MAT-SU VALLEY
Alaska

Mat-Su SUSTAINABLE TOURISM MASTER PLAN 2022

July 2022

PREPARED FOR:
MAT-SU CONVENTION AND VISITORS BUREAU

McKINLEY RESEARCH
GROUP, LLC

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MAT-SU VALLEY
Alaska

Dear Mat-Su Borough Residents:

We are pleased to present this **Sustainable Tourism Master Plan** for our region. The plan will help guide recovery from the devastating impacts of COVID, address tourism-related pressures that were mounting before the pandemic, and forge a future with minimal negative environmental or social impacts.

Funded by a grant through the Alaska Community Foundation, the plan incorporated feedback from residents and prior research commissioned by Mat-Su CVB and the Borough. Further, the plan aligns with several key objectives in the Mat-Su Borough's *2022-2027 Strategic Plan,* including supporting economic development opportunities. McKinley Research Group (formerly McDowell Group) led the planning effort. Huddle AK led community meetings and assisted throughout.

To ensure the plan reflected local needs and values, a Leadership Team was appointed to guide plan development. Team members provided input into all aspects of the plan including the resident survey, stakeholder interviews, community workshops, visioning, and strategy development.

We are thankful for the Mat-Su residents who attended public meetings, responded to our survey, and participated in interviews. Your input is reflected in the vision (below) and the action plan.

Mat-Su is a world-class destination
supported by a tourism industry that operates sustainably,
contributes meaningfully to the regional economy,
and is embraced by residents and community leaders.

Mat-Su CVB will begin to implement the Sustainable Tourism Master Plan, in partnership with the Borough and other organizations, in the coming months. We invite you to join us and contribute to making the Mat-Su an even better place to live, work, and visit!

Sincerely,

Bonnie Quill, Mat-Su CVB
Wes Hoskins, Mat-Su Trails and Parks Foundation
Mark Austin, The Musk Ox Farm
Kim Sollien, Mat-Su Borough

Introduction and Methodology

Introduction

The Mat-Su Valley has a long history as a visitor destination. Drawn by the area's scenic beauty, abundant recreational opportunities, and unique communities and cultures, travelers from both inside and outside of Alaska have become an integral part of the Borough's economy and way of life.

The area's tourism sector has faced significant recent challenges, however. The COVID-19 pandemic devastated the industry in 2020 and continued to cause disruption in 2021. Even before the pandemic, the area's tourism sector was facing pressure: strong population growth in the Borough, coupled with visitor industry growth, strained recreation and transportation infrastructure.

The Mat-Su has tremendous potential to have a thriving tourism industry that recovers from the pandemic and serves both visitors and residents well into the future. However, achieving this will require planning, collaboration, and resources. The Mat-Su Convention and Visitors Bureau (MSCVB) contracted with McKinley Research Group (formerly McDowell Group) to prepare a Sustainable Tourism Master Plan (STMP). This effort is funded by a grant through the Alaska Community Foundation from the American Rescue Plan Act Nonprofit Recovery Fund.

This report incorporates the following elements:

- **Mat-Su Tourism Profile**
- **Resident and Stakeholder Input**
- **Sustainable Tourism Action Plan**

A stand-alone summary of the plan, as well as an Appendix detailing resident and stakeholder outreach, are provided under separate cover.

Sustainable Tourism

Sustainability has become a critical topic in the global tourism industry in the face of ever-increasing population, accompanied by ever-growing travel demand. The term "sustainable tourism" can be interpreted in many ways, but generally refers to environmental as well as socio-cultural sustainability. According to the Global Sustainable Tourism Council,

> *Sustainable Tourism refers to sustainable practices in and by the tourism industry. It is an aspiration to acknowledge all impacts of tourism, both positive and negative. It aims to minimize the negative impacts and maximize the positive ones.*[1]

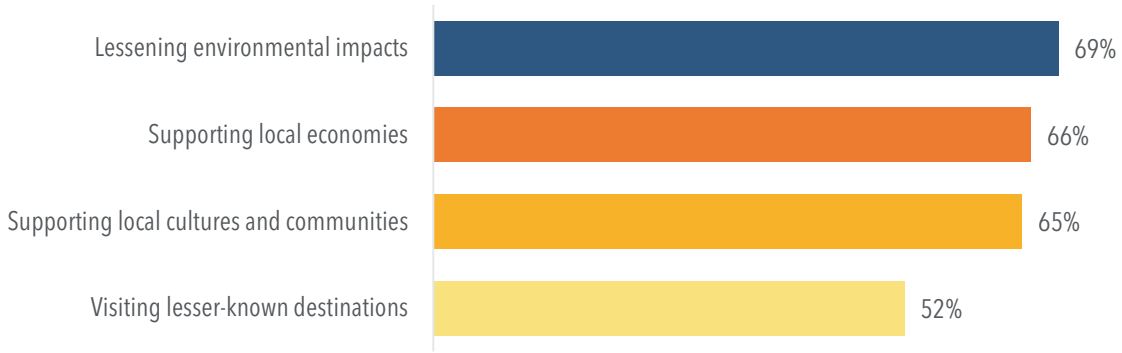
The World Tourism Organization's definition of sustainable tourism is:

> *Tourism that takes full account of its current and future economic, social and environmental impacts, addressing the needs of visitors, the industry, the environment and host communities.*[2]

Sustainable tourism is not only aspired to by destinations: travelers are becoming more aware of the impacts of travel, and many are interested in traveling in a way that has minimal negative environmental or social impact.

A recent survey of 11,000 worldwide travelers found that **90% of consumers look for sustainable options while traveling**.[3] Consumers were most likely to see sustainable travel as lessening environmental impacts (69%) followed by supporting local economies (66%), supporting local cultures and communities (65%), and visiting lesser-known destinations (52%).

Figure 1. What do consumers see as part of sustainable travel?



Source: Expedia Group Media Solutions.

[1] www.gstcouncil.org
[2] www.unwto.org/sustainable-development
[3] *Sustainable Travel Study*, conducted by Expedia Group Media Solutions, March 2022.

Sustainability was at the forefront of discussions with residents and industry members. The plan incorporates strategies to help mitigate negative impacts and enhance environmental, economic, and socio-cultural benefits of tourism.

Methodology

Leadership Team

The development of this plan was steered by a team designated by the Mat-Su CVB Executive Board. The team met periodically throughout the study to discuss findings and progress. Members provided input into all aspects of the plan including the resident survey, stakeholder interviews, community workshops, visioning, and strategy development. Team members included:

- Bonnie Quill, Mat-Su CVB
- Wes Hoskins, Mat-Su Trails and Parks Foundation
- Mark Austin, The Musk Ox Farm
- Kim Sollien, Mat-Su Borough
- Susan Bell, McKinley Research Group
- Heather Haugland, McKinley Research Group
- Holly Spoth-Torres, Huddle AK

Review of Past Reports and Recent Traffic Data

The study team reviewed the following already-published reports to provide background and input for the planning effort.

- *Economic Impact of COVID on Alaska's Visitor Industry* (2021; McKinley Research Group)
- *Economic Impact of the Visitor Industry in the Mat-Su Borough, 2016* (2017; McDowell Group)
- *Mat-Su Visitor Profile 2016* (2020; McDowell Group)
- *Mat-Su Borough Tourism Infrastructure Needs Study* (2008; McDowell Group)
- *Mat-Su Valley Gateway Visitor Center Feasibility Study* (2010; Agnew::Beck Consulting)
- *Mat-Su CVB Destination NEXT Assessment* (2017; Destinations International)
- *Mat-Su Valley Traveler Research* (2020; Destination Analysts)
- *Mat-Su CVB Cultural & Heritage Tourism Initiative* (2022; US Cultural & Heritage Marketing Council)
- *Sustainable Travel Study* (2022; Expedia Group)
- *Matanuska-Susitna Borough Strategic Plan 2022-2027* (2021; Mat-Su Borough)

The study team reviewed recent tourism planning documents for ten other US destinations including Michigan, Park City (UT), Snohomish (WA), Kauai (HI), and Sedona (AZ), among others.

The study team also gathered the most recent bed tax revenues for the Mat-Su Borough and State Park visitation data.

Resident and Stakeholder Input

RESIDENT SURVEY

An online survey was conducted in May and June 2022 open to all Mat-Su Borough residents. The survey was designed by MRG staff with input from the Leadership Committee. The survey included questions about impacts from tourism, support of various tourism initiatives, and concerns about the industry's growth, among other subjects. The survey was publicized using a variety of methods:

- Announcements in the Frontiersman
- Radio story
- Mat-Su CVB newsletters
- Posting on Borough website and Facebook page
- Posting on Mat-Su Trails Facebook page
- Paid advertising through the Frontiersman's online edition and an email blast to 10,000 Borough residents.

A total of 286 residents participated in the survey, representing nearly 30 different Borough communities. Results are not necessarily representative of the Borough population, as the sample was self-selected rather than random. Detailed survey results can be found in the *Appendix*.

COMMUNITY WORKSHOPS

The project included four community workshops throughout the Mat-Su Borough to involve people from both inside and outside the tourism industry. Participants engaged in workshop activities to identify regional strengths and weaknesses and key opportunities to improve the visitor experience and benefits to residents. Workshops were promoted in a variety of ways: emails to community councils, e-newsletters to the MSCVB mailing list, notices on MSCVB and Mat-Su Borough websites, press releases, and newspaper and radio advertising.

Dates and locations of the workshops included:

- **Palmer:** Government Peak Chalet, May 3
- **Talkeetna:** Susitna Valley High School, May 9
- **Glacier View:** Glacier View Elementary School, May 11
- **Wasilla:** Menard Center, May 12

The workshops were attended by 34 community members in addition to representatives of Huddle, McKinley Research, and MSCVB. Proceedings of the workshops can be found in the *Appendix*.

STAKEHOLDER INTERVIEWS

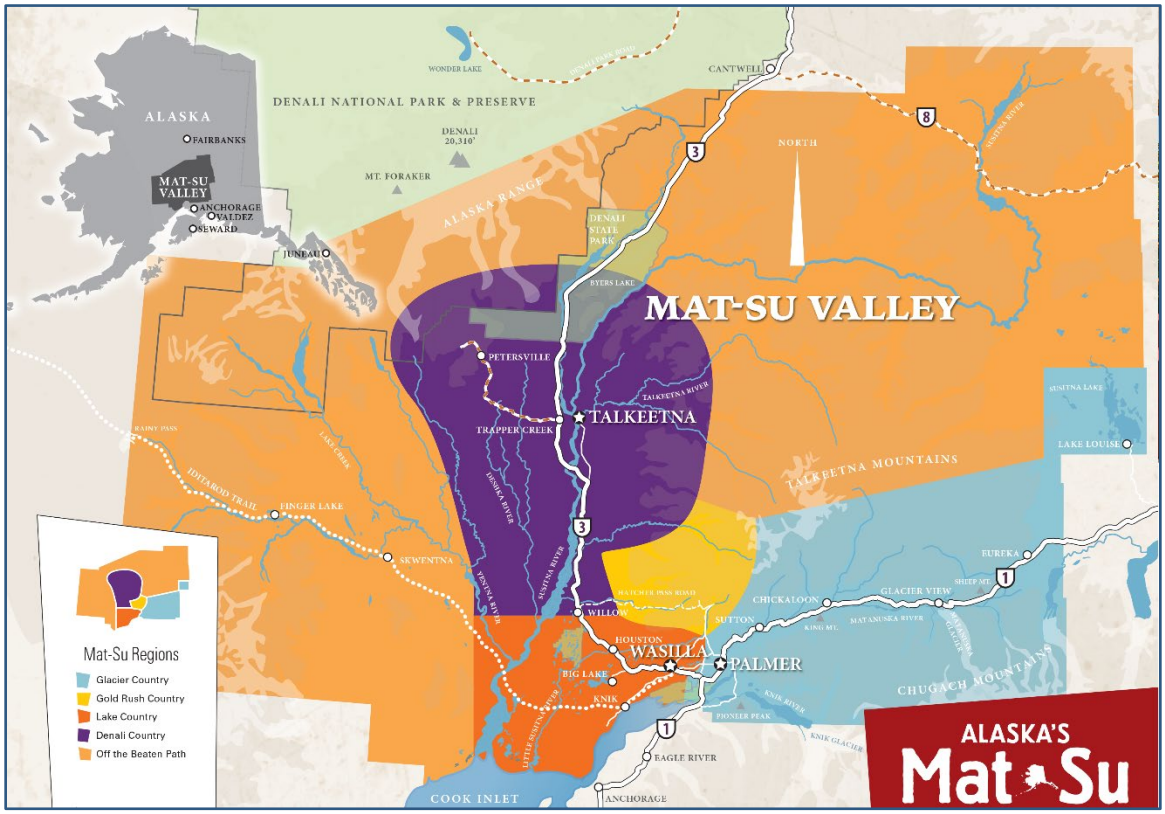
The study team developed a list of target contacts and an interview protocol with input from the Leadership Team. A total of 18 interviews were conducted with a wide range of stakeholders in the Mat-Su tourism industry representing attractions, accommodations, recreation organizations, government agencies, civic associations, and Alaska Native entities. These individuals shared their insights on the Mat-Su region's strengths, challenges, opportunities, and priorities for the future. A full list of contacts can be found in the *Appendix*.

Note: All photos in this document are used with permission of the Mat-Su Convention and Visitors Bureau.

Mat-Su Tourism Profile

This section provides information on Mat-Su's tourism industry, including a discussion of how the industry was impacted by the COVID-19 pandemic. To provide background, the following map shows the Mat-Su's major visitor destinations and transportation routes.

Figure 2. Mat-Su Visitor Map



Source: Mat-Su CVB.

Visitor Volume

Out-of-State Visitors

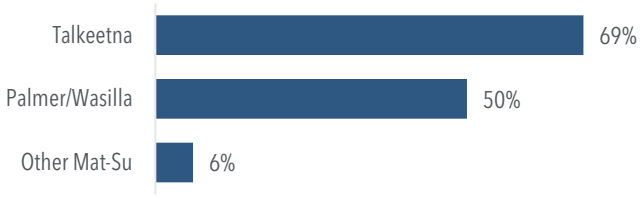
Out-of-State Visitor Volume to the Mat-Su, 2019

- **450,000 visitors**

Out-of-state visitor volume was last estimated at roughly 400,000 out-of-state visitors in 2016, with 89% visiting in the summer months of May-September and 11% in the winter.[4] Between 2016 and 2019 (pre-pandemic), out-of-state visitor volume to Alaska visitation increased by 17%. Assuming Mat-Su experienced similar growth over that period, its 2019 volume can be estimated at roughly 450,000 out-of-state visitors.

In 2016, 69% of the region's out-of-state visitors traveled to Talkeetna; 50% to Palmer/Wasilla, and 6% to other Mat-Su destinations such as Willow, Byers Lake, Hatcher Pass, Big Lake, etc. (Fewer than 1% of visitors traveled to each of these other communities.)

Figure 3. Destinations of Mat-Su Visitors, Summer 2016



Source: AVSP 7.

It is also interesting to note the "market penetration" of the region: out of all out-of-state visitors to Alaska in summer 2016, 17% reported visiting at least one location in the Mat-Su. (This excludes those passing through, without stopping.)

A new visitor research effort funded by the Alaska Travel Industry Association is underway as of April 2022. It is likely that Mat-Su CVB will receive new information on the number of out-of-state visitors, as well as their characteristics, later in the year.

In-State Visitors

In-State Visitor Volume, 2016

- **300,000 visitors (not including repeat visits)**

Much less research has been done over the years on the number of in-state visitors to the Mat-Su region, although they are acknowledged to represent a significant market. A 2017 study estimated that roughly 300,000 Alaska residents from outside of Mat-Su visited the region at least once in 2016.[5]

[4] *Economic Impacts of the Visitor Industry in the Mat-Su Borough*, prepared by McDowell Group for Mat-Su Convention and Visitors Bureau, 2017.
[5] Ibid.

Note that this estimate does not reflect multiple visits by the same person, and the 300,000 figure likely represents a much higher number of individual visits.

COVID IMPACTS

The pandemic devastated Alaska's out-of-state visitor industry. A 2021 report showed that the number of visitors to Alaska dropped by 82% for the April to December period between 2019 and 2020, from 2.4 million to 427,000.[6] Cruise visitors dropped to zero, highway/ferry visitor volume dropped by 93%, and air visitor volume dropped by 58%.

In a survey of 373 Alaska visitor businesses, 27% of businesses that directly serve visitors reported that they did not operate in 2020. The average decline in revenue was 66%, while the average decline in employment was 59%.

Mat-Su was in a unique position during the first year of the pandemic. While the state was virtually closed off to out-of-state visitors, in-state travel to the region reportedly increased. With most indoor activities cancelled, Alaskans doubled down on outdoor recreation activities, and the Mat-Su served as an ideal getaway for Anchorage-area residents. Businesses were still impacted, however; in-state travelers were less likely to stay overnight, for example, and were less likely to purchase the kinds of tours popular with out-of-state visitors. Businesses serving the cruise industry were particularly impacted.

The following year, 2021, was also extremely atypical for the Mat-Su region. While Southeast Alaska received a small number of cruise ships, all cross-gulf cruises were cancelled. There was pent-up demand among independent travelers (some of whom had replaced their cruise itinerary with a land-based itinerary), and some businesses thrived.

Bed tax data (next page) indicate the profound declines in 2020 and recovery in 2021, approaching pre-pandemic levels.

However, employment and earnings data (see table on page 14) show uneven recovery rates among segments of the industry. Additionally, tourism businesses reported that significant challenges continue including severe labor shortages and supply chain issues. Both factors affect businesses' ability to generate revenue and recover from losses incurred the two prior years.

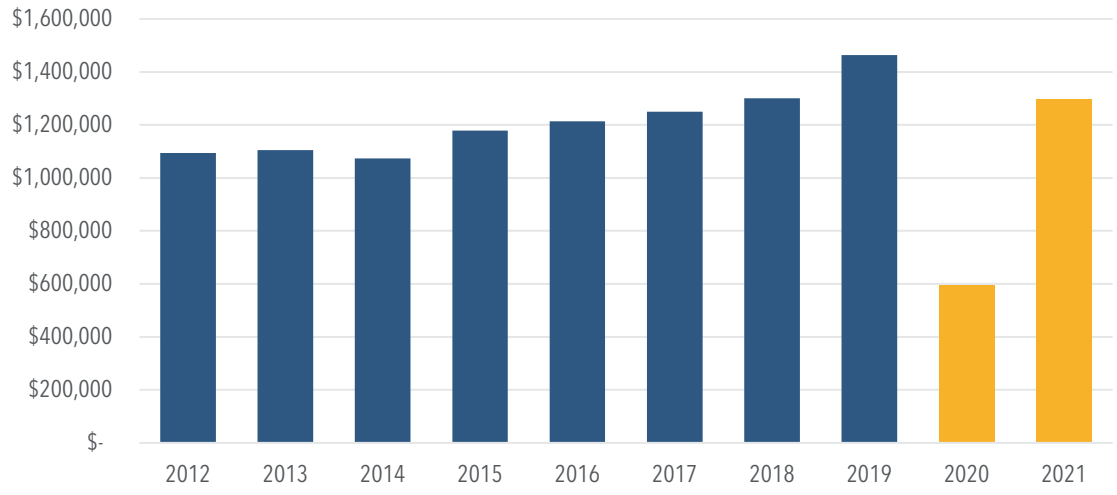
[6] *Economic Impacts of COVID on Alaska's Visitor Industry*, prepared by McKinley Research Group for Alaska Travel Industry Association, 2021.

Bed Tax Data

Mat-Su collects a 5% bed tax on all lodgings. The following chart shows how Mat-Su bed tax revenues have fluctuated over the last 10 years. (Note that fluctuations in bed tax revenues can reflect the price of accommodations, not just volume of visitors.)

The year before the pandemic hit, 2019, saw an increase of 13% in bed tax revenues, and was the fifth consecutive year of growth. 2020 showed a 59% decrease in bed tax revenues, followed by a bounce back to 2018 levels (at $1.3 million, both years).

Figure 3. Mat-Su Borough Bed Tax Revenues, 2012-2021



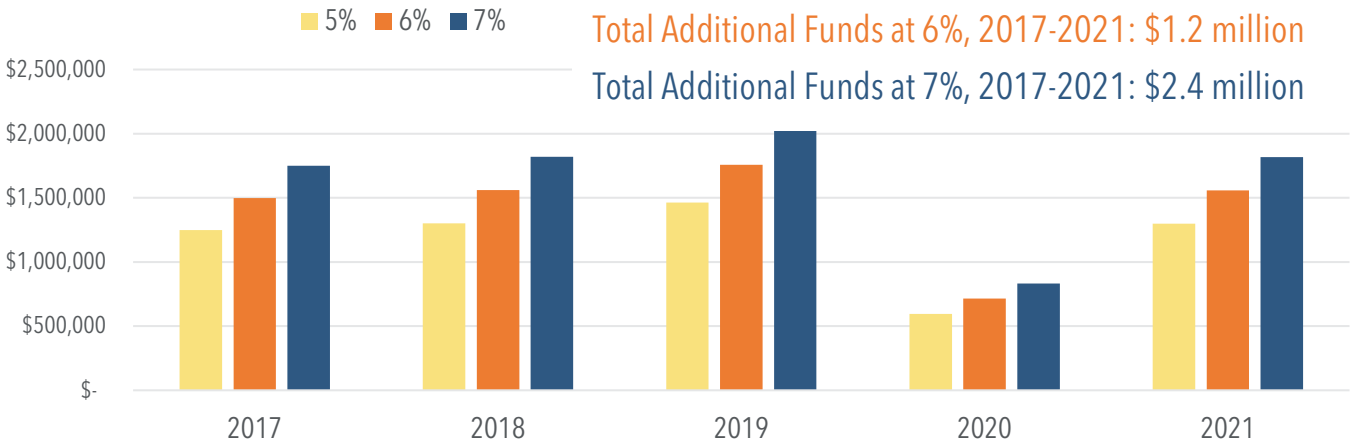
Source: Mat-Su Borough.

BED TAX SCENARIOS

An increase in the Borough's bed tax rate has long been considered as a potential funding mechanism, ideally for tourism-related programs and infrastructure. Further, it was an important topic in the outreach efforts for this project (see *Resident and Stakeholder Input*). To help inform this issue, the following chart shows the amount of bed tax revenues that would have resulted over the last five years under 6% and 7% scenarios, compared to the actual (5%) tax rate.

The actual amount of bed tax revenues generated over the five-year period of 2017 to 2021 at a 5% rate was $5.9 million. If there had been a 6% bed tax starting in 2017, an additional $1.2 million would have been generated over the period. If there had been a 7% bed tax, an additional $2.4 million would have been generated.

Figure 4. Mat-Su Borough Bed Tax Revenue Scenarios at 5%, 6%, and 7%, 2017-2021



Source: Mat-Su Borough; McKinley Research Group calculations.

For additional context, the Mat-Su Borough has one of the lowest bed tax rates in Alaska when compared to other popular visitor destinations. Anchorage charges the highest rate at 12%, while Haines and Seward are on the lower end at 4%.

The Kenai Peninsula Borough does not currently have a lodging tax, although there have been recent efforts to enact a 10% tax there.

Table 1. Alaska Bed Tax Rates, Top Visitor Destinations

	Tax Rate
Anchorage	12%
Juneau	9%
Fairbanks	8%
Skagway	8%
Denali	7%
Ketchikan	7%
Sitka	6%
Mat-Su	**5%**
Haines	4%
Seward	4%

Source: Alaska Taxable.

State Parks Visitation

The Alaska State Parks in the Mat-Su Borough receive a significant level of traffic from residents and visitors alike. The table at right shows 2021 visitor numbers recorded at each State Park location. (State Park representatives note to use caution when interpreting results as counters can sometimes malfunction or be stolen or vandalized.)

Visitation to State Parks in the Mat-Su reached nearly 480,000 in 2021, all sites combined. The most popular destination is Hatcher Pass at Gateway with nearly 135,000 visitors in 2021, followed by Independence Mine Bowl at nearly 60,000.

COVID IMPACTS

Visitation to State Parks appears to have held fairly steady through COVID, with visitation decreasing by only 3% between 2019 and 2020. It is likely that the downturn in visitation from out-of-state visitors was balanced by an increase in in-state visitors.

Table 2. Visitation to State Parks in Mat-Su, 2021

	# of Visitors
Hatcher Pass at Gateway	134,638
Independence Mine Bowl	59,897
Hatcher Pass East Side Gate	36,225
Denali View North	31,167
Gold Mint	29,285
Independence Mine State Historical Park	26,649
Finger Lake	23,095
Denali View South	22,805
Matanuska Lake	22,619
Archangel Road	21,764
Veterans Memorial South	18,284
Nancy Lake State Recreation Area	14,184
Byers Lake	10,812
K'esugi Ken	8,846
Little Coal Creek	6,959
Canoe Lake	6,480
Government Peak	5,122
Total	**478,829**

Source: Alaska State Parks.

Visitor Profile

Summer Out-of-State Visitors

A summer 2016 survey of 1,314 Mat-Su visitors provides a profile of the market.[7]

- Nearly three-quarters of visitors (72%) were traveling for vacation/pleasure; 20% were visiting friends/relatives; and 7% were traveling for business or business/pleasure.
- Roughly two-thirds (64%) were cruise passengers, while 28% traveled to and from Alaska by air, and 8% traveled to and/or from the state by highway or ferry.
- Participants reported staying in Alaska an average of 12.0 nights, including 3.2 nights in the Mat-Su.
- The most popular types of lodging used in the Mat-Su were hotel/motel (32%), lodge (23%), and friends/family (18%).
- Four out of ten visitors had been to Alaska before (40%), while 13% had cruised in Alaska before.
- Visitors were most likely to be from Western U.S. states (35%), followed by the South (23%), Midwest (20%), and East (12%). Two percent were Canadian, and 9% were from other international countries.
- Visitors reported an average party size of 2.4 people. The gender split was even at 50/50.
- The average age among participants was 54.
- One-fifth of participants (21%) reported children in their household, while about half (44%) were retired or semi-retired.
- Two-thirds (65%) of participants reported at least a college degree.
- The average household income among participants was $113,000.

Table 3. Profile of Mat-Su Out-of-State Visitors, Summer 2016

	% of Visitors
Trip purpose	
Vacation/pleasure	72
Visiting friends/relatives	20
Business or business/pleasure	7
Transportation market	
Cruise	64
Air	28
Highway/ferry	8
Ave. length of stay in Alaska	**12.0 nights**
Ave. length of stay in Mat-Su	**3.2 nights**
Lodging used in Mat-Su	
Hotel/motel	32
Lodge	23
Friends/family	18
Campground/RV	15
B&B	7
Vacation rental	4
Wilderness camping	2
Previous Alaska travel	
Been to Alaska before	40
Cruised in Alaska before	13
Origin	
Western US	35
Southern US	23
Midwestern US	20
Eastern US	12
Canada	2
Other international	9
Other demographics	
Average party size	2.4 people
Male/female	50/50
Average age	54 years old
Children in household	21
Retired/semi-retired	44
College graduate	65
Average income	$113,000

Source: AVSP 7.

In-State Visitors

Many Alaskans, particularly those living in Anchorage, take advantage of their proximity to the Mat-Su and access to year-round recreational opportunities. Popular activities include wildlife viewing, camping, sightseeing, fishing (including ice-fishing), hunting, boating, white-water rafting, zip-lining, hiking/backpacking, riding the Alaska Railroad, flightseeing, berry-picking, off-road vehicle riding, biking, horseback riding, skiing (downhill and cross-county), snow machining, dog mushing, skijoring, and snowshoeing.

According to the Alaska Residents Statistics Program (2009, the most recent data available), the top recreational activity in the Mat-Su sub-region was hiking, camping, wildlife viewing, and freshwater fishing. Survey results suggest that Southcentral residents were mostly likely to have visited the Mat-Su sub-region when compared to other Alaska residents (11% visited once annually and 20% visited two to four times annually).[8]

Tourism's Role in the Economy

Economic Impacts

The economic impacts of out-of-state visitors to Mat-Su in 2016 were estimated at 1,700 jobs, $47 million in labor income, and $133 million in total economic output, including direct and indirect impacts.[9] With visitor volume up in the neighborhood of 17% between 2016 and 2019, those impacts are likely to have grown accordingly.

The economic impact of in-state visitors is unknown.

Economic Impact of Out-of-State Visitors to the Mat-Su, 2016

- **1,700 jobs**
- **$47 million in labor income**
- **$133 million in total economic output**

Tourism-Related Employment

State of Alaska employment and wage data offers another method of understanding the role of tourism. The following chart shows employment and earnings in 15 different subsectors that are likely to be impacted by visitor spending. These sectors include,

Employment in Tourism-Related Sectors, 2021

- **6,200 jobs**
- **$177 million in wages**

[7] *Mat-Su Summer 2016 Visitor Profile*, prepared by McDowell Group for MSCVB, 2020.
[8] Fix, P.J. 2009. *Alaska Residents Statistics Program Final Report*, School of Natural Resources and Agricultural Sciences, Department of Resources Management, University of Alaska Fairbanks.
[9] *Economic Impacts of the Visitor Industry in the Mat-Su Borough*, prepared by McDowell Group for Mat-Su Convention and Visitors Bureau, 2017.

for example, accommodations, scenic and sightseeing transportation, and gas stations, among others. Added together, the 15 subsectors totaled roughly 6,000 jobs in 2021, representing 23% of total wage-and-salary employment in the Borough. Wages in these positions totaled $177 million, representing 13% of Borough employment. The seasonal nature of many tourism jobs explains the difference between the 23% and 13% figures.

Interestingly the total number of tourism-related jobs only fell slightly between 2019 and 2020, then rose by 10% in 2021, surpassing 2019 levels. Total wages in these positions stayed steady between 2019 and 2020, then rose by 18% in 2021. This may reflect the reported influx of in-state visitors replacing out-of-state visitors in 2020, followed by a rush of pent-up demand by independent visitors in 2021 (when the cruise industry was still blocked by the pandemic, other than in Southeast Alaska). In addition, employment in several categories were non-disclosable in 2019 due to the small number of reporting businesses.

Table 2. Employment and Earnings in Visitor-Affected Sectors of the Mat-Su Economy 2019, 2020, 2021

	EMPLOYMENT			EARNINGS		
	2019	2020	2021	2019	2020	2021
TOTAL INDUSTRIES	**24,835**	**24,690**	**26,556**	**$1,116,509,340**	**$1,195,606,836**	**$1,318,580,441**
Retail Trade						
Food and Beverages	403	393	383	$10,247,986	$11,451,789	$11,263,733
Gasoline Stations	117	220	222	$3,271,906	$6,417,129	$6,738,187
Clothing and Clothing Accessories	58	59	69	$1,386,628	$1,859,563	$2,043,187
Sporting Goods, Books, Music, etc.	162	152	180	$2,582,949	$2,697,902	$3,187,032
General Merchandise	1,270	1,377	1,400	$35,635,657	$41,356,789	$43,871,535
Miscellaneous	398	421	459	$10,592,771	$11,786,631	$14,258,028
Transportation and Warehousing						
Air Transportation	162	92	77	$11,156,407	$6,503,727	$6,865,025
Transit and Ground Passenger	318	258	266	$10,613,776	$8,490,433	$9,719,648
Scenic and Sightseeing	*	23	40	*	$865,689	$2,014,619
Support Activities	109	112	126	$3,707,969	$4,074,288	$4,531,325
Arts, Entertainment and Recreation						
Performing Arts	*	58	77	*	$1,394,899	$2,224,051
Museums, Zoos, Parks, etc.	*	6	9	*	$146,608	$192,256
Amusements, Gambling, Recreation	320	258	325	$5,969,106	$5,117,184	$7,104,407
Accommodation and Food Services						
Accommodation	633	371	481	$16,515,720	$11,095,828	$15,838,169
Food Services and Drinking Places	2,012	1,816	2,089	$38,358,057	$36,453,614	$46,820,847
Total Visitor Affected	**5,962**	**5,616**	**6,203**	**$150,038,932**	**$149,712,073**	**$176,672,049**
% Visitors Affected	**24%**	**23%**	**23%**	**13%**	**13%**	**13%**

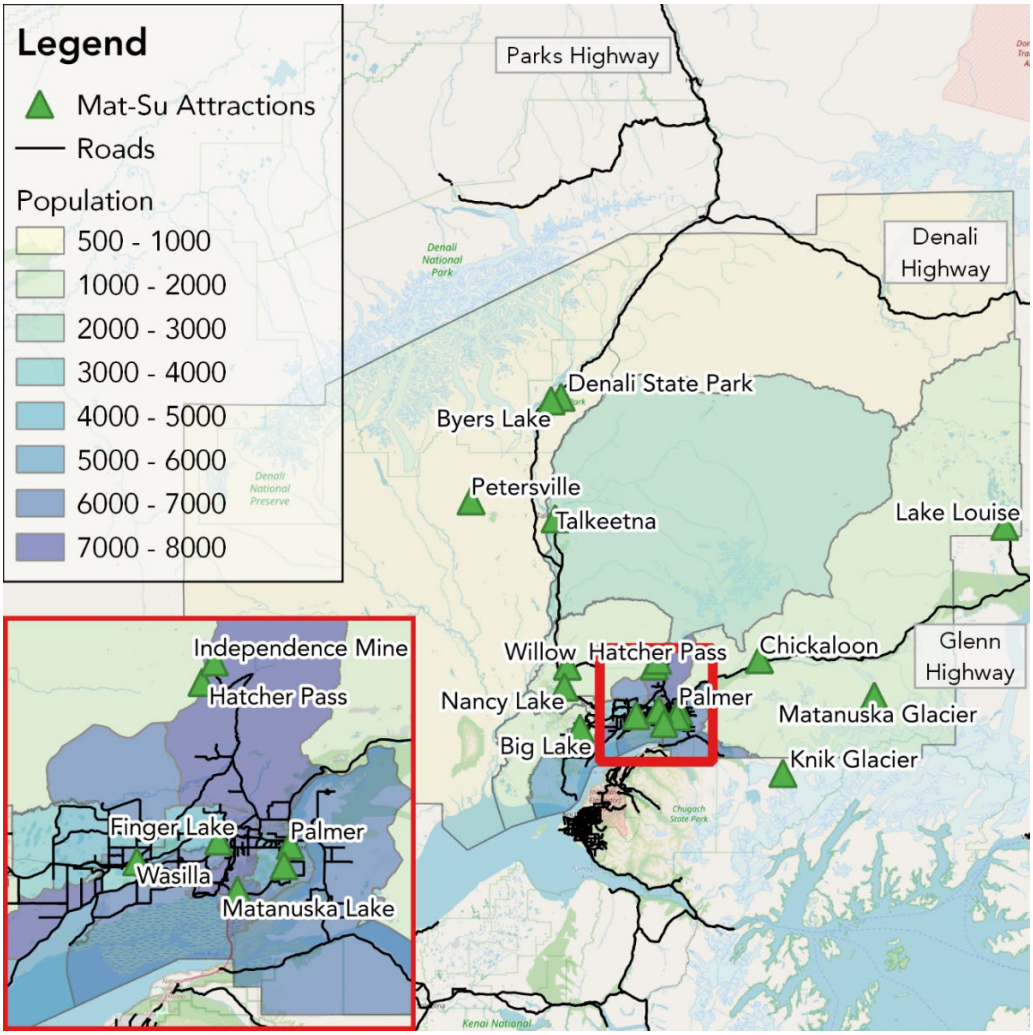
Source: Alaska Department of Labor and Workforce Development.
*Non-disclosable due to small number of reporting businesses.

Visitor Destinations and Resident Population

The following map helps illustrate several key characteristics of Mat-Su's visitor landscape. It shows population density by census district, along with the region's top visitor attractions.

- The Mat-Su Valley covers a huge amount of land – over 23,000 square miles – but has very few roads (shown in black).
- Most of the Borough is sparsely populated, with the exception of the Palmer/Wasilla area.
- Many visitor attractions are clustered in the most populated areas between Palmer and Hatcher Pass.
- High visitor volume around Talkeetna is addressed in several following sections including competitive analysis, resident and stakeholder input, and management plan.

Figure 5. Mat-Su Population Density and Top Visitor Attractions



Source: McKinley Research Group.

Competitive and Market Analysis

An understanding of Mat-Su's unique strengths and challenges relative to other destinations provides important context for sustainable tourism planning. The following information is drawn from this study's outreach efforts, previously published reports, and the study team's Mat-Su and tourism industry background.

Destination Strengths

LOCATION AND ACCESSIBILITY

- The Mat-Su is situated between two of Alaska's top visitor destinations among out-of-state visitors.
    - Anchorage: #3 destination overall; #1 overnight destination
    - Denali: #6 destination overall; #2 overnight destination.[10]

  (The difference between "overall" and "overnight" destinations reflects day trips, primarily by cruise passengers at ports of call.)
- The Mat-Su is within easy driving distance of Anchorage – Alaska's major population center (292,000 residents, representing 40% of the state's population).[11] It is a half-day drive from Fairbanks North Star Borough, the third most-populous borough in the state (98,000 residents; 13% of the state's population).
- Unlike many Alaska destinations boasting similar experiences (glaciers, fishing, boating, hiking, etc.), the Mat-Su is road-accessible.
- Mat-Su is close enough to Anchorage that visitors wanting to avoid a "big-city" experience can overnight in the Mat-Su rather than Anchorage.

A CLOSER DENALI EXPERIENCE

- Denali enjoys very high name recognition among high-potential Alaska travelers (see following section). The Mat-Su's northern region, including Denali State Park, offers a high-quality Denali experience: beautiful views of the mountain and the Alaska Range; Denali-oriented activities such as hiking, wildlife viewing, and flightseeing; and mountain climbing culture and history.

[10] *Alaska Visitor Statistics Program 7*, prepared by McDowell Group for Alaska Department of Commerce, Community, and Economic Development, 2017.
[11] US Census.

- Mat-Su's competitive advantage is its relative accessibility: a high-quality Denali experience is available with a lower time commitment than traveling all the way to Denali National Park, for both Anchorage residents and travelers based in Anchorage. For travelers with only two or three days to explore, the Mat-Su can deliver Denali in a shorter time frame.

DIVERSITY OF EXPERIENCES

- The Mat-Su region is virtually unrivaled among Alaska destinations for the breadth of experiences it has to offer. Visitors exploring the region have endless choices for how to spend their time, including a wide range in terms of prices, activity levels, and seasonality. Visitor activities include, but are not limited to, the following.

✓ Hiking	✓ Scenic drives	✓ Skiing	✓ Camping
✓ Biking	✓ Glacier viewing	✓ Dogsledding	✓ Boating
✓ Mountaineering	✓ Agriculture	✓ Snowmachining	✓ Rafting
✓ Flightseeing	✓ Museums	✓ Snow-shoeing	✓ Canoeing
✓ Fishing	✓ Alaska Native culture	✓ Ice fishing	✓ Kayaking
✓ Wildlife viewing	✓ Northern Lights	✓ Shopping	✓ Events/festivals
✓ Hunting	✓ Horseback riding	✓ Four-wheeling	✓ Golfing
✓ Fat-tire biking	✓ Zip-lining	✓ Standup paddleboarding	✓ Paragliding

TRENDING EXPERIENCES

The Mat-Su offers several experiences that are increasingly in demand by travelers.

- **Agri-tourism:** The US Census of Agriculture reports that the agri-tourism market grew by 67% between 2007 and 2017, with additional growth projected in the next decade.[12] The Mat-Su is in an excellent position to capitalize on this trend, and can offer a wide variety of farm experiences: "u-pick" tours, farmers markets, farm-to-table dining,

[12] https://www.agmrc.org/commodities-products/agritourism

and farm stays, for example. Mat-Su also has unique draws in its famous giant vegetables and indigenous food traditions.

- **Winter tourism**: Alaska's winter visitor volume increased by 36% in the decade leading up to the pandemic.[13] Fairbanks, in particular, experienced strong growth in its Aurora viewing market, which spurred the development of new lodging and winter activity options. While the Mat-Su is already a popular winter destination for Alaska residents, there may be an opportunity to attract the non-resident market interested in Aurora viewing, skiing, dog-sledding, and other winter activities.
- **Cultural tourism**: Cultural tourism – defined by the World Tourism Organization as tourism centered on cultural attractions and products – is one of the fastest-growing segments of the tourism industry, accounting for an estimated 40% of all tourism worldwide.[14] Mat-Su's tourism industry has already demonstrated a commitment to expanding its cultural offerings through the "Cultural and Heritage Tourism Initiative" undertaken earlier in 2022.[15] That initiative identified a number of opportunities and strategies that highlight the tremendous potential for this market segment going forward.
- **Adventure tourism**: Like cultural tourism, the adventure market is frequently cited as a fast-growing market segment. One study estimates the Compound Annual Growth Rate (CAGR) of the global adventure travel market at 20% between 2021 and 2028.[16] The Mat-Su perfectly meets the definition of adventure tourism: "a type of tourism involving travel to remote or exotic locations in order to take part in physically challenging outdoor activities."[17]

DESTINATIONS WITH POTENTIAL

- Two Mat-Su destinations merit special mention as offering superlative visitor experiences in less-traveled areas: Knik River Valley and Glacier View. Each of these destinations attracted fewer than 1% of Mat-Su out-of-state visitors in a recent study, yet they provide much of what visitors seek in an Alaska vacation: unspoiled wilderness, a remote setting, scenic vistas, and adventurous activities. Visitors can choose from a wide variety of guided or unguided tours:

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[13] *Alaska Visitor Volume Report, 2018-19*, prepared by McDowell Group for Alaska Travel Industry Association.
[14] www.unesco.org
[15] *Mat-Su CVB Cultural & Heritage Tourism Initiative*, prepared by US Cultural & Heritage Marketing Council for Mat-Su CVB, 2022.
[16] www.alliedmarketresearch.com
[17] Google dictionary; Oxford Languages.

hiking, glacier trekking, flightseeing, ice climbing, river rafting, ziplining, ATV-riding, gold panning, fishing, wildlife viewing, and dog-mushing. While some areas of the Mat-Su are challenged to meet demand as visitor volume grows, these destinations have capacity, and provide an exceptional experience.

Destination Challenges

MAKING MAT-SU THE DESTINATION

- While Mat-Su's location between Anchorage and Denali is an asset, the downside is its outdated status among some travelers as a pass-through destination – as evidenced by the short average length of stay among out-of-state visitors (3.2 nights out of 12.0 total nights in Alaska). While significant progress has been made over the last decade to increase length of stay, a portion of travelers continue to consider Mat-Su a stopover. There is still progress to be made on this front, particularly considering the high volume of overnight visitors to Denali.

LIMITED LODGING

- Mat-Su's ability to grow its visitor industry, and to disperse visitors throughout the region, is severely limited by its lodging infrastructure. A 2008 study found that 58% of rooms were concentrated in the Talkeetna area, where the two largest hotels are located.[18] Several stakeholders reported that visitors often expressed a desire to stay in other areas, such as Glacier View and Palmer, but could not find lodging. Many accommodations also close in the winter, limiting the potential of that market.

LACK OF NAME RECOGNITION

- Mat-Su's lack of name awareness outside of Alaska has been a challenge for as long as the region has been marketing itself. It simply doesn't have the name recognition of many other Alaska destinations, such as Denali, Glacier Bay, Anchorage, or Juneau, for example. This key challenge is explored in detail in the following section.

Report Summary: Mat-Su Awareness and Familiarity

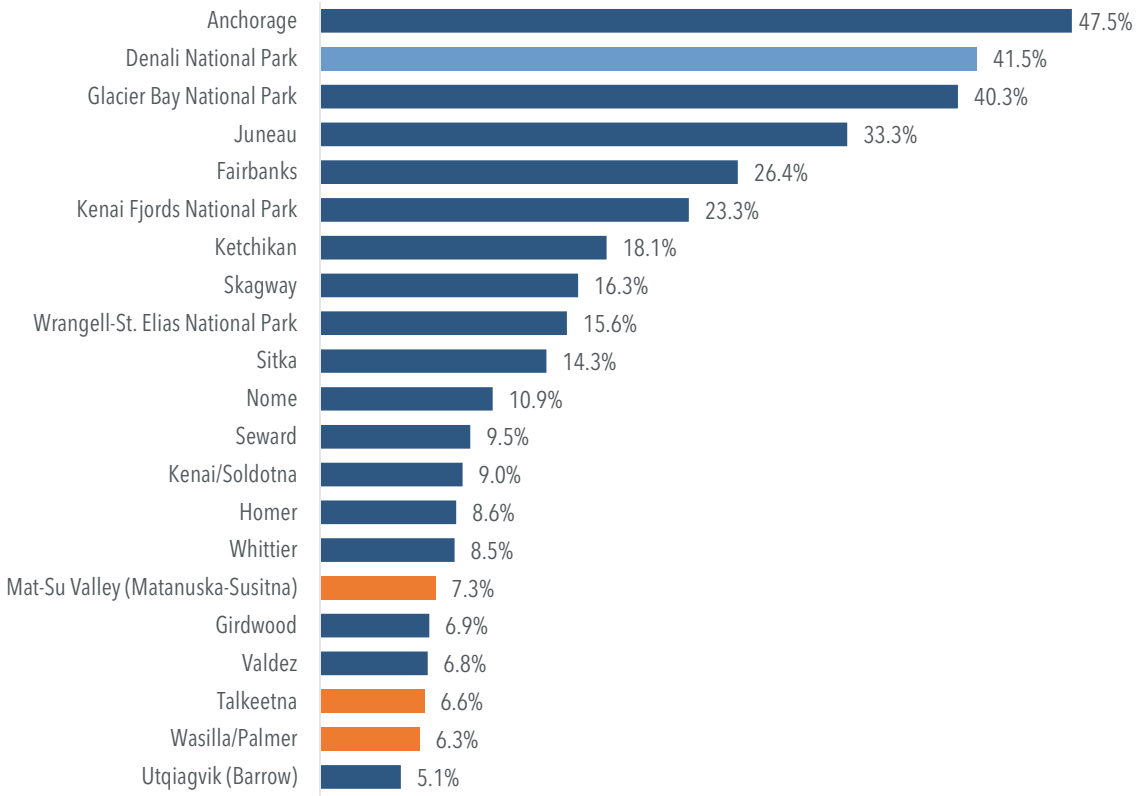
Mat-Su CVB commissioned a survey in 2020 of 2,000 American adults, age 18 to 80.[19] To qualify for the survey, respondents: a) had to have taken an overnight leisure trip in the last two years;

[18] *Mat-Su Tourism Infrastructure Needs Study*, prepared by McDowell Group for the Mat-Su Borough, 2008.
[19] *2020 Mat-Su Valley Traveler Research*, conducted by Destination Analysts for Mat-Su Convention and Visitors Bureau.

b) were anticipating taking an overnight leisure trip in the next year; and c) were open to a leisure trip to Alaska. Relevant findings include:

- Only 20% of respondents had ever heard of the Mat-Su Valley.
- 10% said they were "very familiar" with the Mat-Su Valley; another 12% said they were "familiar."
- Among 21 Alaska destinations, Mat-Su was #16 in desirability as a destination in the next two years, with 7% mentioning it. Talkeetna and Wasilla were #19 and #20, respectively. Also relevant to the Mat-Su is Denali National Park, at #2, mentioned by 42% of respondents.
- Also relevant to the "familiarity" is the lack of awareness of the Mat-Su's accessibility. Among high-potential Mat-Su travelers for summer 2021, 37% anticipated their "mode of arrival to the Mat-Su" would be cruise ship; 26% anticipated it would be via road; and 24% anticipated it would be via ferry. (Note that fewer than 1% of Alaska travelers currently access the state via ferry.) While these figures likely show combined transportation modes (i.e. first traveling to Alaska via cruise then to the Mat-Su via road) it still may reflect a lack of familiarity with Mat-Su's location and transportation options.

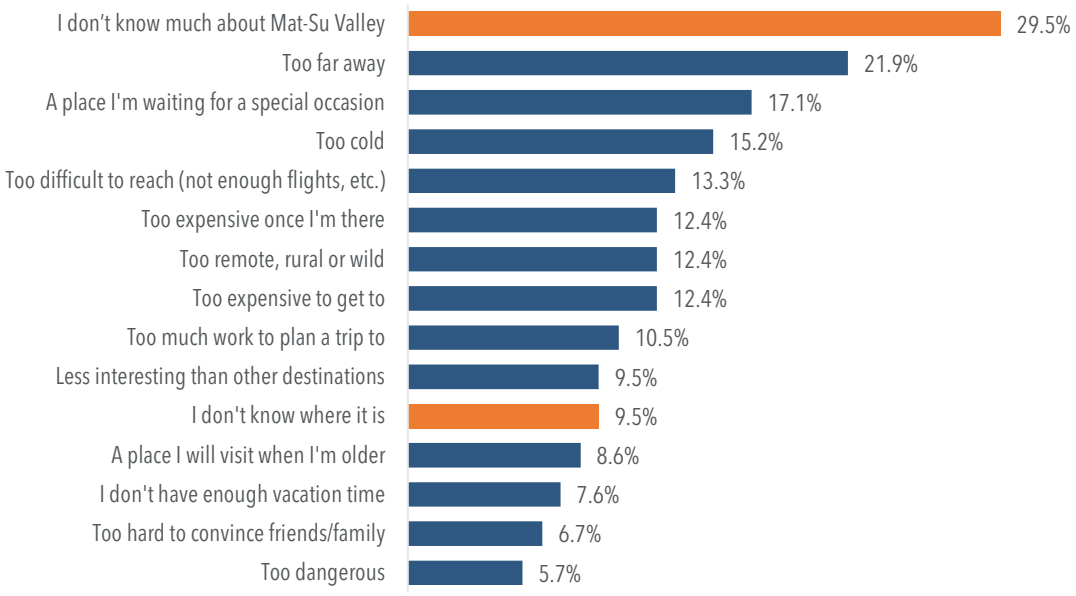
Figure 6. Desired Alaska Destinations (Next Two Years)



Source: Destination Analysts.

- Among those respondents with "high potential" of visiting the Mat-Su, the number one deterrent to visiting was "I don't know much about Mat-Su Valley," mentioned by 29.5% of respondents. Another 9.5% said "I don't know where it is."

Figure 7. Deterrents to Visiting Mat-Su

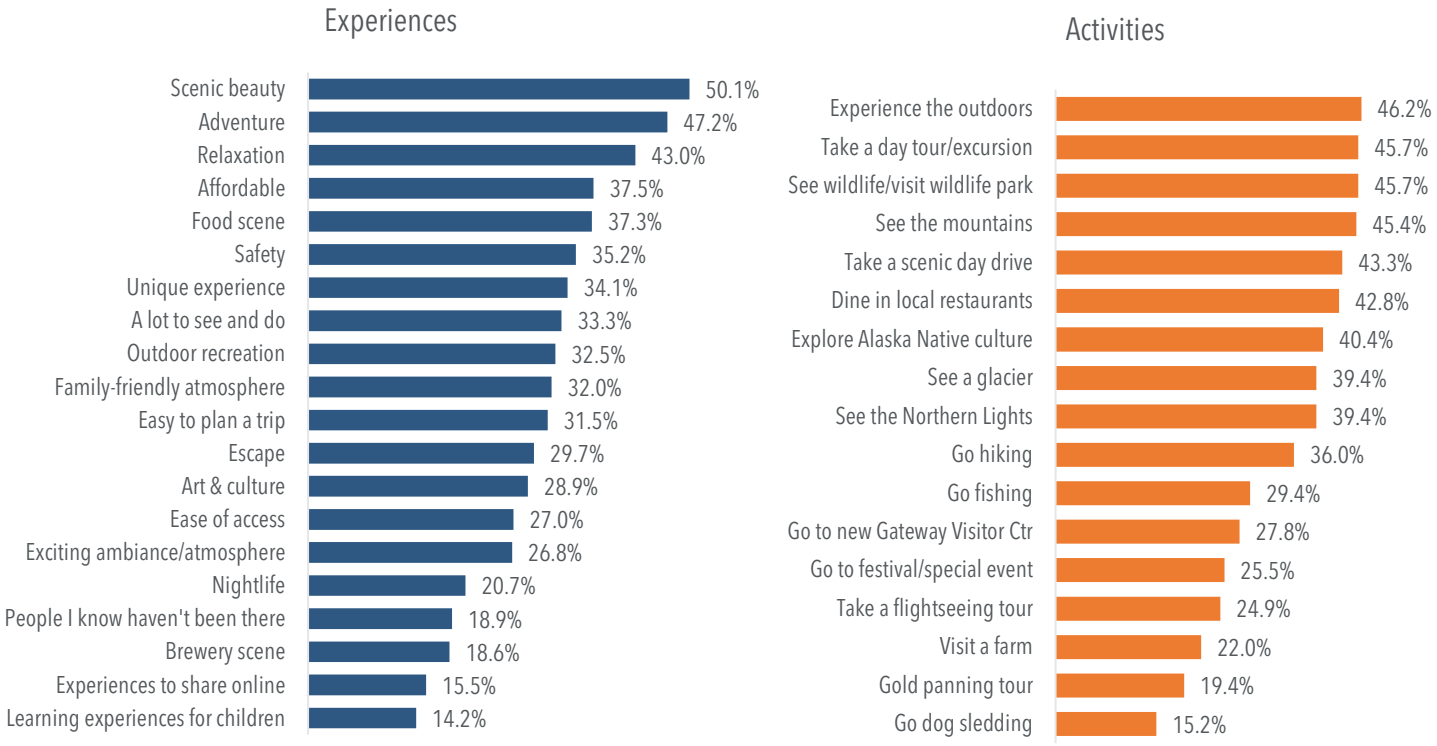


Source: Destination Analysts.

- While destination awareness was low among those surveyed, the study further found that the Mat-Su offers many of the experiences and activities most desired by high-potential travelers. Top "experience" matches include scenic beauty (#1), adventures (#2), unique experience (#7), a lot to see and do (#8), and outdoor recreation (#10). Top "activity" matches include experience the outdoors (#1), take a day tour/excursion (#2), see wildlife (#3), see the mountains (#4), scenic day drive (#5), explore Alaska Native culture (#7), and see a glacier (#8).

See chart, next page

Figure 8. Desired Mat-Su Experiences and Activities Among High-Potential Mat-Su Travelers



Source: Destination Analysts.

In summary, the 2020 report indicates two conclusions about the Mat-Su's competitive position: There is low awareness of the Mat-Su among travelers, particularly in comparison with other Alaska destinations; and, the Mat-Su offers many experiences and activities most desired by high-potential Alaska travelers.

Resident and Stakeholder Input

This section provides results to three outreach efforts: a resident survey, community workshops, and stakeholder interviews.

Common Themes

While there are nuances in information collected during the planning process, several themes emerged consistently from residents and visitor industry stakeholders.

- **Mat-Su offers many strengths and unique attributes**, including exceptional scenic beauty, outstanding recreational opportunities, a diversity of activities and geography, accessibility, proximity to Denali, and rich cultural experiences.
- While there is support for the tourism industry, **resident engagement and communication can be improved.** Participation in the survey and workshops could have been higher, and stakeholders emphasized the need for more education on the industry's importance.
- **Infrastructure gaps and maintenance issues detract** from both the visitor and resident experience. Common suggestions were better maintenance of facilities such as campgrounds, restrooms, and trailheads, in addition to more and improved signage. Many also expressed frustration with traffic and parking.
- **Talkeetna has unique challenges** that differ from other communities in the region. Residents are particularly sensitive to the impacts of tourism on their daily lives, and many feel the community cannot accommodate any more visitors.
- While tourism growth is supported by some, **there are concerns about sustainability**. These included the capacity of the recreational and road infrastructure, impacts on the environment, lack of workforce, and lack of lodging capacity.
- **Several opportunities could provide significant benefits to the region.** Commonly cited opportunities included the Gateway Visitor Center; growing the winter, cultural, and agricultural markets; and continuing to increase awareness of Mat-Su as more than a pass-through destination on visitor's path to Denali.

Resident Survey

Methodology

A public survey to gather input for the STMP was conducted in May and June of 2022. The web-based survey was open to all Mat-Su Borough residents. It was publicized through the newspaper, radio, e-newsletters, the Borough webpage, Facebook posts, and paid advertising on both Facebook and through the Frontiersman (see image at right).

To incentivize participation, respondents were entered into a drawing for a $100 gift certificate to Amazon.com.

A total of 286 Borough residents responded to the survey, which was conducted online.

Survey participation was low, considering the Borough's total population of over 100,000 residents and the extensive promotional efforts. One factor is likely the busy time of year: May and June are typically challenging times to survey Alaska residents, who are making the most of the season, and May and June 2022 happened to have particularly nice weather in the region. The low survey participation may also reflect a low level of interest and/or awareness on the part of Mat-Su residents in the tourism industry. This represents a challenge, and an opportunity, for the region.

Following is a summary of findings, followed by charts showing key results. Please refer to the *Appendix* for more detailed results, including demographic characteristics of respondents.

Key Findings

- **Respondents reported a very high quality of life in the Mat-Su**, including 63% who rated it an 8, 9, or 10 on a scale of 1-to-10. Over one-third (35%) gave mid-range ratings of 4, 5, 6, or 7, and only 2% gave ratings of 1, 2, or 3.
- **Respondents expressed a high degree of support for tourism industry growth**: 83% were in support, with only 17% opposed. Among five industries, the only industry with higher support for growth was agriculture (96% support).
- When asked whether the impacts of tourism were positive or negative, **nearly nine out of ten respondents viewed tourism's overall impacts as more positive than negative** (87%). This includes 41% who agreed that "tourism has an overall positive impact in the region" and 46% who agreed that "there are both positive and negative impacts, but the positive outweighs the negative."
- However, **a majority of respondents reported feeling negatively affected by various aspects of the industry.** The number one impact was vehicle traffic, with 84% saying they were at either somewhat or very affected, followed by trash/litter (82%), crowded parking areas (78%), crowding at trailheads (70%), and crowding on trails (64%).
- **Nearly half of respondents said the Borough is not doing enough to support the tourism industry** (47%). One-fifth (21%) said the Borough is doing just the right amount, while 12% said the Borough is doing more than enough. Another 20% didn't know.
- **Most respondents supported various methods for the Borough assisting the tourism industry.** The initiatives with the highest support were "improve trails and outdoor recreation infrastructure (88% supportive) and "construct additional public restrooms" (86% supportive). Nearly as many supported "improve maps, signage, and interpretive displays" (80% supportive). Two initiatives garnered lower levels of support: "increase tourism promotion funding" (56%) and "complete the Gateway Visitor Center" (52%). However, opposition to these two methods was still low at 22% and 17%, respectively, with the balance falling into the neutral category.
- **Nearly two-thirds of respondents were supportive of raising the bed tax rate** (63%), while 18% were opposed. The remainder were either neutral (18%) or didn't know (1%). Those in support of raising the bed tax rate were evenly split between "very supportive" (33%) and "supportive" (30%). (Before answering the questions, respondents read a statement explaining what bed taxes are used for and the bed tax rates in various Alaska communities. The full statement accompanies the corresponding chart in the following section.)
- **Survey participants represented nearly 30 different communities in the Borough.** The most common communities of residence were Wasilla (20%), Palmer (14%), and Talkeetna (11%). They reported an average length of residency in the Borough of 20 years.

Figure 9. How would you rate the quality of life in the Mat-Su Borough, where 1 is a very poor quality of life and 10 is a very good quality of life?

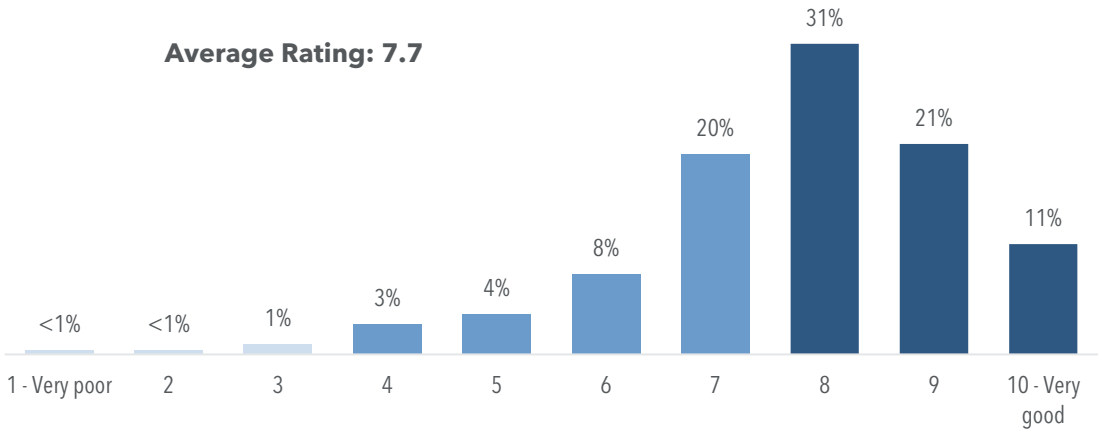
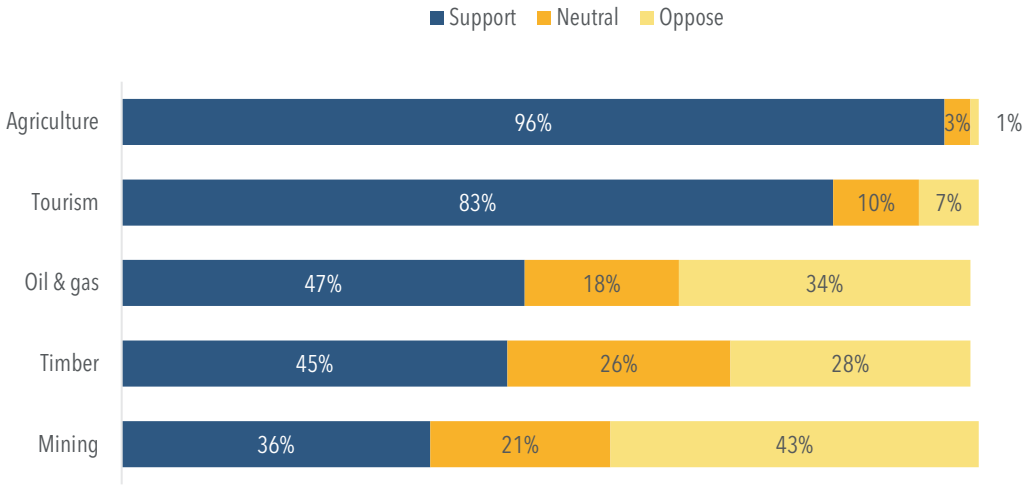


Figure 10. Please indicate your level of support or opposition to growing the following economic sectors of the Mat-Su Borough…



Notes: Rows do not add to 100% due to "don't know" responses. "Strongly support" and "support" combined; "Strongly oppose" and "oppose" combined; see Appendix for detailed responses.

Figure 11. Which of the following best describes how you feel about the tourism industry in the Mat-Su Region?

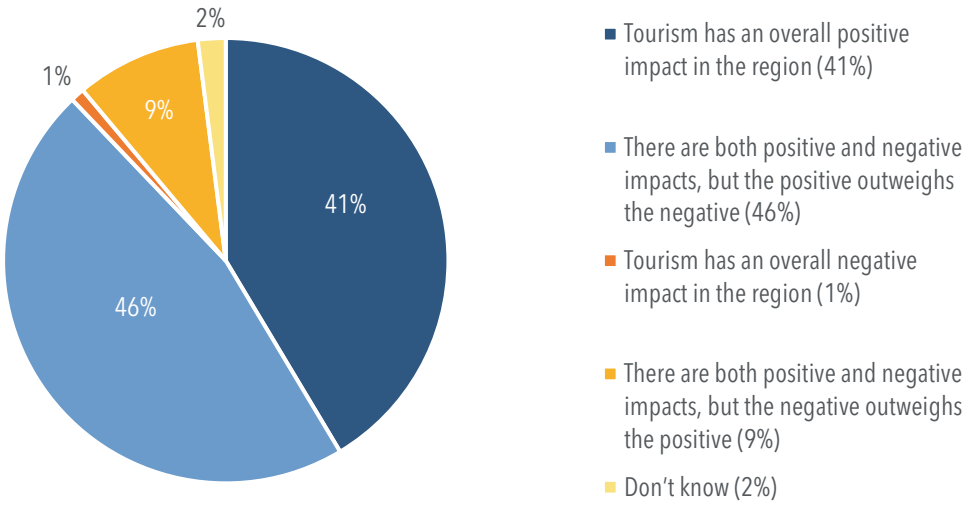
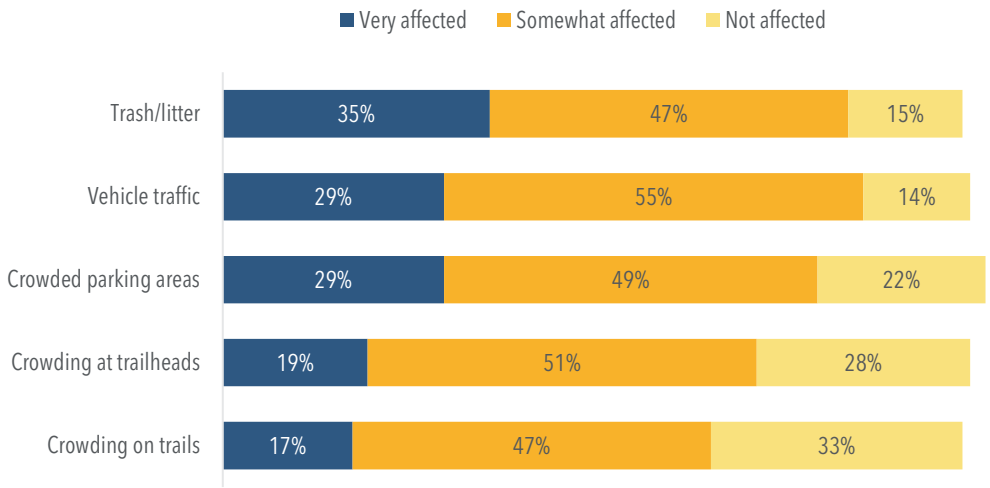


Figure 12. For each of the following impacts, how is your household affected by tourism?



Note: Rows do not add to 100% due to "don't know" responses.

Figure 13. Do you think the Mat-Su Borough is doing more than enough, not enough, or just the right amount to support the tourism industry?

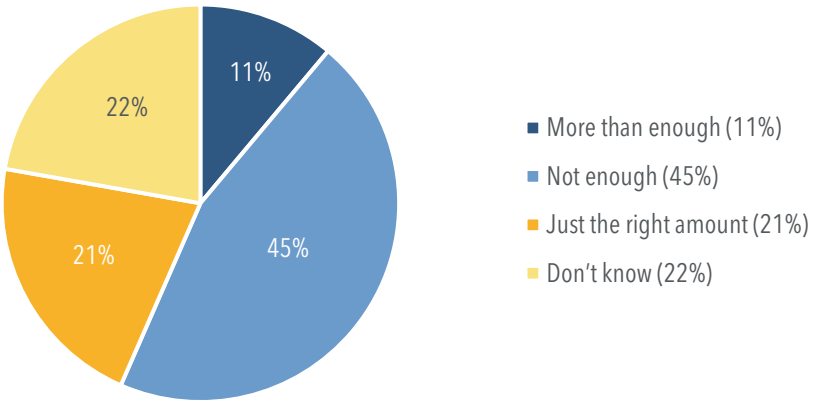
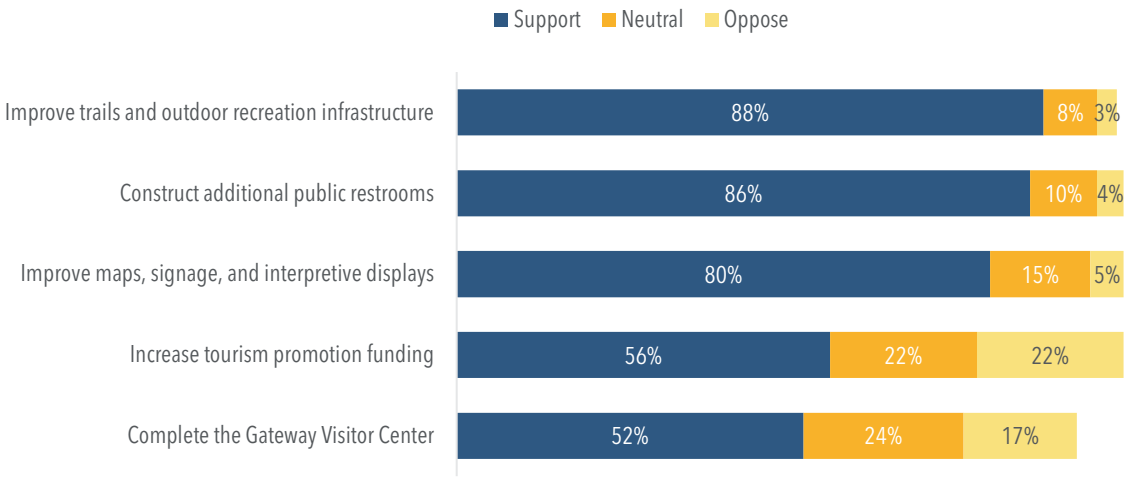


Figure 14. Do you support or oppose the Borough assisting the tourism industry in the following ways?



Notes: Rows do not add to 100% due to "don't know" responses. "Strongly support" and "support" combined; "Strongly oppose" and "oppose" combined; see *Appendix* for detailed responses

Bed taxes are a commonly used method to fund local tourism promotion efforts, infrastructure, trail grooming, and other maintenance. Bed taxes are paid by guests at accommodations such as hotels, motels, lodges, and AirBnBs. Many communities in Alaska have a bed tax, including Anchorage at 12%, Juneau at 9%, Fairbanks at 8%, and Sitka at 6%. Mat-Su's bed tax is currently 5%.

Figure 15. How supportive or opposed would you be to raising Mat-Su's bed tax rate?

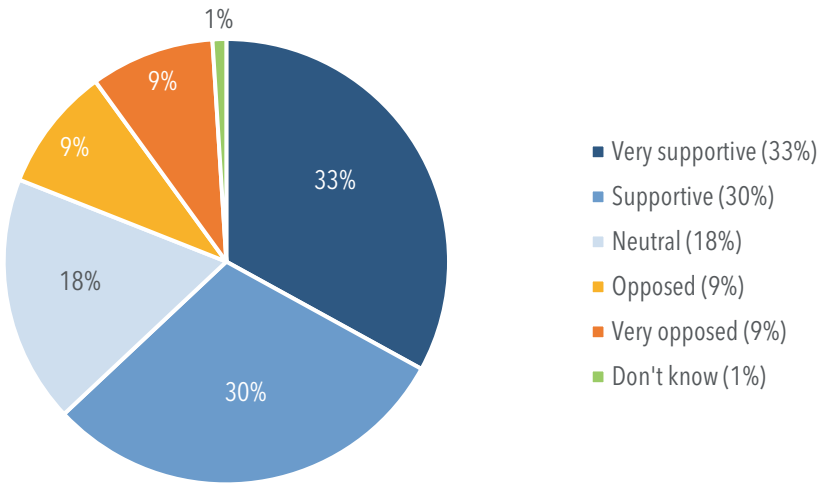
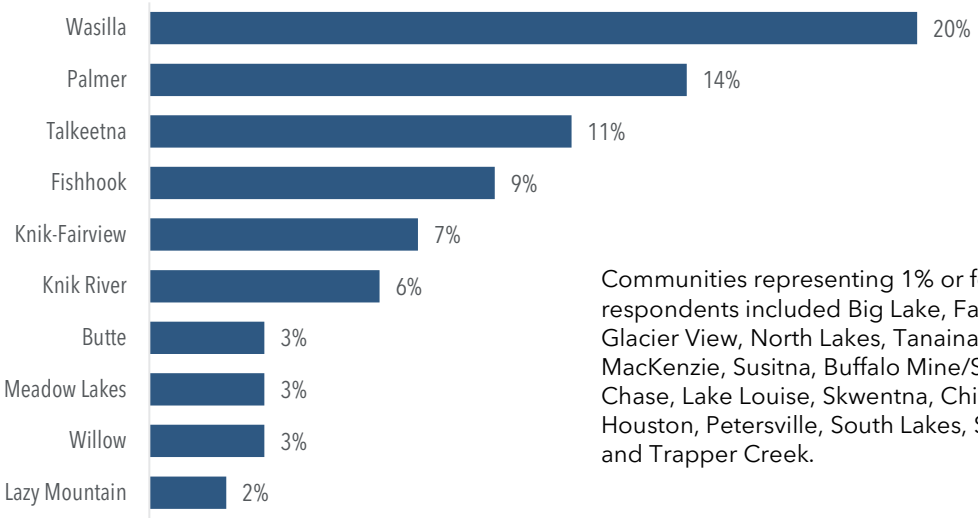


Figure 16. Where in the Mat-Su Valley do you currently live? (>1%)



Communities representing 1% or fewer respondents included Big Lake, Farm Loop, Glacier View, North Lakes, Tanaina, Point MacKenzie, Susitna, Buffalo Mine/Soapstone, Chase, Lake Louise, Skwentna, Chickaloon, Houston, Petersville, South Lakes, Sutton-Alpine, and Trapper Creek.

Concerns about Tourism Growth

The survey asked respondents, "Do you have any concerns about the growth of tourism in the Mat-Su?" Over half of respondents shared concerns. Following are main themes and selected responses; a full list of verbatim responses can be found in the *Appendix*.

- **Inadequate capacity to absorb more tourism growth**
  - *Infrastructure does not support additional growth, nor visitors.*
  - *Can the road systems support tourism also... Where will people stay?*
  - *Infrastructure can't support the amount.*
  - *Infrastructure does not support additional growth, nor visitors. We have few guest lodging options.*
  - *Main concern is increased tourism not supported by increased supporting infrastructure.*
  - *Need to be sure to have the services and facilities to support more tourism to grow it.*
  - *Roads and other infrastructure advancements must keep up with growing tourism.*
  - *We need to develop appropriate infrastructure and capacity to handle increasing tourism.*
- **Need for more planning and governance**
  - *Collaborative planning between local residents and MSB Staff, especially trailhead location, size, etc*
  - *Governance and oversight are essential.*
  - *MSB does not help communities deal with impacts of tourism nor with infrastructure needs.*
  - *Must make sure there are adequate facilities, parking, bathrooms, etc.*
  - *Residents should have a voice, a viable method for complaints, and mandate noise abatement*
- **Concerns about traffic**
  - *Traffic and the amount of accidents.*
  - *Traffic flow that could be regulated with lights being timed to get traffic flowing through town.*
  - *Traffic through Wasilla proper is a nightmare in the summer during peak hours.*
  - *Traffic, crowds. I don't like tourists and frankly, I don't care about their money.*
- **Issues with trails and trailheads**
  - *Some trailhead parking too small.*
  - *Crowding at trailhead parking lots.*
  - *Filth on the trails and rec areas due to dog waste.*
  - *The use of trails in Hatcher Pass had grown EXPONENTIALLY! Need parking and port-a-potties.*
- **Concern about rising crime**
  - *Crime at trailhead parking lots.*
  - *I am concerned about the crime rate increasing especially the damage to personal property.*
  - *Increased crime, increased traffic and not enough troopers.*
  - *More congestion. More crime. This place is a great place to live BECAUSE its largely unaffected by tourism.*

- **Protecting the environment**
  - *Be careful to protect the wild landscape...the main reason tourists visit.*
  - *Growth of tours -- including the fishing tours that I run -- puts pressure on resources and users*
  - *Have some concerns on environmental impact to local trails with increased use.*
- **Talkeetna as a pinch point**
  - *Talkeetna cannot support the amount of people coming in by buses and trains. We are overwhelmed.*
  - *Talkeetna needs more public restrooms; organized trash removal, bear aware practices, dust control.*
  - *I think the community of Talkeetna needs to collaborate to address the overcrowding of downtown.*
  - *In Talkeetna we do NOT have the infrastructure to support the throngs of tourists inundating us DAILY.*
  - *In Talkeetna, we need bathrooms and supplies for them. We need help with parking, trash, recycling.*
  - *There is not enough basic infrastructure to support the growing tourism industry in Talkeetna.*
  - *We need more infrastructure especially in Talkeetna. Bathrooms and Parking.*
- **Support for "independent tourism;" opposition to "industrial tourism"**
  - *I strongly support expanding independent tourism in the Mat-Su, I do not support cruise companies.*
  - *Independent travelers are great, but industrial tourism has many problems.*
  - *Independent travelers are okay. We don't need any more industrial tourism.*
  - *Independent travelers are welcome but industrial tourism is overwhelming our town.*
  - *Industrial Tourism is not appealing.*
  - *The level of industrial tourism in Talkeetna is greater than the town can support.*

Stakeholder Interviews

The study team developed a list of target contacts and an interview protocol with input from the Leadership Team. A total of 18 interviews were conducted with a wide range of stakeholders in the Mat-Su tourism industry representing attractions, accommodations, recreation organizations, government agencies, civic associations, and Alaska Native entities. A full list of contacts can be found in the *Appendix*. Following is a summary of interview results.

Regional Strengths

Interviewees suggested a wide range of strengths that mostly fell into the following categories: wilderness, diversity of activities and geography, proximity to Alaska and the Denali Range, and accessibility.

- **Wilderness**
  - *Wilderness, open space, undeveloped. That's our greatest resource. It's only become more and more valuable as other places lose their remaining pieces of open space.*
  - *The pristine wilderness that surrounds us.*
- **Diversity of activities and geography**
  - *We have culture with Chickaloon, plenty of history, museums, Hatcher Pass. We meet everyone's needs.*
  - *Mat-su Borough is well suited for tourism in the sense that we have some iconic geography. A lot of elements.*
  - *The diversity of so many areas and things to do. It's huge geographically. Each part of the borough is so different.*
  - *There's something for everyone. Skiing kayaking hiking mountain biking.*
  - *Lots of destinations with space and activities.*
  - *There's a lot of opportunity for dramatic diversity in day tripping. If a visitor came and spent a week based at hotel or AirBnB or lodge, and they wanted a different experience every day, that would be really easy… That's unique, unusual in Alaska.*
  - *Such a large area. There's a huge variety of things that people can do. Fishing. Summiting peaks. Ziplining. Glaciers. Riding a dune buggy.*
- **Proximity to Denali and Alaska Range**
  - *Talkeetna is ideally located for having an incredible perspective of the Alaska range. That's the number one drawing card.*
  - *The views are as awesome as in Denali National Park, but without crowds.*
- **Accessibility**
  - *We've got easy access…We can be a first destination coming out of Anchorage.*
  - *The centralized location of the borough is a strength.*

- *Access. We have a lot of trails and tourism activities that are accessible in terms of road system and also a lot of the stuff here is less cost-prohibitive than some of the other ways of touring around Alaska.*

Infrastructure Needs

When asked what infrastructure was most critical, contacts often referred to the need for better maintenance of existing restrooms, trails, trailheads, rest stops, etc. – particularly in comparison to other visitor destinations. They also expressed the need for more of these facilities. Several contacts mentioned the need for more, and a wider variety of, lodging facilities.

- *Rest stops: we don't have this anywhere in Alaska. In Europe there are clean bathrooms and we have overflowing outhouses.*
- *Travelers want to be able to have clean restroom. Things picked up, things monitored. From my perspective, we are woefully underfunded*
- *State parks are understaffed. Can't maintain garbage cans, outhouses, trails, picnic areas, waysides the way you need to.*
- *If you've traveled to places like Canada, Canada parks are really proud of their facilities. And it looks like it. Alaska looks like they've been abandoned and going derelict.*
- *DOTPF needs to maintain waysides along state highway. Pick up the garbage. Make them a nicer place to pull off. In State Parks there needs to be way more attention to trail maintenance. They're good at building trails but terrible at maintaining them. Brush and high grass grow in. Bridges deteriorate and fall down, not repaired for years and years. Same goes for their waysides and picnic areas. Brush growing in, view is disappearing, picnic tables are grown over. They need roaming trail crews that are cutting brush and grass, dead trees from trails.*
- *Public waysides with bathrooms.*
- *Developed trailheads with signage and bathrooms.*
- *Infrastructure at trailheads, parking area… We're seeing difficulties at trailheads. We could be doing better at bathrooms. There's toilet paper everywhere at bathrooms. No parking. We're not ready for all these people. We're growing too quickly before we're ready.*
- *Parking: we've got tour buses subjected to the Fred Meyer parking lot, it's one of the few places they can turn around. I had no idea how scarce parking was.*
- *People experiencing nature is a draw, so we need to have good trails, maps, and signage, at trailhead and elsewhere.*
- *Some of most popular trails, like in Hatcher Pass, I avoid because they're not built to handle that number of people. You have to park a mile from the trailhead.*
- *Roadside restrooms. In 134 miles to Glennallen, there are two restroom stops. Almost an hour drive. Couple pullovers but no facilities. People want convenience. If you build it they will come.*
- *Some of our trailheads need more attention. We have one of the best hiking trails anywhere here, the Butte. It's completely littered with dog poop bags.*

- *The transportation infrastructure isn't built out super well beyond already used destinations.*
- *We've got great B&Bs, great little hotels. But not the kind of lodging infrastructure that incentivizes them to stay here vs. anchorage.*
- *There is a dramatic need for lodging for visitors.*

Bed Tax Increase

A majority of the interviewees expressed support for an increase in the Mat-Su bed tax rate. They commented that travelers expect to pay a bed tax when they travel and noted that such funding is sorely needed as a method of supporting tourism infrastructure. However, a few interviewees objected to it, for several reasons: they don't believe in taxes, generally; they think it will have harmful effects on hotels serving cruise passengers; and they see it as unfair, considering other segments of the tourism industry (tours, retail, etc.) would not be affected. There was also objection to the current system of tax revenues being primarily earned in one area of the Borough but not benefitting that same area. One contact observed that they would only support a bed tax increase if the extra money would go toward infrastructure rather than marketing.

- *People traveling expect to pay taxes. What's a surprise is the lack of sales tax, lack of bed tax.*
- *I don't mind bed tax. It's an efficient way to earn community revenue.*
- *Whenever you travel, do you pay any attention to a bed tax? I don't think anybody does. If 1% can make a difference and you use it appropriately, no one is going to blink an eye.*
- *I don't like the idea but what else are we going to do? The money is going to have to come from somewhere. At least raising it to 6% or 7% to be comparable to other communities. It can only help us. We're having a lot of people come into the area. We need their funding to help expand places for them.*
- *One corner of the Mat-Su seems to provide a significant portion of that bed tax. I'm not sure if raising it prior to more lodging being constructed, it doesn't feel equitable. But that's the way you get tourism marketing. Talkeetna provides such a significant portion of the bed tax but don't have public restrooms.*
- *No to higher bed tax until we see maybe some changes in reducing the marketing and putting more money into infrastructure.*
- *It's been one of the reasons that fractured culture [in tourism industry] has happened, because bed tax is collected and then it goes to one entity that's supposed to pay other entities. In the past there's been some feeling that not everyone gets paid what they want to get paid.*
- *At some point you have to find a way to fund infrastructure.*
- *I support a bed tax increase.*
- *I think raising it would be great. It would provide more funding to CVB to help them bring more people here. Borough gives grants to help with infrastructure. We could use more money for groomed trails. 12% is too high, a couple percentage increase would be beneficial.*

- *Absolutely they should raise it. Apart from cruise industry that sells prepaid packages, they could be out money, I don't know any reasonable argument against it…The only comment I've ever gotten about the bed tax was "oh, that's it?" They were expecting more.*
- *I'm not a proponent of taxing people.*
- *I just personally have big problems with giving a bill to one party who is subsidizes other stuff.*

Market Prioritization

Contacts expressed a range of opinions on the Mat-Su's various tourism markets. A common suggestion was to prioritize independent travelers. Some believed there was not enough infrastructure to support increased cruise/package travelers, while others thought it wasn't worthwhile because they are going to come anyway.

- *You've got the cruise industry dialed in but it doesn't do much for mom-and-pop locations or not-top-tier places.*
- *Independent tourists should be targeted as much as package tour clientele.*
- *A good healthy mix of all markets is important for the borough as a whole. I don't think any one should be excluded. You know that most entrepreneurs are small business owners. Café, sweater shop those people need to be supported and nurtured.*
- *Independent should be prioritized for our area. We're not set up for the big buses.*
- *Cruise ships and bus lines: we don't have infrastructure to support all of that.*
- *It seems to me the independent traveler are the ones to reach out to.*
- *[Prioritize] the independent traveler that likes to have a nimble schedule that focuses on exploring new things. One day Hatcher Pass, then float on Susitna and catch a salmon.*
- *I don't think the cruise industry, where they set up the entire experience, is in the best interest of Mat-Su. They are seriously passing through, and not giving local businesses money. I would discourage, really limit it unless there's a change in how Princess or other mega companies engage with local business opportunities.*

Sustainability and Preservation

Several contacts expressed concern that tourism may not grow in a sustainable manner, and/or that the wildness and beauty of the area would not be preserved if the number of visitors continues to grow.

- *Most of this open space is not in a national park, or refuge, or state park. It just still happens to be undeveloped. It's being whittled away at every year.*
- *Along with sustainability comes quality of experience. And protection of the wilderness resource that is the central part of bringing people to Alaska.*

- *For independent traveler is way too much bus traffic on the road. It's a numbers game. Like a baseball stadium or movie theater. When last ticket is sold, there is no more room. There's gotta be a ceiling for these experiences.*
- *No one is going to come if natural elements aren't preserved and protected.*
- *We have to consider: how do we protect and preserve? It's fragile. We don't have Disneyland in a concrete parking lot. Everything could go away unless we protect it.*
- *Tourism can either destroy a place or enrich/enhance it. I wish that those in power in Alaska could consider more opportunity to monetize renewable actions for us.*
- *Even though I'm in tourism I don't want to become Glitter Gulch. I don't want to destroy what makes the place so special.*
- *I think the quality of the experience is beginning to diminish. Emphasis has been to bring in more tourists. Hasn't been enough emphasis on retaining quality of experience.*
- *I think there is a balance between too many people and not enough. I have passion for preserving what we do have. I don't want to see things get trampled, ruined. It's a balance. That's part of sustainable tourism. Making sure we don't turn into Mount Rushmore. Preserving what we have is very important. Letting more people see it, and letting them enjoy their time here.*

Talkeetna

Talkeetna was mentioned more often than any other location in the interviews. Concerns included the preservation of quality of life for locals, trash, restroom, buses, and overall crowdedness.

- *Talkeetna is overrun with tourists. It's a one black town. Big tour companies. Bring in busloads. Businesses in town think it's great but at the same time they're unwilling to coordinate. To pick up trash. To push for public restrooms.*
- *A lot of businesses have decided not to deal with garbage on the street. That problem, that expense, is piled on top of a few Good Samaritans. Garbage cans are overflowing, unsightly, unclean, and attract bears.*
- *Talkeetna brings in a big percentage of the borough bed tax. But the bed tax is spread all over the borough…Talkeetna should be eligible for larger percentage of the bed tax.*
- *If you're a schoolteacher, someone who doesn't make money off tourism, town is not a nice experience. I go into town as little as possible… We'll never get our town back. It's been taken over by big tour companies.*
- *A lot of us in Talkeetna have been saying, we don't need to advertise. We're maxed out with our infrastructure and what we can handle. The cruise ships are going to bring people anyway. A lot of us here would like to see: keep advertising toward independent traveler but also as a borough we need to look at infrastructure to meet that demand.*
- *We're far removed from Borough headquarters. We are neglected. We bring in a lot of funds to the Borough.*

- *We need to take a look at where bed tax dollars are going. Do we need to be spending all this money on advertising and trying to bring in business? Right now we should be focusing on cleaning up main street.*
- *Being a local, walking down main street, seeing trash, I get so frustrated; seeing the largest businesses on main street having their trash receptacles locked up with notes telling people not to leave their trash. Why can't that be handled through the Borough? Why do we have pit toilets in our downtown park?*

Need for Education

A number of contacts brought up the need for better education of both residents and government on the importance of tourism to the local economy.

- *Getting information to Alaska residents that we're trying to be a tourism destination not just a corridor to Denali… Community needs to say, these tourism dollars directly impact you.*
- *Strong education, community support for tourism. Education for residents on how they can cope with invasion of people into their communities. They can have ambassadorial programs, community beautification.*
- *The average resident may not know how tourism dollars are contributing to their well being. How tourism supports them and their schools and civic projects.*
- *Education benefits everyone. Up and coming employees and community education on importance of tourism.*
- *Back in 2016, there was a study of tourism in the Mat-Su, starting to get dated. Things like that that monitor the statistics of tourism are an asset with communication.*
- *The Borough does a very good job. The only way they could do better would be to educate Borough residents and themselves about the importance of tourism.*

Other Opportunities and Suggestions

Other areas of opportunities and suggestions included targeting winter visitors; the need for better planning; showcasing local culture; and marketing messages.

Winter

- *Wintertime: that would be awesome. We don't really get that here. A lot of people go to Fairbanks for northern lights. But we have a lot of winter recreational opportunities here.*
- *In terms of growth: winter independent travelers. We've got a market here. Winter tourism is where we have capacity that can be met, for example fat tire biking.*
- *As the climate changes more people are going to want to see winter. We still have good winter here. We have amazing skiing: nordic, backcountry, downhill. I believe in winter tourism.*

- *Winter travelers are an opportunity as far as marketing and outreach. Because summer there's so much that is already at capacity.*

Planning

- *Communication between different entities is fractured. It's not consistent, it's not streamlined, certain issues become redundant within systems. Some oversighting ability to streamline all of the stakeholders. Make the process easier.*
- *We need more of a local chamber of commerce with a paid administrator.*
- *We need to update list of wishes as a community. Get everyone together, come up with common ground.*
- *We'd love to have tourism companies based here. But we don't have multi-family housing that's affordable.*

Culture

- *We want more opportunities to share history and culture. It's a shame there are no Dena'ina names on any streets.*
- *Culture is one of our greatest strengths: indigenous culture as well as more recent local cultures are important. It's an opportunity.*
- *In terms of cultural education, outreach, and interpretation, we're sorely lacking…Cultural interpretation, acknowledgment, stewardship of the land. It would be great if there was funding and energy put toward that.*
- *One thing untapped is the cultural history, the folks that reside here. They don't have any of the rich history of the Dena'ina people here.*

Marketing Messages

- *There is a great opportunity to advertise, get the message that: you don't have to kill yourself to see the real Alaska. A couple hours from Anchorage, you don't have to go five to six hours each way. Stay in the valley and see a lot of what you want to see without all that traveling... If people have less than a week it's perfect.*
- *Mat-Su Borough is a mouthful, and nobody knows where it is. That's been the fight from day 1. People wonder what's a borough? and what's a Mat-Su?*
- *One thing it can take advantage of, it's not so busy. Anchorage is really busy in the summer. Denali is really busy. A lot of the Mat-Su destinations haven't gotten super busy. That's a potential advantage. Also geographically, it's in a corridor that we know people travel in. It's a matter of making the right pitch to make them stop and slow down as opposed to drive.*

Other Suggestions

- *Nobody from the tourism industry is stepping up and being opposed to mining. Tourism has to step up and become part of the politics, has to consider how we can influence and nurture development of renewable resources instead of extracting resources. Otherwise we'll be living on a pile of dug up dirt.*
- *Can the Borough have its own Parks Department? Is there more money at the borough level to facilitate that? Even if it's one guy with a truck?*
- *I wonder if the Borough or some entity had a program that could help entrepreneurs get going. Training, education, point them to resources. It would bring more people on board for tourism and make more opportunity for the borough that's not oil and gas/construction. Broaden horizons a little bit.*
- *Wasilla could be a launching off point for people. Anchorage is thought of as the only city, whereas you could build out Wasilla a little more. Not making it THE destination but A destination, a hopping off point. Fly into Anchorage, get to Wasilla, have your hotel there, that's your jumping off point, as opposed to staying in Anchorage.*
- *South Denali could potentially be a big deal for the borough. Could be a Denali experience without having to continue another two hours up to the park… A lot of people don't have five to seven days on land as well as cruise.*
- *The difference in dollars of people staying two hours to staying overnight is huge. Adding one more day to their trip means millions of dollars. People will then tell their friends. The return on investment is huge.*

Community Workshops

Four public workshops were held in early May throughout the Matanuska-Susitna Borough. The intent of the workshops was to introduce the STMP to the public, talk about the goals of the STMP, and to learn from residents and other stakeholders what they view as strengths, challenges, and opportunities for growth for tourism in the Mat-Su, and specifically their home community.

Many of the workshop participants echoed feedback heard in the stakeholder interviews and survey. Community members identified the Mat-Su's natural beauty as a major strength and attraction for visitors and residents. However, participants frequently articulated challenges with lack of infrastructure and information to support visitors, as well as significant workforce challenges. Overall, there is a strong sense of pride in each community, and there a desire to develop the tourism industry in a way that feels unique and authentic to each specific community.

A detailed list of comments and suggestions from workshop participants can be found in the *Appendix*.

Palmer

Community members highlighted many cultural events and attractions of Palmer, such as the Musk Ox Farm, Hatcher Pass, the Reindeer Farm, the State Fair, and the Highland Games. Attendees would like to see the Indigenous history and culture of the Ahtna and Dena'ina, the agricultural history of the area, and the local cultural opportunities amplified to increase the sense of place and connection. Residents acknowledged that the influx of tourists strains local resources and there is concern for the long-term management of natural resources due to increased use.

Talkeetna

Participants in the Talkeetna workshop highlighted the small town feel of the community as a major contributor to their quality of life. There is a sense of connection among residents and happenstance encounters, such as running into someone at the post office, are valued for the sense of place they create. Residents said their favorite times of year are fall, winter, and spring – not summer, as it is associated with a dramatic increase in tourism impacts. People also feel that the needs of tourists outweigh residents' needs and they do not want to develop similarly to other tourist towns, such as Moab (UT) or Aspen (CO), which cater more to visitors than residents. Talkeetna workshop participants felt that their community has reached its capacity for the amount of visitors they can accommodate with existing services and infrastructure.

Glacier View

Residents who attended the Glacier View workshop noted the lack of basic amenities and infrastructure, such as cell phone service, public safety services, groceries, potable water, restrooms, and signage, to support visitors. There is a sense of opportunity for those who are able and willing to take on entrepreneurial ventures. However, people feel that the community lacks a strong identity and needs direction in terms of trail/recreation planning and overall development due to its limited amount of privately owned land.

Wasilla

Wasilla residents want to highlight places and events such as Skeetawk and the Iditarod while also providing visitors with the type and level of adventure they are seeking, whether that's views of Denali, trail-based recreation, or more remote adventures. While Wasilla struggles with some of the same issues as other communities, residents feel like their community has an identity of partnership and innovation. Workshop participants want to highlight the existing attractions and find solutions to making those more widely accessible, such as more digital interpretation, and a more targeted marketing strategy to make the Mat-Su less of a thoroughfare and more the primary destination.

Sustainable Tourism Management Plan

The Sustainable Tourism Management Plan incorporates resident and stakeholder input, recent visitor industry research findings, and input from the Leadership Team. The plan is framed around vision, goals, objectives, and strategies.

Vision

Mat-Su is a world-class destination supported by a tourism industry that operates sustainably, contributes meaningfully to the regional economy, and is embraced by residents and community leaders.

Goals

For overarching goals serve to organize the objectives and strategies of the plan, which are detailed on the following pages, accompanied by Key Partners.

Improve the Visitor and Resident Experience

Maximize Economic Benefits for Borough Residents

Cultivate and Promote Sustainability

Strengthen Resident Engagement and Support

GOAL: Improve the Visitor and Resident Experience

Objectives	Strategies	Key Partners
Complete the Gateway Visitor Center	❖ Provide personal engagement and education for visitors and residents about the range of experiences available in the region	MSCVB, State Parks, National Park, Borough, trail/recreation orgs, Tribal organizations
	❖ Encourage visitors to stay longer and slow the "rush" to Denali Park entrance	
	❖ Incorporate Alaska Native and other local culture into programming and encourage visitors to explore cultural experiences	
Maintain and enhance existing trail and park system	❖ Increase investment in regional trail system to deliver high-quality and safe experiences for residents, other Alaskans, and visitors	MSCVB, State Parks, Borough, trail/recreation orgs
	❖ Reduce trash and destructive behavior by providing adequate parking, trash receptacles, maintenance, and security	
	❖ Support creation of Borough Parks and Recreation department	
Create new "destination" trail experiences	❖ Support the development of the Alaska Long Trail	Trail/recreation orgs, MSCVB, Borough
	❖ Support development of hut-to-hut system and additional public use cabins	
Maintain and enhance highway rest areas	❖ Improve maintenance of existing rest areas	State Parks, DOTPF, Scenic Byways, Tribal governments
	❖ Construct new rest areas at strategic and scenic locations	
Enhance signage and wayfinding	❖ Encourage visitors to slow down, learn about the area, and explore less-visited areas	MSCVB, DOTPF, Tribal organizations
	❖ Communicate ways to protect and preserve the local environment	
	❖ Provide interpretive information on the area's Alaska Native cultures and pioneer heritage	
Improve transportation system	❖ Support highway maintenance and transportation projects that minimize traffic delays and improve efficiency	DOTPF, Borough, municipalities
	❖ Include rail, bus, bike, RV, and personal vehicles	

GOAL: Maximize Economic Benefits for Borough Residents

Objectives	Strategies	Key Partners
Focus on new products and tour patterns	❖ Showcase destination to current and prospective tour operators, travel media, accommodations, and service providers, especially less visited parts of the region	MSCVB, Borough
	❖ Encourage travel media to explore areas off the beaten path	
	❖ Incentivize and support development of new accommodations	
	❖ Support the development of new product in promising areas of winter tourism, agri-tourism, and cultural tourism	
Support a strong tourism workforce	❖ Promote employment opportunities through job fairs and other forums	MSCVB, school district, chambers, Borough, municipalities, housing authorities, universities, Student Conservation Association, Job Corps
	❖ Increase visibility of tourism to Borough students through classroom visits by tourism professionals, student site visits to tourism businesses, internships, and mentorships	
	❖ Create training and dual credit programs that align with full range of professional needs including business management, marketing, finance, IT, HR, and other technical skills	
	❖ Address seasonal housing needs with zoning, financing, and incentives	
Develop new funding sources and mechanisms	❖ Re-activate the Mat-Su Visitor Foundation	MSCVB, Borough
	❖ Pursue federal infrastructure development grants	
	❖ Consider increasing bed tax rate with intention to fund infrastructure, maintenance, and program development	
	❖ Pursue partnerships with private companies, foundations, and cruise lines	
	❖ Explore voluntary contribution programs for visitors	
Facilitate post-pandemic economic recovery	❖ Pursue COVID recovery grants for projects and programs	MSCVB
	❖ Promote best practices for tourism businesses and visitors as pandemic evolves	

GOAL: Cultivate and Promote Sustainability

Objectives	Strategies	Key Partners
Address overcrowding and pinch points	❖ Encourage travel industry to consider new and creative itineraries ❖ Construct transportation corridors appropriate for traffic volume within and between communities ❖ Align infrastructure with visitation patterns including roads, trails, restrooms, parking, accommodations, broadband, and other services	MSCVB, DOTPF, transit systems
Create and promote a Tourism Best Management Practices program	❖ Create mechanisms for residents to share suggestions and report concerns about overcrowding, traffic issues, environmental impacts, etc. ❖ Develop a tour operator education program addressing environmentally sustainable practices ❖ Promote businesses engaged in Adventure Green Alaska and Tourism Best Management Practices programs	MSCVB, ATIA
Support appropriate governance structure for Talkeetna	❖ Establish mechanism to fund and address issues resulting from high visitation including traffic congestion, public restrooms, trash, and crowding	Talkeetna Chamber of Commerce, Borough, National Park Service
Support local harvest and manufacturing	❖ Promote Alaska-grown products to visitors including agriculture, distilleries, breweries, and other products produced in the region	MSCVB, Alaska Grown

GOAL: Strengthen Resident Engagement and Support

Objectives	Strategies	Key Partners
Improve data and insights	❖ Update research on out-of-state visitor volume, origin, destinations, activities, characteristics, and spending	MSCVB
	❖ Initiate research program on in-state visitors	
	❖ Measure economic impact of visitors (both in-state and out-of-state)	
	❖ Facilitate sharing of data among partners	
Educate residents on tourism industry	❖ Publicize economic benefits, business and employment opportunities, and resident specials	MSCVB
	❖ Educate elected officials on tourism's value to the regional economy	
	❖ Engage local news sources on new tourism businesses, infrastructure improvements, Visitor Center, and newsworthy topics	
Monitor resident sentiment	❖ Conduct periodic public opinion surveys to gauge support, impacts, and concerns	MSCVB
	❖ Promote Tourism Best Management Practices program including ways for public to report suggestions and concerns	

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