for meetings, but has no insulation or heating which limits use during the fall, winter and early spring months. A large parking area is located outside the fairgrounds. A limited number of parking spaces is available adjacent to Harriet Hall.

In addition, the fairgrounds have other spaces that could be used in conjunction with Harriet Hall to house an entire convention. For instance, the outdoor pavilion and stage could be used for general meeting sessions (summer only) and spaces in the Dalton City area such as the saloon can seat small groups of people. The fairground also has benches and bleachers to provide seating for larger crowds.

Without extensive construction, Harriet Hall is limited to banquets and events scheduled during mild weather. Currently, the fairgrounds are best suited to outdoor-oriented receptions, concerts and events.

Senior Center

The Senior Center meeting room has a maximum capacity of 230 people. It has 8 tables, 60 chairs, and a commercial kitchen with a pass-through window for convenient meal service. The recreation room is divided from the main dining room by large open windows and doors. Parking is available adjacent to the facility.

The facility can be used for break-out sessions, small luncheons or receptions if delegate transportation is provided between facilities. Recreational equipment such as a pool table and workout equipment present some decorating limitations. As the Senior Center's primary purpose is to provide meals and entertainment for Haines' senior residents, the facility has some time and use restrictions.

Sheldon Museum

The Sheldon Museum regularly hosts various community groups and museum classes. It can accommodate groups in several spaces. The small classroom on the upper level can seat 40 people theater-style. The upper display area holds approximately 70 people theater-style and the lower display area can accommodate 50 people. If events are scheduled using the display areas, then visitation to the Museum exhibits is not possible. The building is not equipped with audio-visual equipment. Limited parking is available adjacent to the Museum. Overflow parking is available on most occasions at the ANB Hall and Haines Visitor Center.

The Museum can be used for breakout sessions, small seminars and receptions. It is within walking distance from the ANB Hall. Delegates from other locations would require transportation.

Additional Meeting Space

Additional meeting space includes the Haines Borough Assembly Chambers, which accommodates 30 people, and the schools, which have extensive meeting space. Availability of the Assembly Chambers and school facilities is entirely dependent on the time of year and other scheduled meetings and events. (Schools have been used effectively as meeting spaces in several other communities, including Ketchikan and Kodiak.)

Access

Haines is accessible by air, water and highway. Air access is via commuter planes originating out of Juneau and Skagway. Air schedules differ between the summer and fall/winter/spring seasons. The summer schedule offers about 15 flights daily, while the frequency drops to half during the off-season. Three carriers provide the majority of the air service: LAB, Wings and Skagway Air. In addition, charter service is available through Air Excursions and Alaska Mountain Flying & Travel.

Haines' air service is a challenge for many meeting planners. Some travelers are uncomfortable flying in small commuter planes. Travel to Haines requires additional time investment compared to other destinations and usually entails a transfer from a jet to a commuter plane. Other considerations are the limited number of passengers that small planes can carry and the possibility of weather delays. Weather delays are more likely to occur in the fall and winter when the lodging inventory is available for larger groups.

Marine access is provided by the Alaska Marine Highway System (AMHS). Like air travel, the summer schedule is more frequent, including a daily run between Juneau and Skagway. Travel between Juneau and Haines requires 5-7 hours, depending on whether a vehicle is loaded or not. The state-owned ferry system is developing long range plans that could increase frequency and decrease travel time between communities.

Meeting planners can also charter one of several passenger ferries. Capacity and travel time varies between companies. Between May and September, availability of these vessels is limited due to other tour and transportation commitments. A charter usually requires that the organization commit to a minimum number of passengers or amount of revenue.

Travelers can also access Haines by the highway. The distance between Haines and Whitehorse is 250 miles; the distance from Fairbanks is 650 miles.

While it is an advantage for Haines to have alternate methods of access such as marine transportation and highway, both methods require additional time investment. Some meeting and convention groups will find this acceptable, while other business travelers and organizations may object to the additional time and logistical challenges.

Transportation, Dining, Catering and Other Services

Haines offers an array of services to visitors including transportation, dining, catering, banking, retail opportunities like grocery and gift stores, service stations and a post office.

Visitors need transportation to access the Haines airport and ferry terminal. Shuttle service for groups can be arranged through local bus companies. Several hotels and air taxis provide complimentary transportation on a smaller scale. Taxi service is also available as well as with several rental car options. Since Haines is a small community, many locations are within reasonable walking distance. However, the logistics of moving a large group from one venue to another – from the meeting facility to the banquet location – require additional planning and present an additional cost for the meeting planner.

The Haines Convention and Visitors Bureau identified 17 different eating establishments within the community in community marketing materials. About half provide service year-round and others are open during the summer only. The restaurants provide a variety of cooking styles, ranging from fresh seafood and steaks to organic cuisine.

A critical issue for most meeting planners is the ability to provide catered meals during a meeting or convention in an efficient manner. Several Haines restaurants have the experience and staff to provide catered meals for groups. Some menu and service limitations exist, as few restaurants and caterers have enough portable equipment to serve a banquet to groups over 100 such as rolling hot boxes, chafing dishes, china, glassware and silverware.

A summary of existing caterers and transportation providers is located in the report Appendix.

Summary

While Haines' natural beauty and attractions are appealing to many organizations, it has some disadvantages in terms of competing with other communities for the meetings/conventions market.

- Existing accommodations may not appeal to groups seeking upscale rooms and amenities.
- Limited room inventory constricts group sizes. During the winter some facilities are closed and during the summer meetings groups compete with the pleasure visitor market.
- Meeting space also has limitations. No single facility can accommodate general sessions, breakout sessions, trade shows, catered meals and receptions under one roof. This adds to the workload of meeting planners who are responsible for making sure meeting participants are able to attend all the convention events with little effort.
- Many of the existing spaces need upgrades to make them more user friendly for meeting groups or facelifts to make them more aesthetically appealing.
- Most meeting facilities lack modern communications technology, including high speed Internet access and teleconference capabilities.
- Access to Haines is an issue for some groups, as Haines is one of the few destinations competing for meetings that does not have jet access. Some travelers may be concerned about using smaller commuter planes. Potential

weather-related delays are also of concern. Marine and highway travel can be acceptable to some people in terms of safety, but time-consuming.

- Travel to Haines requires added expense for most meeting delegates.
- While each of these factors is a barrier to some meetings and conventions, an effective marketing strategy can be designed to build a reputation and market position among the groups that are a good fit with Haines' assets.

In fall 2003, Haines will host several conventions including Southeast Conference, the Yukon Chamber of Commerce and the Museums Alaska and Alaska Historical Society Annual Meetings. These three groups represent between \$200,000 and \$250,000 in delegate spending.

Haines is in an excellent position to build the meeting and convention market due to a strong local commitment to attract and assist meeting planners. Growth is most likely to come from organizations that have cultural, recreational or economic ties to Haines and community residents. However, current facility size and amenities limit Haines potential. By transporting delegates between venues, Haines is currently able to comfortably host conventions up to 200 people.

The report appendix provides a list of regional and statewide groups whose meetings are typically 200 attendees or less. The list is compiled from several sources, including convention and visitor bureaus and meeting planners. The list shows the wide variety of sizes and types of organizations that make up the meeting and convention market.

Southeast Alaska Meeting and Convention Market

The size of the small meeting and convention market is somewhat difficult to define. Statewide, nationally and internationally there is a sizeable group of organizations that hold meetings on a regular basis, whether monthly, quarterly, biannually or annually. Most trade, government and civic organizations seek meeting spaces and services that convey a professional, businesslike atmosphere. In Alaska, some groups are willing to forego professional space and amenities. Many organizations rotate their meetings throughout the state to spread their economic impact, build their membership or constituent base and educate meeting delegates about issues in different areas of the state.

Group size and participation can vary from year to year, depending on factors like economic conditions and the amount of advance promotion provided by the organization. In addition, the number of days delegates stay in a particular community varies depending on the purpose and timing of the meeting. Travel time, convenience and cost also affect attendance. Historical patterns, however, can provide a reference for determining market size.

For purposes of this analysis, the study team estimated the number of delegate days and economic impact of all meetings and conventions in Southeast Alaska. The project team estimated that the regional convention market ranges between 45,000 and 55,000 delegate days per year. Meeting locations in Southeast are primarily the three largest communities of Juneau, Ketchikan and Sitka due to their meeting facilities, access and accommodation base.

While the economic impact of the meeting and convention market has not been studied on a regional basis in Southeast Alaska, spending data exists from alternate sources. A recent report compiled for the International Association of Convention &

Visitors Bureaus (IACVB) states that delegate spending averaged \$231 per night for all events while staying in a community.²

The analysis also demonstrated the varied spending patterns between two different sub-groups – international/national/regional events and statewide/local events. The international/national/regional delegates averaged expenditures of \$240 per delegate day, while the statewide/local delegates averaged less than \$199 per delegate per day.

The project team estimates that in-state delegate spending in the Southeast Alaska region ranges between \$140 and \$160 per person per day. Government employee per diem rates vary by community and by season. For reference, the current fall/winter/spring per diem for Valdez is \$165. The fall/winter/spring per diem rate for Ketchikan is slightly higher at \$169. Detailed information about Alaska per diem rates can be found at <http://www.dtic.mil/cgi-bin/opdrates.pl>.

The table below shows a range of annual delegate spending impacts for the regional market. Using an average daily spending rate of \$150 and 55,000 delegate days, the highest case scenario reveals that economic impacts to the Southeast region reach \$8.2 million. This estimate does not include local expenditures derived from trade show exhibitor or association expenditures such as hall rental, audio-visual equipment rentals, or catering fees.

**Potential Southeast Alaska Region
Small Meeting/Convention Market Economic Impacts**

Number of Annual Delegate Days	Average Daily Expenditure	Annual Economic Impact
40,000	\$150	\$6,000,000
45,000	150	6,750,000
50,000	150	7,000,000
55,000	150	8,250,000

Approximately \$8 million in delegate expenditures results in about 110 annual equivalent jobs in the Southeast region.³ Total visitor industry employment and economic impact in Southeast Alaska are considerably more. While smaller than other visitor industry market segments, the meeting and convention market serves to supplement overall employment and revenues for visitor-related businesses, especially in the fall, winter and spring months.

² Deloitte & Touche LLP, 1998 IACVB Foundation Convention Income Survey Report, International Association of Convention & Visitors Bureaus, 1998.

³ Economic modeling developed by McDowell Group.

Haines' Competitive Position

The following section includes comments from meeting planners and organizations collected during confidential interviews conducted by the project team. This insight can help Haines shape its marketing tactics, meeting planning services and the design of future facilities.

Advantages

Meeting planners who have used Haines in the past have positive things to say about the community's support and its impact on the overall meeting experience. This positive endorsement is an advantage for a small community like Haines, which has limited marketing resources.

Community attitude is very important for meeting and convention groups. Some planners stated that negative experiences result in a decision for the group not to return.

Meeting planners also indicated that "on the ground" support was an important factor. One group indicated that their experience in Haines was very good because the Haines support staff facilitated services and smoothed the way for their group at almost every instance.

Meeting planners indicated that Haines is beautiful and would be a novel destination for some. Haines is attractive because it is an "out of the ordinary" destination, more of an adventure and less staid than the usual meeting destinations.

Several planners indicated that a small community has an advantage over larger, more developed cities because there are fewer distractions keeping delegates away from meetings. There is greater participation at meeting sessions, more networking and fewer outside elements competing for delegates' attention.

Haines residents have connections to many organizations including social, fraternal, and business groups. These links are a plus for the community, as they provide leverage when inviting and planning meetings.

Disadvantages

Haines has several barriers it must dispel in order to successfully attract the small meeting and convention market.

Access is a critical factor for most groups, particularly jet access. Many attendees are uncomfortable flying on smaller commuter planes. The logistics of transferring a large group between Juneau and Haines on small planes is an additional burden.

The perception that Haines is too remote could drive delegate participation down. Low attendance rates defeat the purpose of meetings and conventions and drive per-delegate costs up for the organization.

While there is road and marine access, these two modes of travel require a greater time investment. Some groups would not even consider marine access for their organization because of the time involved.

Haines' meeting facilities are not adequate for some groups. Several meeting planners indicated that an "all in one" facility was ideal for their needs, but they would be willing to work with a community and its existing facilities. Haines is not as attractive when compared to communities that have convention centers.

Haines facilities lack technology such as high-speed Internet access, teleconference and audio conference capabilities. In addition, meeting facilities lack some contemporary audio-visual equipment like computer projection systems and large screen television monitors.

Associations rely on recommendations from their board members and officers. For example, the board president makes the final selection for groups like the Association of Alaska School Boards and the Alaska State Hospital & Nursing Home Association. Typically there is some connection between board members and the selected destination. Without a tie to some of these organizations, it is unlikely Haines would attract some of the associations that rotate their meetings within the state.

Southeast Alaska communities experience a unique competitive issue. As various groups rotate their meetings throughout the state, it is inevitable that at least one meeting a year occurs during the Legislative session in Juneau. The result is that other Southeast locations are not selected for an alternate meeting destination since groups prefer moving to another region in the state for their subsequent meeting.

To reach national and international groups, Haines would need to upgrade its infrastructure – meeting spaces, hotels, and restaurants. A planner working with a small group of national business professionals is having difficulty selling Anchorage to its members. For groups like this one, Haines is not an option.

National Meeting Considerations

The Meetings Market Study conducted by Meetings & Conventions (August 2000) indicates that seventy-two percent of planners stated that the cost of the hotel or facility is a critical consideration, followed by quality/type of meeting rooms (68 percent), negotiable rates (67 percent), and food service (63 percent). Billing procedures and quality of hotel rooms tied at 48 percent each.

Another national study conducted by Economic Research Associates identified that convenient airline service and travel costs were factors for 72 percent of meeting planners when determining site selection.⁴

These national considerations suggest that Haines should focus marketing efforts in the Yukon, Alaska, and Pacific Northwest, where travel costs are lower and delegates may be more flexible about accommodations.

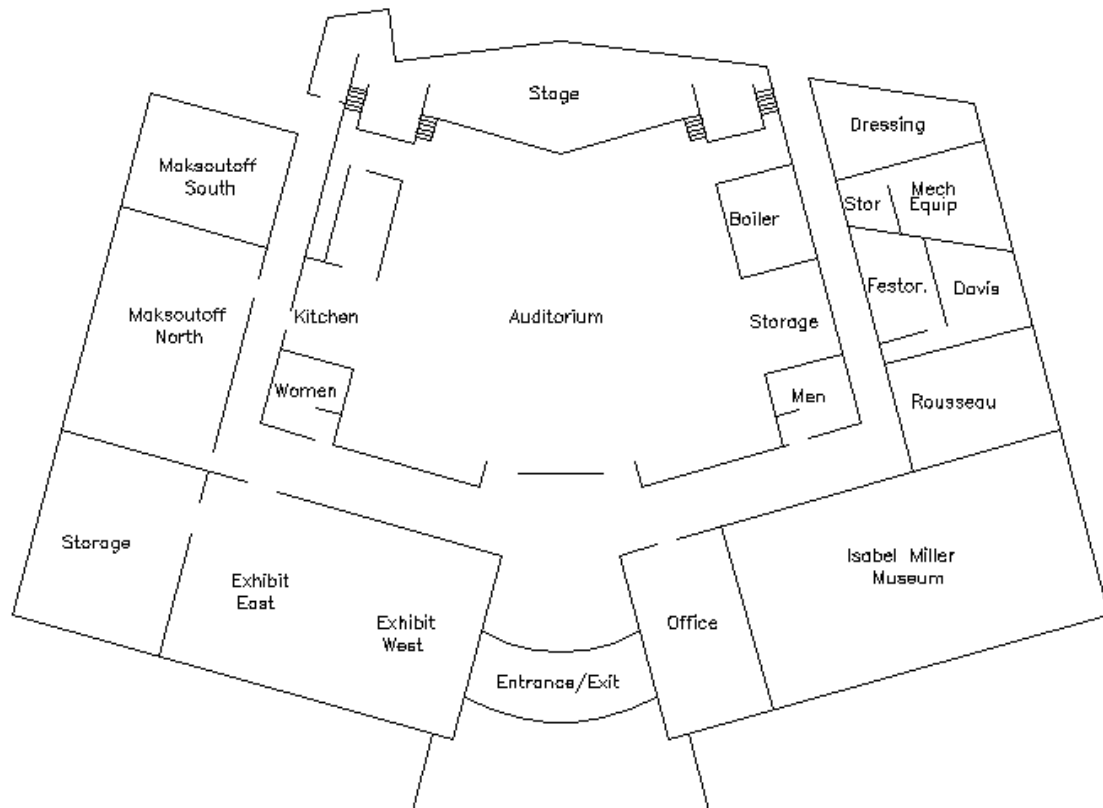
⁴ Steven E. Spickard, *Economic Impact of Convention and Conference Centers*, Economic Research Associates, January 1996.

COMPARABLE MEETING FACILITY REVIEW

Construction of a public meeting and convention center requires a financial commitment on the part the community supporting the facility. Below are descriptions of the meeting facilities located in Sitka, Ketchikan and Valdez, their budgets and marketing devoted to attracting the meetings and convention market. Each of these communities is actively attracting the meeting and convention market to their facilities, with varying success. They are each considered small and somewhat remote communities compared to Juneau, Anchorage and Fairbanks.

Sitka Harrigan Centennial Hall

Sitka is located on the west side of the Southeast Alaska panhandle on Baranof Island. Its population totaled approximately 8,835 in 2000 and grew three percent from 1990.



Amenities

Built in 1967, Sitka Harrigan Centennial Hall is a public facility used for social and cultural events. The 8,871 square foot building is centrally located on Sitka's waterfront and is within easy walking distance from several of Sitka's key hotel properties. The facility is home to the Sitka Historical Society, the Isabel Miller Museum and provides visitor information services. A hand-carved Tlingit canoe is

displayed in a covered area outside the building. Parking is available adjacent to the building.

The facility houses a 4,340 square foot auditorium, with a stage, lighting and sound system. It seats up to 500 in a theater-style configuration or can host up to 700 for a reception. For banquets, the facility can hold approximately 250 people at rounds or 350 at rectangular tables. The building also has smaller meeting rooms for more intimate gatherings. There is a kitchen available for catered events.

The hall is equipped with audio visual equipment, podiums, risers, and furniture for banquets. High speed Internet access is available through the municipal mainframe and server. Several groups have utilized this option, including one event where 18 computers had simultaneous Internet access.

Budget and Operations

The Sitka facility operates at an annual deficit ranging from \$270,000 to \$300,000. The annual operating budget is shown in the table below for 2002 and 2003. The 2003 budget increased to \$357,000 with jumps in insurance and building maintenance fees. The greatest portion of the budget is allocated to personnel costs.

Sitka Harrigan Centennial Hall Budget
Annual Budget 2002 and 2003

Budget Item	2002	2003
Salaries & Benefits		
Salaries & Wages	\$135,089	\$137,859
Overtime	4,000	4,000
Temporary Employees	20,800	20,800
Benefits	49,180	49,655
Total Salaries & Benefits	209,070	212,324
Non-personnel Operation Outlays		
Travel & Training	500	500
Utilities	22,800	22,800
Heating Fuel	8,000	10,000
Telephone	3,500	3,500
Insurance	7,722	13,952
Supplies	10,400	10,400
Repairs & Maintenance	13,000	13,000
Building Maintenance Fees	7,237	21,721
MIS Fees	4,374	4,615
Contracted/Purchase Services	38,588	38,588
Interdepartmental Services	3,000	3,000
Transportation/Vehicles	0	0
Postage	0	0
Tools & Small Equipment	4,480	1,875
Dues & Publications	0	0
Advertising	350	350
Rentals-Buildings/Equipment	0	0
Other Expenditures	815	875
Total Non-personnel Outlays	124,766	145,176
Total Operating Outlays	\$333,836	\$357,501

Source: Harrigan Centennial Hall, Building Management, City and Borough of Sitka.

Rates differ for various user groups. Rooms are scheduled and reserved through the building manager. Non-profit groups are charged a reduced rate for the auditorium and the kitchen, \$82.50 and \$110 respectively. Use of other rooms and exhibit space is free during set hours.

Non-profit fundraisers, where the non-profit makes a reservation and money changes hands during the event, as well as state and federal government users also have a separate fee schedule. The rates range from \$450 for use of the entire building, \$165 for the auditorium and as low as \$37 for the Davis meeting room. Commercial users pay \$1,000 for use of the whole building, \$275 for the auditorium and \$55 for the Davis room. They also pay five percent sales tax fee on the total fee.

The hall accommodates conventions by offering unlimited hours and use of audio-video equipment. Convention rates are applicable for meetings that last at least two days and use two or more rooms in the building. These range from \$732 for the facility, \$190 for the auditorium and \$38 for the Davis room. Building management also charge rental fees for building equipment including: multi-media projector, slide projector, overhead projector, podium, risers, telephone, television and VCR, VHS video projector, coffee pot, and flip chart stand.

Annual revenues derived from fee income ranges between \$60,000 to \$70,000 per year, covering approximately twenty percent of building expenditures. Non-profit usage of the hall is the highest, comprising 40 percent of rooms used in a year. This is more than twice as much as city government (19 percent), state and federal government (17 percent) and non-profit fundraising (18 percent). Commercial groups and conventions use the hall the least, comprising 6 percent of total annual usage.

Facility Marketing and Economic Impact Estimates

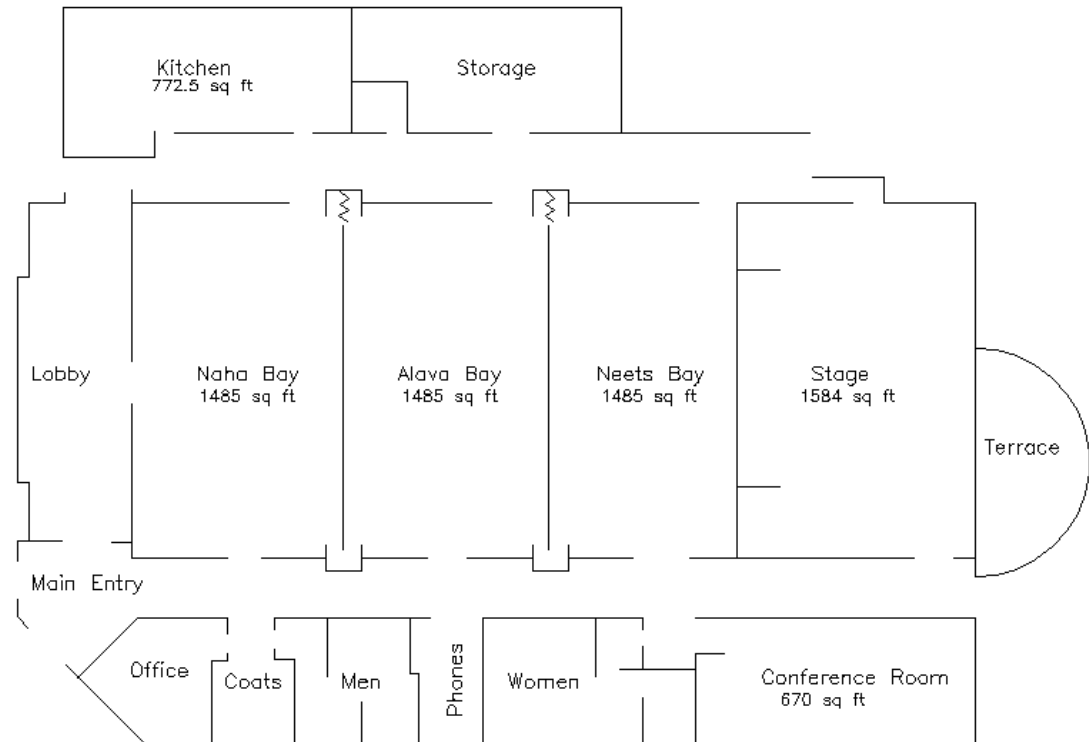
The Sitka Convention & Visitors Bureau (SCVB) operates with a budget of \$328,000. A 6 percent bed tax is collected in Sitka in addition to a 5 percent sales tax. The bed tax is intended to fund SCVB's marketing programs.

Incorporated in this budget is a convention director position, which is three-quarter time. In addition, funds are allocated to advertise to this market (\$6,500) for convention and trade shows (\$7,500), and about \$2,000 on trade show giveaways. A portion of the Sitka vacation planners that are printed are dedicated to convention packets at a value of approximately \$3,000. The SCVB also has a toll-free phone number that is dedicated to conventions. All told approximately 20 percent of the SCVB budget is dedicated to cultivating the convention/meeting market.

Economic impact estimates for Sitka meetings and conventions range from a high of \$3 million in 2000 to an estimated \$1.8 million in 2003.

Ted Ferry Civic Center

Ketchikan is located in the Southern-most portion of the Southeast Alaska panhandle and is a part of Alaska's renowned Inside Passage. The population is approximately 14,000 for the borough. Population figures grew a nominal 1 percent between 1990 and 2000, but have declined since 2000 by about 3 percent.



Amenities

The Ted Ferry Civic Center (TFCC) is a fairly new facility (constructed in 1994) located on a hill above downtown. It is close to Ketchikan's historical and shopping districts. The public facility was designed for multi-use including banquets, receptions, trades shows, retreats, performances, conventions and seminars.

The approximately 8,000 square foot civic center can be configured in several ways to accommodate different group sizes. The 4,500 square foot ballroom can be partitioned into three separate rooms, each with its own sound systems and lighting controls. The center has an executive boardroom, a stage for performances, a fully equipped kitchen, audio-visual equipment such as a multimedia projector, laptop computer, video and slide projectors and a programmable lighting system. Stage platforms are available, as well as skirting, piping and booths for trade shows. The building also has teleconference and Internet DSL connection available.

Different room configurations can accommodate as many as 550 theatre-style, 225 for a banquet at round tables, or 430 for a banquet with rectangular tables.

Budget and Operations

The hall operates at an annual deficit ranging from \$220,000 to \$280,000. Recent budget information for the Ted Ferry Civic Center shows an operating budget of about \$304,000 for 2002. In 2001, the facility had considerably greater capital expenditures, which increased overall expense to the city. The table below presents the 2001 and 2002 budgets for the center.

Ted Ferry Civic Center Operating Budgets
Annual Budget 2001 and 2002.

Budget Item	2001	2002
Salaries & Benefits		
Salaries & Wages	\$108,331	\$106,900
Overtime	300	300
Temporary Salaries	19,100	22,000
Benefits	51,900	51,000
Total Salaries & Benefits	179,631	180,200
Capital Outlays	92,000	37,500
Non-personnel Operation Outlays		
Expense Allowance	440	440
Travel & Training	3,920	2,695
Department Supplies	3,000	3,000
Heating Fuel	15,000	15,000
Janitorial Supplies	2,000	2,400
Maintenance Supplies	2,060	3,000
Office Supplies	900	550
Advertising & Publishing	1,000	1,000
Contractual Services	0	0
Dues & Publications	500	500
Insurance & Claims	3,000	3,000
Maintenance Services	4,753	9,000
Postage	400	400
Rentals-Equipment	450	450
Telecommunications Services	4,600	6,600
Utilities	23,500	23,500
Licenses & Fees	40	1,240
Office Equipment & Furniture	8,300	9,100
Operating Equipment	800	0
PC Hardware/Software	4,477	4,730
Total Non-personnel Outlays	79,140	86,605
Total Capital & Operating Outlays	\$350,771	\$304,305

Source: Finance Department, Office of the Finance Director, City of Ketchikan.

Budgeted center revenues were \$71,000 for 2001 and \$80,000 for 2002. The balance required to operate the facility was covered by general funds money, including sales tax and bed tax.

Center revenues are collected on room rental fees, which vary depending on the number of spaces used and the number of usage hours. For instance, to rent the entire facility, fees are between \$520 for one to four hours. The charge would be \$975 for 12 to 16 hours.

Facility Marketing and Economic Impact Estimates

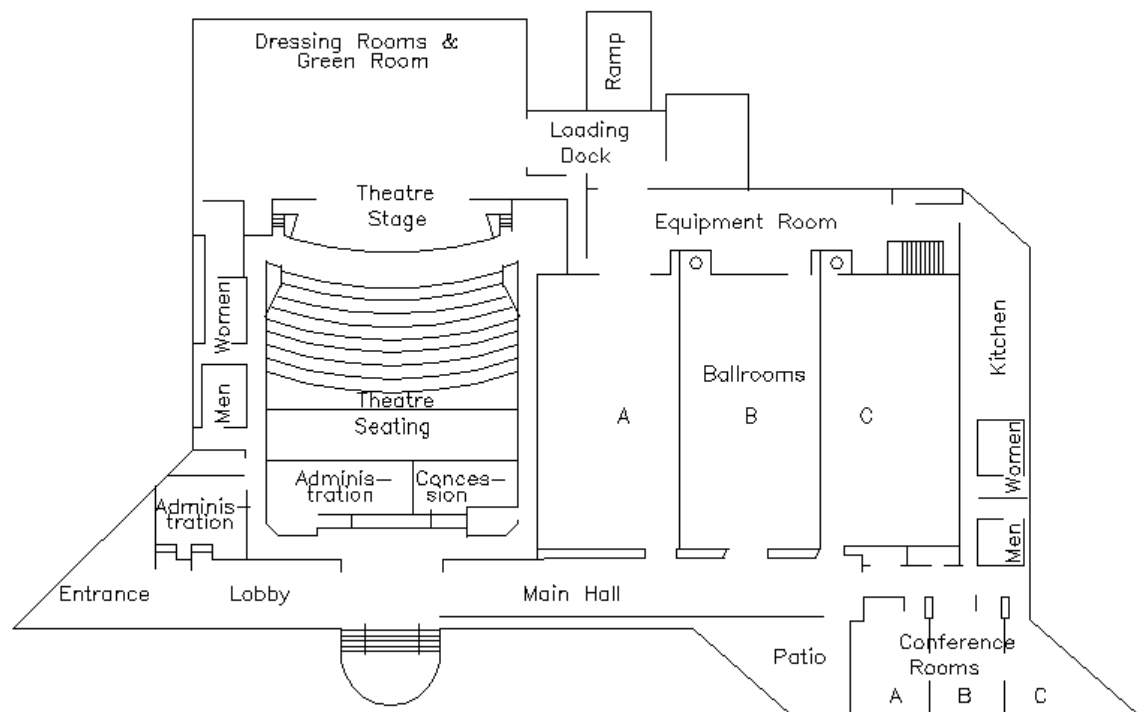
The Ketchikan Visitors Bureau (KVB) markets the community to the meeting and convention market. They have a full-time staff person devoted to attracting this market. Hard costs such as advertising, travel, meeting planner books (published every three years), and promotional incentives total \$60,000, or 13 percent of the total KVB budget.

The City of Ketchikan collects a 6 percent bed tax. The Borough collects a 4 percent bed tax from properties located outside city limits. The KVB presents its marketing plan and funding request to each municipal government during their budget process.

Historical economic impact estimates for meetings and conventions range from \$862,500 in 1998 to \$1.6 million in 2002.

Valdez Convention Center

Valdez, located in Southcentral Alaska, is accessible by road, air and water. It is home to the terminus of the Trans-Alaska Pipeline and an access point to Prince William Sound. The population is 4,480.



Amenities

The Valdez Convention and Civic Center is a sizeable public facility encompassing 20,000 square feet of available meeting space. It is comprised of a sizeable theater that seats 487 with sloped theater-style seating, green room, lobby and concession, modern lighting and sound equipment, dressing rooms and a Steinway piano.

A 6,464 square foot ballroom can be segmented into three separate rooms for flexible meeting arrangements; a main hallway that can house exhibits or trade show booths, a professional kitchen for catering; and separate conference rooms for smaller groups. Approximately 500 people can be seated theater-style in the ballroom or 400 people in banquet seating using a combination of oval and rectangular tables.

Budget and Operations

The Valdez Convention & Civic Center operates at an annual deficit of \$255,000 to \$280,000. The annual operating budget is approximately \$380,000. Similar to other communities, payroll expenses comprise the greatest portion.

Valdez Civic Center revenues have ranged between \$100,000 and \$123,000 in recent years. The goal is to generate about \$120,000 in revenues from rental fees, with the remaining portion of the budget subsidized by the city.

Valdez Convention & Civic Center Operating Budgets Annual Budget 2002 and 2003.

Budget Item	2002	2003
Salaries & Benefits		
Salaries & Wages	\$190,919	\$171,081
Overtime	24,994	20,624
Temporary Salaries	2,235	1,490
Benefits	50,114	62,531
Total Salaries & Benefits	268,262	255,726
Capital/Equipment Outlays	0	19,957
Non-personnel Operation Outlays		
Reproduction & Copying	672	1,100
Movie Rental/Freight	2,000	2,000
Data Processing	100	100
Dues & Subscriptions	390	390
Contractual Services	2,650	2,619
Professional Fees & Services	3,045	545
Lease Expense	1,006	1,007
Communications & Postage	6,495	6,615
Printing	500	500
Advertising & Promotion	675	675
Electricity	50,100	50,100
Heating	16,800	22,000
Travel & Transportation	2,000	2,000
Clothing	250	250
Office Supplies	650	650
Building & Ground Maintenance	7,500	0
Operating Supplies	13,850	14,360
Parts & Supplies-Equipment	1,700	1,700
Concession Supplies	5,200	5,200
Training	600	600
Total Non-personnel Outlays	116,483	112,411
Total Capital & Operating Outlays	\$384,745	\$388,094

Source: Valdez Convention & Civic Center Administration.

Civic center rates vary according to group type. Non-profits are charged lower rates than commercial groups and local residents receive a discount. For instance, the commercial group rate to rent the entire facility is \$1,000 while non-profits are charged \$500. Local user groups receive a 20 percent discount on the standard fee schedule. Potential revenues in 2002 were reduced by approximately 39 percent due to policy-dictated discounts.

Facility Marketing and Economic Impact Estimates

The Valdez Convention & Visitors Bureau (VCVB) markets the Civic Center. The total VCVB budget is \$484,000. The VCVB dedicates about 7 percent of their budget to convention marketing, approximately \$33,000.

A 6 percent bed tax is collected in Valdez. No economic impact estimates were available from the VCVB.

CONVENTION FACILITY CONCEPT EVALUATION

Several key factors need to be evaluated when considering the optimal size, configuration and location for a meeting and convention facility in Haines.

- **Room inventory.** Haines currently has about 200 rooms, with about 75 percent located in hotels or motels.
- **Complimentary facilities.** Meeting planners prefer to hold most functions such as general sessions, breakout sessions, coffee breaks, breakfast and lunches in one location. However, receptions and banquets are an opportunity to provide a change of scenery and showcase the community. Other Haines facilities compatible with these functions can accommodate between 100 and 300 people. (The Fairground facilities are an exception, as they have significantly more space. At this time, they are weather dependent and not suitable for most groups.)
- **Banquet limitations.** The most difficult aspect of holding conventions and events in Haines is finding a suitable location for a banquet. Any new facility should consider caterers needs, including commercial kitchen and equipment.
- **Larger meeting and convention demands.** Attendance at larger conventions in Alaska typically ranges from 300 to 600 delegates. Many of these larger groups utilize their annual convention to generate revenues and build their membership base. In terms of meeting venues, these groups prefer use of a single, professional space that can accommodate banquets, trade shows and break out sessions. At this time, this market is not a good fit for Haines.
- **Future growth and flexibility.** The limitations regarding access and room inventory many change in future years, due to changes in the regional economy, technology and future investments. The facility should be designed with expansion options, allowing the community to have a cost effective facility that meets current and near future needs.
- **Location.** To enhance delegate's experience in Haines and local expenditures, the facility should be located close to Haines accommodations and shopping opportunities.

Design and Construction Considerations

The recommended size to meet Haines existing and near future needs is a facility that can accommodate up to 300 delegates for a formal banquet. The facility could accommodate general sessions, breakout meetings, coffee breaks, trade show exhibits and banquets. A key design feature is versatility, including the ability to create smaller meeting rooms.

About 11,000 square feet is required to meet these requirements. The table below describes optimal distribution of square footage for the meeting facility. Conference and meeting spaces comprise nearly two-thirds of the space while about one-third is devoted to building support. Additional space is allocated to walls, shafts and mechanical and electrical features.

To test this recommended facility size outline, a simple plan sketch has been developed, showing the sizes and relationships possible with a building of the size described. Since a site is not yet determined, the plan is hypothetical. However, it is very useful to establish the size and nature of facility, and can help generate good planning-level cost estimates.

The principal meeting space is illustrated at 3,800 square feet. This space is shown with a moveable wall system allowing two medium-size meeting spaces or opened to one large space for major events. This type of large room would also benefit by a permanent raised stage area to facilitate presentations. This large meeting room would provide the space for seating 280 in a formal banquet setting, using round tables. The same space configured with conventional folding chair seats would accommodate 400.

Important supporting spaces also illustrated are a stand-alone meeting space for approx. 80 with chair seating, and a smaller conference space seating 20-25. This variation of room type and size creates additional versatility in the programs that can be accommodated.

The study drawing illustrates a sizable hallway, important for circulation and socialization. It would integrate display areas, and areas for graphics and product display. The plan also includes a moderately-scaled warming kitchen. The intent would be to support the main preparation of meals off-site, but allowing serving, side dish preparation, and light-duty meal preparation on the premises.

Haines Conference Facility Size Specifications

Rooms	Square Feet
Conference & Meeting Space	
Primary Meeting Space	3,800
Raised stage	600
A/V Control Room, Manager	180
Multipurpose Meeting Room (seats 60)	1,300
Seminar Room (seats 20)	350
Storage/Equipment	240
Conference Sub-total	6,470
Building Support Space	
Vestibule, Entry	185
Central Foyer	400
Public Restrooms	640
Warming Kitchen/Serving	400
Chair and Table Storage	350
Receiving	250
Janitorial/Supplies	150
Circulation/Hallways	1,400
Support Space Sub-total	3,775
Mechanical/Electrical @ 6% Overall	550
Walls, Shafts @ 3% Overall	330
Total Building Gross Area	11,125

The preliminary building plan sketch was reviewed for probable cost by Ehsan Mughal, partner in HMS, Inc., an Anchorage cost estimating firm. They are familiar with construction costs in Haines, including recent involvement on the Haines Library. Based on that review, we would recommend establishing a probable range for construction cost from \$275 per square foot to \$300 per square foot. For the size of facility described, basic construction cost would likely range from \$3.0 to \$3.3 million.

Construction costs for a conference facility are highly variable, depending on design features and choices. Major construction cost variables include structural systems, finish material choices, mechanical systems, lighting, audio-visual equipment, and furnishings. For public facilities, it is frequently desirable to spend more initially on quality materials, thereby decreasing on-going cost impacts due to maintenance and operating costs. The costs identified assume good quality materials, such as steel and concrete construction, and low maintenance exteriors.

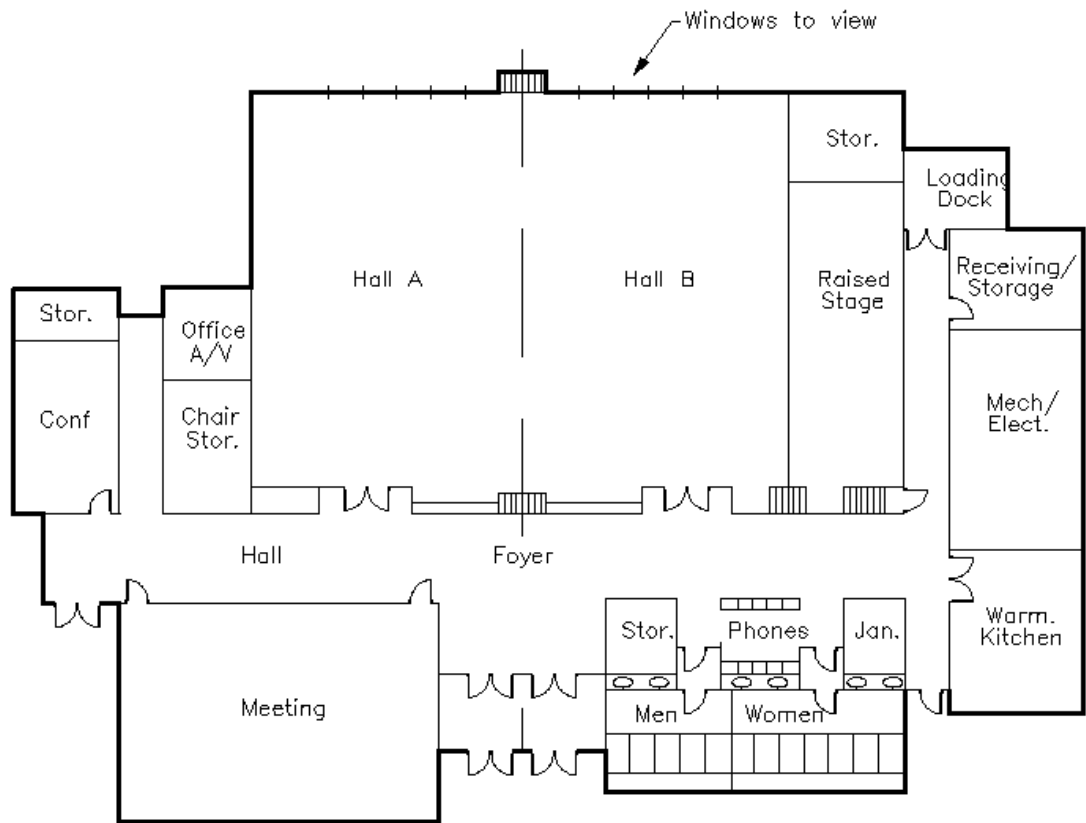
Added to construction costs are other monetary outlays such as land acquisition, building design, construction management, furnishings, and administrative expenses such as permit fees. The total cost must also include contingency allowances for inflation, and construction unknowns. For all of these additional

costs, it is appropriate to add an additional 30% to 33% above the construction estimate. With this addition, the anticipated total project cost range is \$3.9 to \$4.4 million.

As a very rough cost approximation, a 20 year bond at 5% interest to amortize \$4.3 million dollars would have an annual expense of \$345,000.

Facility Diagram

The following diagram is intended to show the relative size of spaces and provide a comparison to comparable facilities. Building design would require a much more extensive analysis of the facility purpose, construction and operating budget parameters and site considerations.



Operating Budget

The operating budget for a Haines Convention Center will be greatly affected by how the building is managed, including facility staffing. Typically, staff salaries, including benefits, comprise the greatest portion of center budgets. For the Sitka, Ketchikan and Valdez centers presented in the previous chapter total salary and benefits ranged between 51 percent and nearly 70 percent of the total operating budgets. Capital outlays also vary from year-to-year and can greatly affect a facility's total budget. These factors were taken into consideration when deriving the operations budget presented in the table below.

Total salaries are estimated at \$215,000, which includes benefits and temporary staff wages. This estimate is based on the staffing requirements of comparable facilities. Because these facilities are operated by municipal governments, they may provide higher wage and benefit packages than would otherwise be found in the private sector.

Facility revenues will be entirely dependent on the community's ability to capture rental income from resident and non-resident users. The facility's overall design, marketing budget and level of customer service are factors that will directly affect revenue. Using the three comparable communities as a guide, revenue projections could range from \$50,000 to \$80,000 annually proving the facility is marketed as aggressively as in other communities.

Given this scenario, the proposed Haines facility will likely operate at an annual deficit ranging from \$190,000 to \$225,000.

Estimated Haines Center Operating Budget

Budget Item	
Salaries & Benefits	\$215,000
Non-personnel Operation Outlays	
Travel & Training	500
Utilities	15,000
Heating Fuel	14,000
Telephone	3,000
Insurance	8,000
Supplies	10,000
Repairs & Maintenance	2,500
MIS Fees/Data Processing	1,000
Postage	500
Tools & Small Equipment	2,000
Dues & Publications	500
Advertising	1,000
Other Expenditures	2,000
Total Non-personnel Outlays	60,000
Total Operating Outlays	\$275,000

Source: Based on review of comparable facilities.

Potential Economic Impact

Many variables affect the financial success of a meeting facility, including the quality of the facility design and construction, the marketing effort and meeting planning support. Meeting and convention facilities in small communities do not typically recover operating expenses from rental income. However, there are economic considerations beyond the operating budget that drive communities to invest in civic and convention centers. Attracting meeting and conventions stimulates non-resident expenditures in a wide array of businesses including hotels, transportation

providers, restaurants and caterers and retail shops. The impact is even more attractive when considering the fact that many meetings and conventions are held in the fall, winter and spring months.

Using McDowell Group's estimate of \$150 in delegate spending per person per day, the economic impact can become a valuable addition to the local economy. The following table illustrates low, middle and high-level scenarios for delegate spending.

The 1,500 delegate day scenario could be comprised of the following events:

- A 200-person convention spending 2 nights in Haines (400 delegate days)
- A 175-person convention spending 3 nights in Haines (525 delegate days)
- 125-person convention spending 2 nights in Haines (250 delegate days)
- Approximately 10 smaller meetings throughout the year (325 delegate days)

The mid-level and higher level scenarios build from this base by adding additional larger conventions and/or more frequent smaller meetings and events.

Potential Haines Economic Impacts

Number of Annual Delegate Days	Average Daily Expenditure	Annual Economic Impact
1,500	\$150	\$225,000
1,800	150	270,000
2,100	150	315,000

STRATEGIC RECOMMENDATIONS

The following recommendations are based on feedback from meeting planners, facility managers, and convention and visitor bureau staff members.

Attracting and Hosting Meetings and Conventions

Professional marketing tools are required

To be competitive with other destinations, marketing information will need to be professionally designed and produced including a meeting planner's guide, facility brochures and bid packets. Other commonly produced marketing materials include destination videos, trade booths and delegate bags.

Local support is critical

In a recent survey, 77 percent of Haines residents supported increased development of the meeting and conference market.⁵ This support can be leveraged to increase resident participation when bidding and organizing conventions.

Resident participation a significant factor

Resident participation in professional, social and fraternal organizations is often a deciding factor in meeting site selection. In many instances, organizations demonstrate appreciation by awarding future meetings to the board chair. Taking an inventory of the associations that Haines residents currently belong to is an excellent first step at capturing these opportunities.

Meeting planning assistance is essential

Convention and Visitors Bureau recently added a staff member to assist with meeting planning duties. This support is essential to overcome logistical difficulties encountered when hosting meetings and events in smaller, more remote communities.

Understanding hotel and meeting facility occupancy important

An understanding of meeting facility and accommodation occupancy levels will help the Haines Convention and Visitors Bureau and local residents target meetings when space is available and rates are competitive.

⁵ McDowell Group, *Haines Tourism Management Plan*, City of Haines, June 2002.

Becoming a meetings and convention destination requires a long term commitment to market and plan

Decisions about future meeting locations can be made as early as 2 to 4 years in advance of the event.

In many situations, hosting meetings requires a commitment from residents to help with planning and coordination before, during and after the event. Depending on the organization, the planning commitment can span 1 to 2 years. A volunteer corps is usually required during conventions to assist with registration, collection of meal/event tickets and various other duties.

Facility Design and Construction

Centralized site will enhance delegate's experience and logistical ease

If the meeting site is within walking distance from accommodations, shops and community services, delegates are likely to enjoy Haines and increase personal expenditures. Additionally, customer service is likely to be higher from caterers, transportation providers and other professionals who will be making frequent trips between their business and the meeting facility during events.

Design flexibility into the facility

Any facility designed for the Haines market should allow for future expansion and modification. In future years, the accommodation inventory and/or transportation alternatives may allow larger meetings and events to be easily held in Haines. Larger meeting and conventions typically have greater requirements for holding general sessions, trade shows and meal functions under one roof.

Economic Considerations

Explore management options

In many Alaskan communities, the civic and convention centers are municipal buildings. As a result, the staffing requirements and expense can be greater than if the same facility were operated by the private sector or a non-profit organization. Alternatively, the meeting facility could be co-located with another municipal function such as museum and/or visitor information center. This could result in staffing efficiencies.

Evaluate the community's ability to absorb an operating loss

It is critical for community leaders to understand the likelihood of an operating loss. A meeting and convention facility can have enormous cultural benefits while attracting non-resident expenditures, but it is likely to require general funds to offset operating expenses.

Measure and promote the meeting market's economic impacts

Resident support for the meeting facility and marketing commitment will be significantly greater if the economic impact of meetings, conventions and events is promoted regularly.

Alaska Small Meetings and Conventions

The following table includes a partial list of smaller meetings and conventions that recently met in Alaskan communities. The list does not include the frequent board and committee meetings associated with many of the organizations, government and agency meetings or the many meetings held regularly in the private sector.

**Partial List of Alaska Meetings
(200 Participants or Less)**

Group Name	Group Origin	Possible Size
Advance Inspection & Introduction to COR/ER	State	20
Advisory Board on Alcoholism	State	18
Alaska Academy of Family Physicians	State	200
Alaska Aglow International	State	150
Alaska Animal Control Association	State	26
Alaska Association of Assistant Principals	State	150
Alaska Association of Fire & Arson Investigators	State	80
Alaska Association of Independent Insurance Agents	State	10
Alaska Association of Realtors Convention	State	115
Alaska Association of School Administrators	State	70
Alaska Association of School Boards	State	25
Alaska Association of School Superintendents	State	100
Alaska Bed & Breakfast Association	State	60
Alaska Broadcasters Association	State	150
Alaska Cabaret, Hotel, Restaurant & Retailers Association	State	85
Alaska Chapter North West Area Days	Regional	100
Alaska Christian Conference	State	50
Alaska Coastal Management	State	40
Alaska Conservation Alliance	State	80
Alaska Council for Social Studies	State	100
Alaska Credit Union League	State	120
Alaska Dental Society	State	100
Alaska Dept of Education /Special Education Office Directors Conference	State	150
Alaska Dept of Fish & Game – Board of Game	State	75
Alaska Dept of Transportation Conference	State	200
Alaska Dietary Managers Association	State	25
Alaska Education Seminars, Inc.	State	40
Alaska Fisheries Development Foundation	State	60
Alaska Health Fair, Inc	State	30
Alaska Historical Society/Museums of Alaska	State	100

Alaska Hospital & Nursing Home Association	State	30
Alaska National Education Association	State	125
Alaska National Education Association – Board Meeting	State	20
Alaska National Parks Superintendents Conference	State	30
Alaska Native Brotherhood/Alaska Native Sisterhood Camp Presidents	State	30
Alaska Native Education Council	State	100
Alaska Natural Resource & Outdoor Education Association	State	200
Alaska Optometry Association Convention	State	70
Alaska Pension Investment Board Meeting	State	35
Alaska Permanent Fund Corporation Board	State	15
Alaska Permanent Fund Corporation's Annual Meeting	State	70
Alaska Planning Association	State	40
Alaska Recreation and Parks Association	State	100
Alaska Rural Electric Cooperative	State	130
Alaska School Activities Assoc. Board of Directors Meeting	State	15
Alaska School Activities Association Conference	State	150
Alaska School Business Officials Association	State	175
Alaska School Nurses Association	State	75
Alaska Sea Kayaking Symposium	State	200
Alaska State Chamber of Commerce	State	200
Alaska State Federation of Garden Clubs	State	100
Alaska State Troopers	State	40
Alaska Tourism Industry Association Board Meeting	State	32
Alaska Winter Recreation & Travel Show	State	200
America/Alaska School Food Services Association	State	200
American Legion, Western Region	Regional	150
American Society of Women Accountants – Alaska Chapter	State	100
American Statistical Association – Alaska Chapter	State	20
Association of Alaska School Boards	State	90
Conference of State Banking Supervisors	State	50
Credit Association of North America	Regional	100
Department of Natural Resources/Forestry Fall Conference	State	100
Educational Facility Planners	State	70
Fish & Wildlife Investigators Conference	State	50
General Federation of Women's Club – Alaska	State	150
Girl Scouts Annual Meeting	State	60
Governor's Council on Fisheries	State	60
Interface Center for Alaska Native Education	State	20
Lions Club District 49A Conference	State	200
Loyal Order of the Moose Convention	State	80
Museums Alaska and Alaska Historical Society	State	125
National Education Association – Alaska	State	45
National Ground Water Association	Regional	125
North Pacific Anadromous Fish Commission	Regional	80
North Pacific Fishery Management Council	State	175
Northwest Association of Special Programs & UofW TRIO	Regional	60

Northwest Public Power Association	Regional	50
Pacific Congress of Harbormasters	Regional	50
Philanthropy Northwest	Regional	200
Public Association Theory Network	Regional	130
Public Employees Retirement System	State	25
Quality Schools Institute, Alaska Staff Development Network	State	150
Rotary International District Convention	State	200
Salvation Army Youth Council	State	100
Seattle/King County Convention & Visitors Bureaus	Regional	25
Society of Petroleum Engineers, Western Region	Regional	200
Southeast Conference	State	200
State Hatchery Managers	State	50
State of Alaska Dept of Health & Social Services	State	150
Statewide Emblem Club Annual Convention	State	75
Stewart Title Agent Meeting – Region F	Regional	150
Toastmasters Annual State Convention	State	100
United State Department of Agriculture, Forest Service	State	75
University of Alaska Fairbanks Cooperative Extension	State	150
USDA Agricultural Research Service - USDA ARS	Regional	125
Western Association of Accounting Firms (WAAF)	Regional	120
Western Council of Architectural Registration Boards	Regional	80

Source: Anchorage Convention & Visitors Bureau, Juneau Convention & Visitors Bureau and other sources compiled by the McDowell Group.

Haines Suppliers

The following tables are based on information provided by the Haines Convention and Visitors Bureau. The caterers have the ability to cater meals both onsite and offsite.

Catering Companies

Company Name	Meals	Onsite Seating
Bamboo Room	B,L,D,R	75
Chilkat Cruises and Tours	L,D,R	46
Chilkat Restaurant and Bakery	B,L,D,R	70
Grizzly Greg's & Mama Bears	B,L,D,R	15
Halsingland Hotel	B,L,D,R	50 & 75
Mountain Market	B,L,D,R	30
Wild Strawberry	B,L,D,R	30

Key: B=Breakfast; L=Lunch; D=Dinner; R=Refreshments

Transportation Companies

Company Name	Type	Capacity
Ground Transportation Companies		
Chilkat Cruises and Tours	4 Buses	50 each
	2 Minibuses	26 each
Lynn Fjord Tours	4 Buses	45 each
	1 Airporter	18 each
Taxis	Various	N/A
Other Transportation Options in Haines		
Chilkat River Adventures, Inc.	Buses	
Chilkat Guides, Inc.	Buses	
Alaska Nature Tours	Buses	
Chilkoot Lake Tours	Buses	
Deishu Expeditions	Buses	
Transportation Between Haines and Juneau		
Alaska Fjordlines	Dayboats	
Alaska Marine Highway	Ferries	
Allen Marine	Dayboats	
Alaska Mountain Flying and Travel	Air Carrier	
Chilkat Cruises and Tours	Day Boats	
L.A.B. Flying Service	Air Carrier	
Skagway Air Service	Air Carrier	
Wings of Alaska	Air Carrier	