

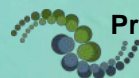
# Wrangell Visitor Economy 2024

Prepared for

City and Borough of  
Wrangell



February 2024



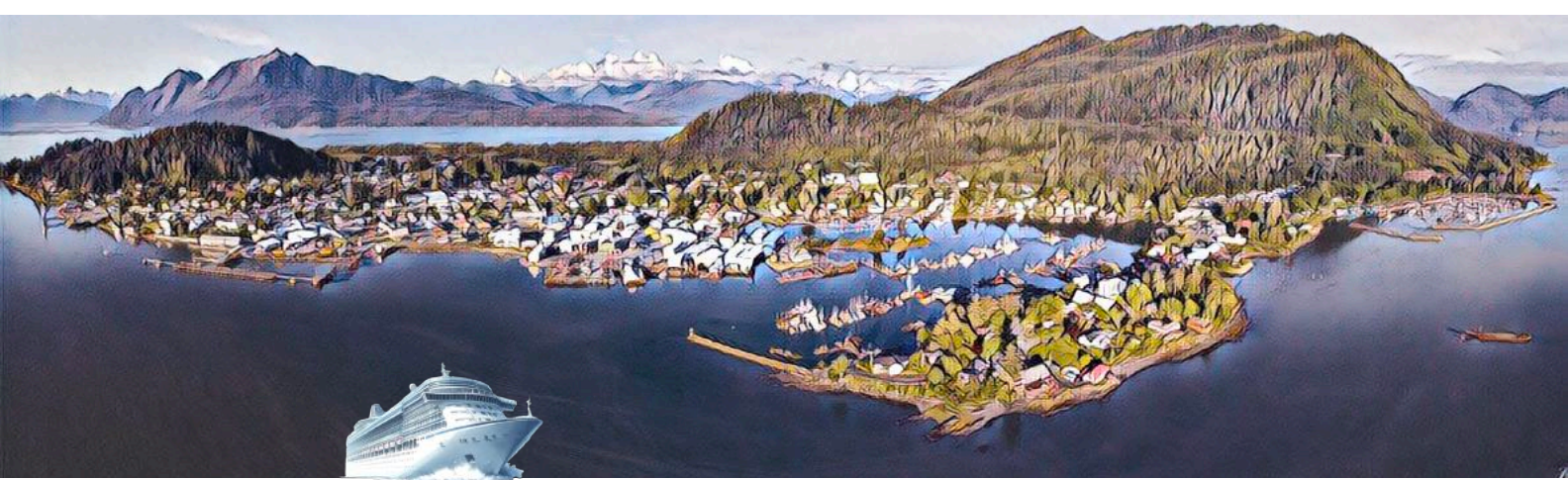
Prepared by  
Rain Coast Data



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# Wrangell Visitor Economy Summary

Wrangell's tourism sector has fully recovered from the pandemic. The 2023 tourism season looked a lot like 2019. Wrangell's 2024 season is expected to be its biggest in terms of visitor volume since 2005 as large cruise ships return to the community. The community is expected to attract 27,800 to 34,700 air, cruise, yacht, and ferry tourists, depending on how full the cruises ships are.

**Tourism Employment and Earnings Trends:** Despite changes to the number and types of annual tourists, the Wrangell visitor sector has a relatively stable average just over of 100 annualized jobs. On an annual basis, the visitor sector is responsible for 10% of all local jobs, and 7% of workforce earnings. In 2022, the sector accounted for 105 annual average jobs with associated workforce earnings of \$3.3 million. Early projections indicate a small amount of job growth in 2023.

**105**  
Annual average  
Wrangell tourism  
jobs

**Cruise Projections:** In 2024, Wrangell is scheduled to receive 122 port calls from 21 ships. This year's schedule, for the first time in 19 years, includes large cruise ships. If ships run at full capacity, 31,427 cruise ship passengers would visit the community, a 6% capacity increase from 2023. However, in 2023 ships ran at 78% full, on average, and it is difficult to project how that might change in 2024. Wrangell welcomed just under 23,000 cruise passengers in 2023. Cruise passengers are expected to make up 90% of the community's tourists in 2024.

**6%**  
Projected  
increase in cruise  
ship passenger  
capacity in  
2024

**Total Tourist Arrival and Spending:** In 2023, based on an analysis of city sales tax reports and passenger data, visitors spent \$5.1 to \$5.2 million in Wrangell. Current projections are for 34,700 Wrangell tourists in 2024; however if ships do not run full, those numbers could be smaller. Visitors are likely to spend between \$5.5 and \$6.5 million in Wrangell during the summer of 2024, depending on ship passenger capacity levels.

**\$5.2  
million**  
tourist spending  
in Wrangell in  
2023

**Visitors by Ferry:** The number of ferry passengers traveling to Wrangell has been on the decline since the 1990s, but service cuts have been remarkably steep in the past decade, from more than 7,000 disembarking passengers in 2013 to just over 1,200 in 2022. While once a focus of Wrangell's tourism sector, ferry traffic is no longer a significant part of the local visitor economy. While some support may be on its way through the federal infrastructure bill, the Alaska Marine Highway System currently lacks sufficient crew and vessels to provide more service to Wrangell. Passenger service dropped an additional 19% in 2023, and is expected to account for 0.6% of all tourists in 2024.

**-19%**  
Decrease in ferry  
passengers in  
2022-2023

## Overview of Tourism in Wrangell

In the summer of 2023, more than 26,000 tourists visited Wrangell. In 2024, large cruise ships will be part of the Wrangell's tourism economy for the first time since 2005, with nearly 35,000 tourists expected if the ships are full. Wrangell is scheduled to receive four visits from large cruise ships (ships with 1,300 passengers or more) in 2024.

Wrangell is a distinct and attractive visitor destination. Its unique “working waterfront” district sets Wrangell apart from the souvenir and diamond-centric shops found elsewhere in the region. Nestled at the edge of Wrangell Island, near the Stikine River's mouth, the community is steeped in rich wildlife, cultural heritage, and historical significance.

In the early 2000s, Wrangell experienced a brief surge in large cruise ship visits. However, in the last two decades the Wrangell tourism sector has focused on accommodating ferry passengers, smaller cruise ships, and other more independent tourists. This model is changing. Large cruise ships are returning to the community, while deep cuts to Wrangell's ferry service reduced ferry-based independent tourism by 89% over the last decade.

In addition to its working waterfront, Wrangell has unique opportunities for nature-based tours and wildlife viewing. The most popular visitor destination is Anan Creek, known for its world-class bear viewing. However, admission to the site is carefully managed by the Forest Service, and the number of visitors is limited, with prime bear viewing limited to July and August. Other unique visitor activities in Wrangell include visits to the Stikine-Leconte Wilderness, Chief Shakes Island, and Petroglyph Beach State Historic Park, which has the highest concentration of rock engravings in Southeast Alaska.

In order to fully capture the economic benefits of Wrangell's changing visitor composition,

Wrangell's focus on higher-end, limited-entry boutique tourism would need to shift. Development of new types of shore

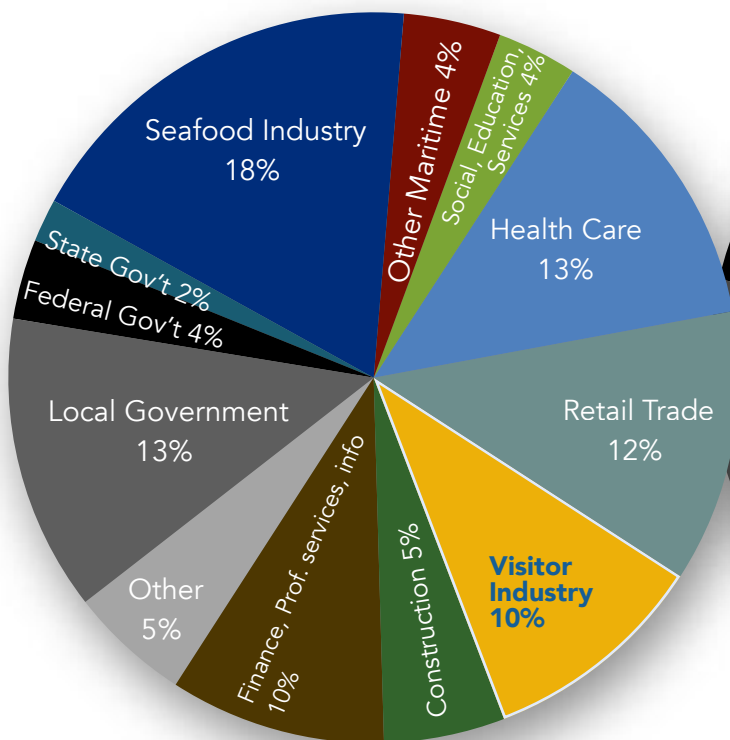


excursions that can be marketed to ships with higher passenger numbers represents both a challenge and an opportunity for Wrangell in 2024.

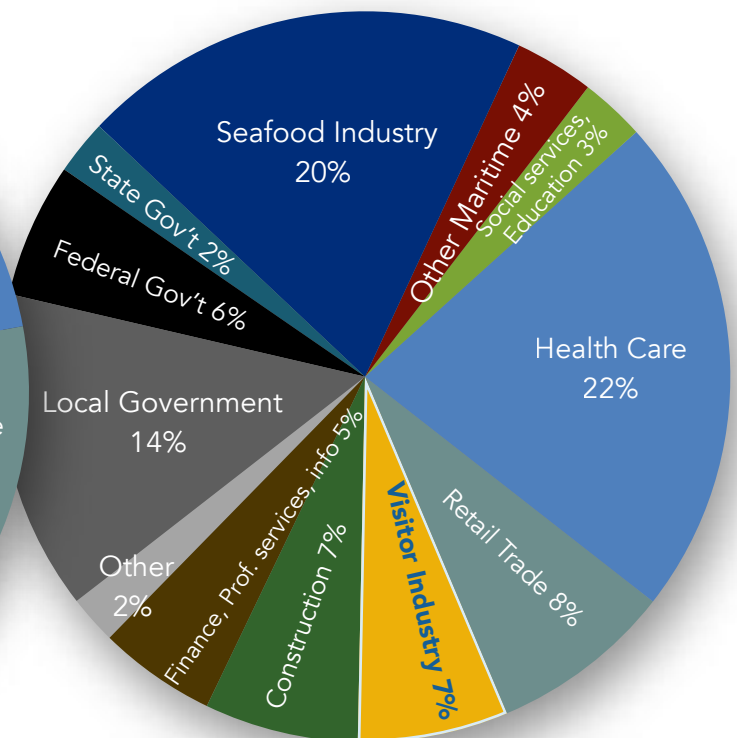
## Visitor Employment

Wrangell had 1,045 year-round equivalent jobs and nearly \$50 million in workforce earnings in 2022. All four quarters of 2023 data is not yet available. In 2022, visitor industry employment made up 10% of all private sector employment in Wrangell, accounting for 105 annual average jobs with associated workforce earnings of \$3.3 million.<sup>1</sup> The visitor industry accounted for 7% of total Wrangell workforce earnings in 2022. Early data shows that Wrangell's tourism sector grew in 2023.

Annualized **Jobs**  
**1,045 Total Jobs**  
**105 Visitor Sector Jobs**



Employment **Earnings**  
**Total Earnings \$50 million**  
**Visitor Sector \$3.3 million**



Wrangell's visitor sector is smaller than the region as a whole; the Southeast Alaska visitor industry represented 15% of all jobs and 9% of all employment earnings in 2022.

<sup>1</sup> **Sources:** Alaska Department of Labor Employment & Wage data; US Census Nonemployer (self-employment) Statistics. **Notes:** Due to data confidentiality, some figures are estimates by Rain Coast Data, based on all available inputs. Since annual average employment measures monthly jobs on an annual basis, a visitor industry job that lasts three months counts as one-quarter of an annual average job. Therefore total people employed by the visitor industry last year is a much higher number. 2022 data is not yet fully available.

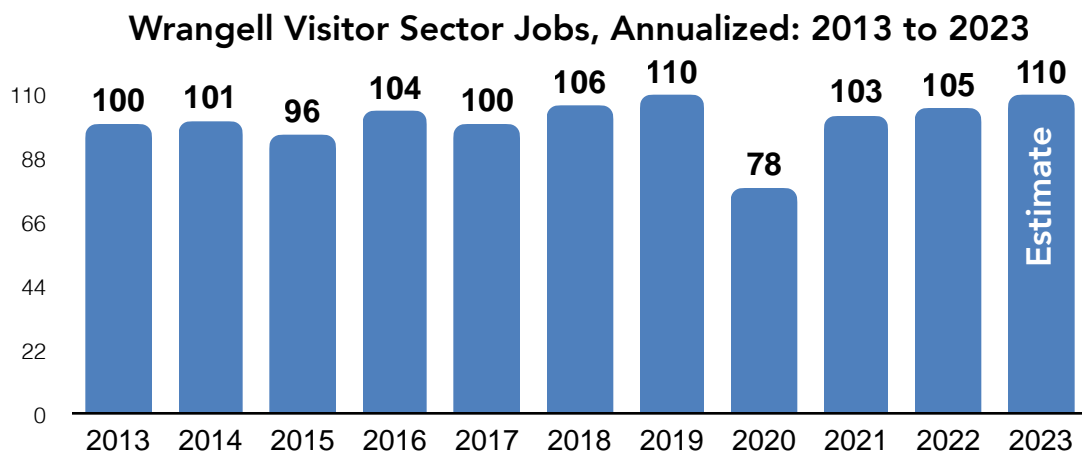


## Annual Visitor Industry Employment 2013-2022

Visitor sector employment in Wrangell has been remarkably steady (with the exception of pandemic year 2020) at just over 100 annualized jobs since 2013. While peak worker count is significantly higher, using an annualized count (year-round equivalent job analysis) allows tourism jobs to be compared across sectors, and is a better way of making annual comparisons. Although 2023 data is not yet available, it is expected to be the highest employment year for tourism on record, with a handful of more jobs than in 2022.

Total workforce earnings have increased over time. The average visitor sector wage increased by 41% between 2014 and 2022, while total workforce earnings in that sector increased by 47%.

	Year 2014	Year 2017	Year 2018	Year 2019	Year 2021	Year 2022	% Change 2014- 2022
Average Visitor Industry Wage	\$22,227	\$24,066	\$27,259	\$31,955	\$30,961	\$31,293	41%
Total Visitor Industry Employment	101	100	106	110	103	105	4%
Total Visitor Industry Workforce Earnings	\$2.24 million	\$2.40 million	\$2.89 million	\$3.52 million	\$3.19 million	\$3.29 million	47%

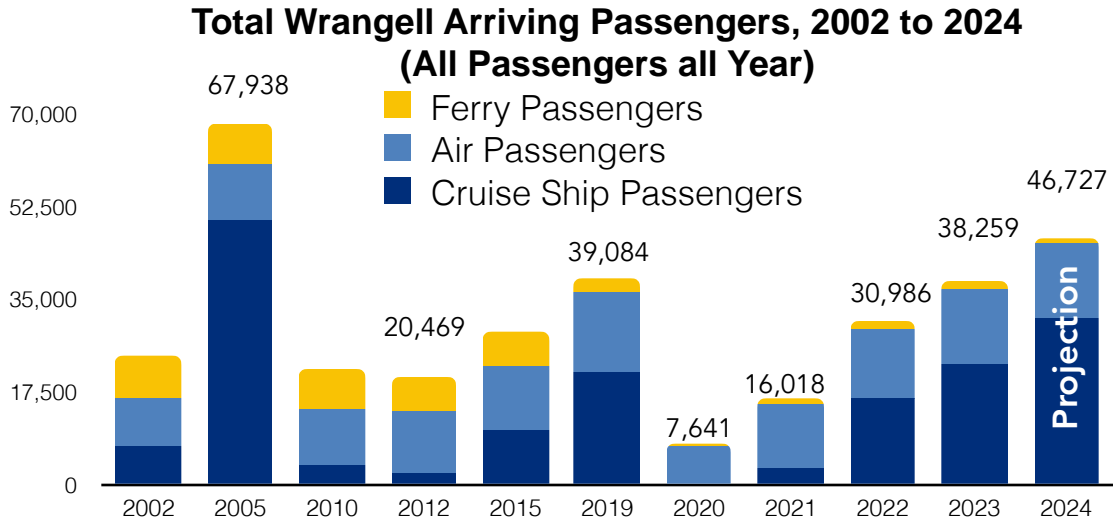


**Note:** Annualized employment (or year-round employment) tracks total workers each month of the year, sums the monthly total, and divides that number by twelve. **Source:** Alaska Department of Labor and US Census Nonemployer (self-employment). **Note:** 2023 data is only currently available through June.

# Change in the Visitor Industry

## Total Passenger Arrivals

In 2024, 46,727 passengers of all types — including locals returning home from travel, and those visiting for work — are expected to arrive in Wrangell. Approximately 69% of these were traditional tourists in 2023. But while the visitor sector primarily serves tourists, it also serves all travelers, and thus encompasses all hotel, restaurants, travel industry workers, and all arriving passengers.



In 2023, arriving passenger numbers were 23% higher than 2022 numbers, but remained just under 2019 levels. 2024 is expected to be Wrangell's biggest visitor year since 2005. Passenger arrivals peaked in 2005 with nearly 68,000 passenger arrivals when large cruise ships visited the community. Between 2013 and 2019, total visitation gradually increased, before dropping to less than 8,000 total arriving passengers due to the pandemic.

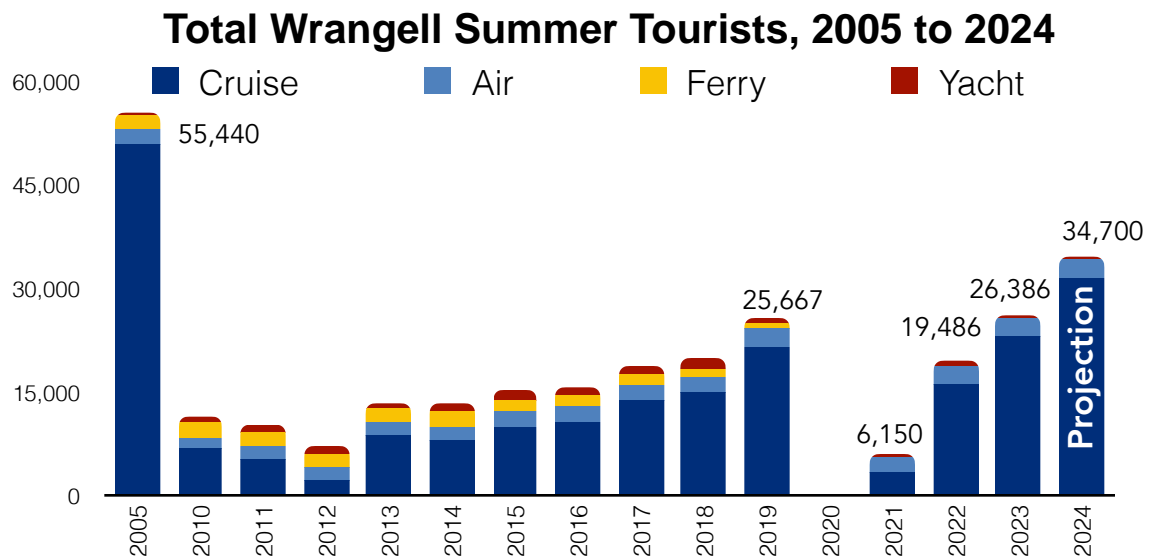
## Wrangell Passenger Arrivals

Total Air, Cruise, Ferry Passenger Arrivals	2019	2020	2021	2022	2023	2024 Projection	Change 2022-2023
Cruise Ship Passengers	21,540	-	3,350	16,126	22,966	31,427	42%
Air Passengers	14,637	7,367	11,897	13,347	14,060	14,100	5%
Alaska Marine Highway System	2,907	274	771	1,513	1,233	1,200	-19%
<b>Total Passenger Arrivals in Wrangell (via Air, Cruise, Ferry)</b>	<b>39,084</b>	<b>7,641</b>	<b>16,018</b>	<b>30,986</b>	<b>38,259</b>	<b>46,727</b>	<b>23%</b>

**Note:** Cruise passenger 2024 estimate is based on 100% capacity, despite 2023 ships coming in at an average 78% full. Assuming a lower capacity figure would decrease the 2024 cruise projections to 24,500 expected cruise passengers.

## Total Tourist Arrivals (as a subset of passenger arrivals)

The previous section analyzed all arriving passengers (tourists, workers, locals) in Wrangell - in this section we look at tourist arrivals only.



In 2024, Wrangell is projected to host 34,700 tourists in the community (assuming ships are at full capacity). It will be Wrangell's biggest tourism year since since 2005, and is the first time large cruise ships have been scheduled to visit Wrangell since that time.<sup>2</sup> Wrangell receives tourists from cruise ships, airplanes, ferries, and yachts.<sup>3</sup>

Wrangell has developed a boutique visitors sector, supporting approximately 100 annualized jobs - a number that does not change much over time. Tourism industry in Wrangell has long focused on Anan. Because the number of people allowed to visit Anan each year is capped by Forest Service permits, and the season for Anan is quite limited, tourism growth in Wrangell has been partially capped as well. The community had focused on ferry tourism—visitors who would spend multiple days and nights in the community, taking several high-end tours—but reduced and unattractive ferry schedules due to budget cuts have all but eliminated ferry tourism. Wrangell's current challenge is how to monetize growth once the boutique tours are fully booked.

<sup>2</sup> In September 2022 the 1,918-passenger Holland America Noordam made a single visit to Wrangell. It was not on the original schedule.

<sup>3</sup> Due to non-uniform counting, a more in-depth yacht analysis was excluded from this edition of the Wrangell Visitor Economy.



## Estimate Summer Tourists to Wrangell 2010-2024

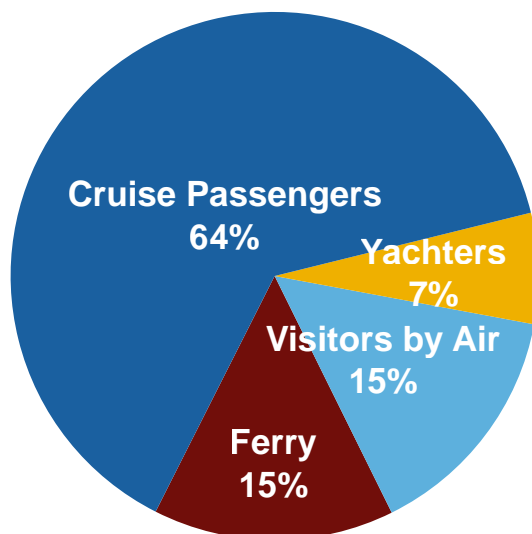
Summer Visitors to Wrangell	2010	2014	2022	2023	2024 est.	% Change 2010-2023	% Change 2022-2023
<b>Total Visitors</b>	<b>11,907</b>	<b>13,256</b>	<b>19,486</b>	<b>26,231</b>	<b>34,702</b>	<b>128%</b>	<b>35%</b>
Cruise	6,779	8,096	16,126	22,966	31,427	239%	42%
Yachters*	960	1,052	462	375	400	-61%	-19%
Air	1,768	2,008	2,618	2,670	2,650	51%	2%
Ferry	2,000	2,100	280	220	225	-89%	-21%

**Air:** US Bureau of Transportation Statistics RITA arriving passengers. **Cruise Passengers:** Cruise Line Agencies of Alaska. Small cruise ship schedules with research regarding total capacity. **Alaska Marine Highway System:** Annual Traffic Volume Reports and direct data request. **\*Yacht** counts provided by City and Borough of Wrangell. Due to a change in the counting process, these figures are no longer comparable to past years. "Summer tourists" are calculated in a variety of ways. All yacht and cruise passengers are considered "tourists." Air and ferry passengers are calculated by subtracting October to April average passenger arrivals from monthly summer passenger arrivals. From this number total seafood processing workers in Wrangell per summer is subtracted.

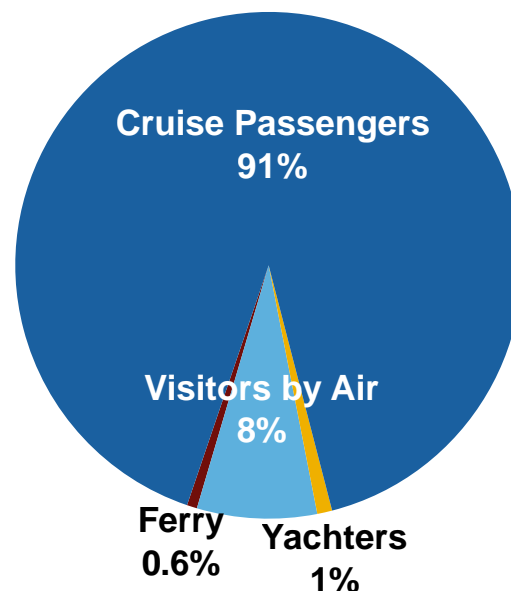
### Summer Tourists by Mode of Arrival

In 2024, 90% of all tourists are expected to arrive via cruise ship, while 8% will arrive by air. Yacht arrivals may be higher than the 1% projected, due to data limitations. Based on current ferry schedules, less than 1% of all tourists will arrive via ferry. In 2013, two-thirds of all tourists were from cruise ships.

Summer Tourists by Mode of Arrival in Wrangell 2013



Summer Tourists by Mode of Arrival in Wrangell 2024



## Summer Visitation and Spending Analysis

In 2023, summer tourists spent just over \$5 million in the Wrangell economy. Visitor spending analysis was conducted two ways for 2023. First, a full accounting of visitor spending was conducted using City and Borough of Wrangell sales tax receipts for businesses serving visitors. Total sales tax receipts for winter months were subtracted from summer months to determine "visitor spending." Using this analysis, Wrangell's summer visitors spent \$5.1 million in 2023.

### Total Summer Tourist Spending, 2023

Summer Spending by Visitors by Category	2023
<b>Total estimated summer tourist spending</b>	<b>\$5,116,591</b>
Excursions and Transportation	\$1,763,176
Food, Beverages	\$2,029,268
Retail Spending	\$737,667
Hotel (includes hotel restaurants)	\$1,901,754

Note that Wrangell has a sales tax cap of \$3,000 that applies both to goods and services, so that some sales may have been missed by this analysis if they were over \$3,000.

A secondary analysis was conducted using estimates of how many days each type of visitor stayed, depending on mode, and how much spending per person occurred per spending category. Using this version, Wrangell tourists spent an estimated \$5.2 million in the summer of 2023.

### Summer Tourists by Mode of Arrival and Expenditures in Wrangell 2023 Estimates

	2023	Total Estimated Summer Visitor Spending 2023	Total Estimated Spending Per Passenger
<b>Total Tourists</b>	<b>26,231</b>	<b>\$5,236,472</b>	<b>\$200</b>
Cruise Passengers	22,966	\$3,490,832	\$152
Visitors by Air	2,670	\$1,516,560	\$568
Yachters	375	\$138,000	\$368
Ferry	220	\$91,080	\$414

Note that actual spending is lower than the original projections for two reasons: 1) Ships overall numbers were 78% of expected passenger capacity; and 2) Spending per cruise ship passenger was reduced from the previous model, as there was less access to high end excursions per passenger.

If this secondary analysis is applied to 2024 projections, it is estimated that tourists will spend approximately \$6.5 million in the Wrangell economy this year, based on 100% capacity of cruise ships.

### Summer Tourists by Mode of Arrival and Expenditures in Wrangell 2024 Projections

	2024	Total Estimated Summer Visitor Spending 2024	Total Estimated Spending Per Passenger
<b>Total Tourist Projections</b>	<b>34,702</b>	<b>\$6,522,454</b>	<b>\$188</b>
Cruise Passengers	31,427	\$4,776,904	\$152
Visitors by Air	2,650	\$1,505,200	\$568
Yachters	400	\$147,200	\$368
Ferry	225	\$93,150	\$414

Using a more conservative analysis, based on 78% cruise capacity, estimates that tourists will spend approximately \$5.5 million in Wrangell in 2024.

### Summer Tourists by Mode of Arrival and Expenditures in Wrangell 2024 Projections 78% Cruise Capacity

	2024	Total Estimated Summer Visitor Spending 2024	Total Estimated Spending Per Passenger
<b>Total Tourist Projections</b>	<b>27,788</b>	<b>\$5,471,535</b>	<b>\$197</b>
Cruise Passengers	24,513	\$3,725,985	\$152
Visitors by Air	2,650	\$1,505,200	\$568
Yachters	400	\$147,200	\$368
Ferry	225	\$93,150	\$414

Note: Analysis assumes fewer cruise ship passengers than the 100% capacity figures.



## Cruise Passengers

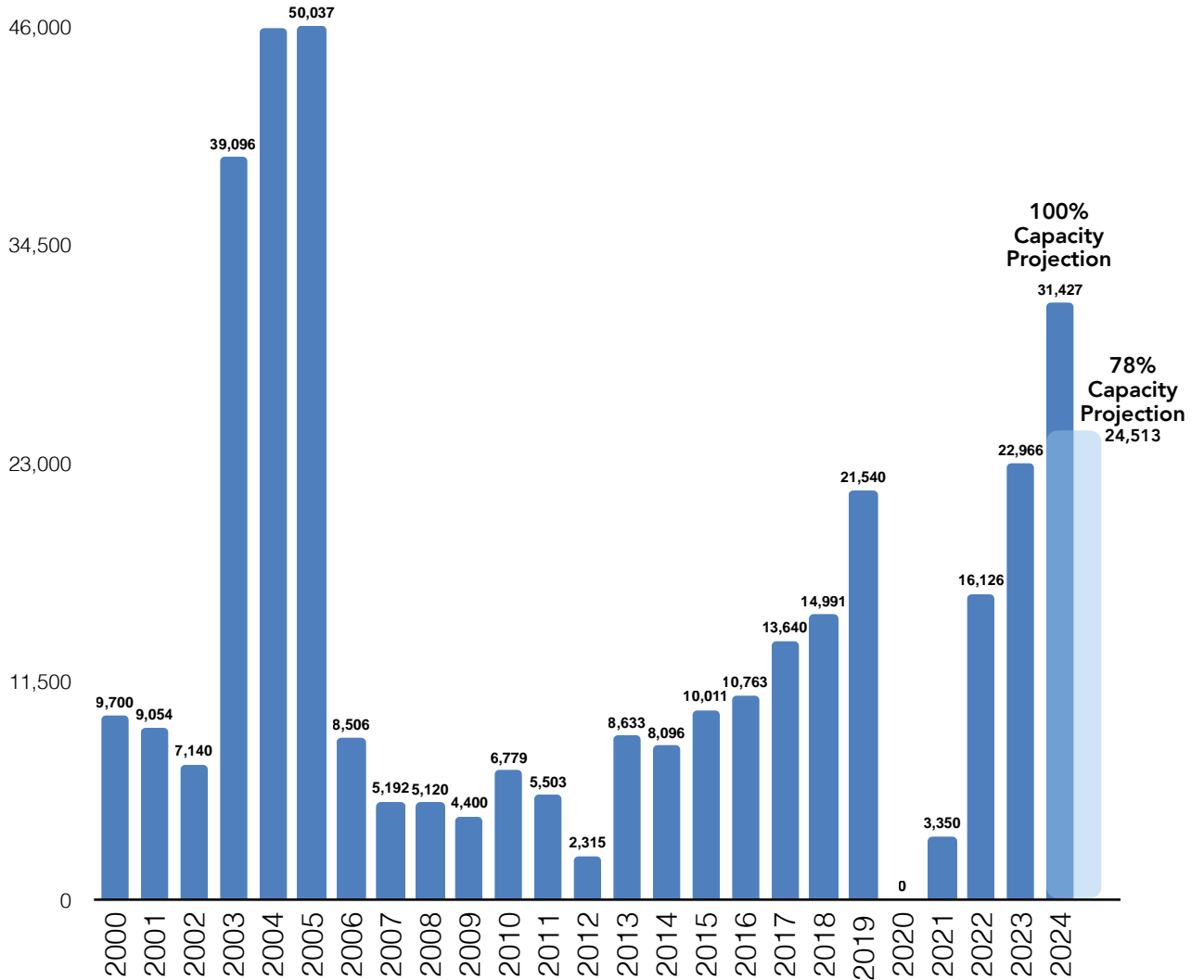
Southeast Alaska cruise passenger arrivals hit a new regional record in 2023 of 1.65 million cruise passengers, surpassing the previous 2019 record by 24%. Wrangell's cruise numbers, which had been steadily climbing pre pandemic, saw a similar number of cruise passengers in 2023 compared to 2019. Despite a forecast of nearly 30,000 cruise ship passengers in 2023, Wrangell received 22,966 cruise ship visitors due to ships running at 78% average passenger capacity for the season. Despite not being at full capacity, 2023 was Wrangell's biggest cruise passenger year since 2005.

### Cruise Ship Passengers 2023

2023 Ships	Passenger Capacity	Total Visitors	% Capacity
<b>Small Ships</b>	<b>4,879</b>	<b>4,237</b>	<b>87%</b>
Alaskan Dream ships	1,831	1,831	assumed 100%
NG Sea Bird	558	486	87%
NG Sea Lion	620	540	87%
American Constellation	1,870	1,380	assume 74%
<b>Mid-Sized Ships</b>	<b>24,631</b>	<b>18,729</b>	<b>76%</b>
Ocean Victory	2,800	1,688	60%
Seabourn Odyssey	5,400	4,620	86%
Silver Whisper	3,056	2,694	88%
Star Breeze	2,496	1,946	78%
Roald Amundsen	3,710	1,676	45%
Regatta	4,104	3,824	93%
Hanseatic Nature	1,060	782	assume 74%
Viking Orion	930	901	97%
Fridtjof Nansen	530	301	57%
Scenic Eclipse	228	112	49%
Seabourn Venture	317	185	58%
<b>Grand Total</b>	<b>29,510</b>	<b>22,966</b>	<b>78%</b>

**Source:** Cruise Line Agencies of Alaska; McKinley Research Group, LLC; City and Borough of Wrangell. **Note:** Arriving passenger numbers were not available for Alaskan Dream, American Constellation, or Hanseatic Nature. A 100% capacity number was used in place of actual data for Alaskan Dream ships, while 74% was used for American Constellation and Hanseatic Nature.

## Total Cruise Passengers in Wrangell 2000-2024



Source: Cruise Line Agencies of Alaska; City and Borough of Wrangell. Projections are for 100% capacity. Ships in Southeast Alaska in 2021 and 2022 were not full, and vacancy percentages were applied to estimates for arriving vessels in Wrangell during those years for mid-sized vessels. Photo below by Cyni Crary.



In 2024, Wrangell is expected to have 122 port calls from 31,427 passengers, if all ships are entirely full. This represents a 6% capacity increase over 2023. If ships are at 78% capacity, as they were in 2023, the community would host just over 24,500 cruise passengers.

### Cruise Ship Projections 2024

2024 Ships	Port Calls	Passenger Capacity	Total Visitors
<b>Small Ships</b>	<b>76</b>		<b>5,543</b>
Alaskan Dream	17	40	680
Baranof Dream	15	49	735
NG Sea Bird	10	62	620
NG Sea Lion	6	62	372
Kruzof Explorer	6	12	72
Admiralty Dream	5	54	270
Chichagof Dream	1	74	74
American Constellation	16	170	2,720
<b>Mid-Sized Ships</b>	<b>42</b>		<b>17,598</b>
Ocean Victory	14	200	2,800
Seabourn Odyssey	8	450	3,600
Silver Shadow	1	382	382
Silver Muse	4	596	2,384
Roald Amundsen	7	530	3,710
Regatta	3	684	2,052
Hanseatic Spirit	2	230	460
Viking Orion	1	930	930
Fridtjof Nansen	1	530	530
Seven Seas Explorer	1	750	750
<b>Large-Ships</b>	<b>4</b>		<b>8,286</b>
Nieuw Amsterdam	1	2,160	2,160
Queen Elizabeth	2	2,081	4,162
Westerdam	1	1,964	1,964
<b>Grand Total</b>	<b>122</b>		<b>31,427</b>

Cruise Line Agencies of Alaska; City and Borough of Wrangell.

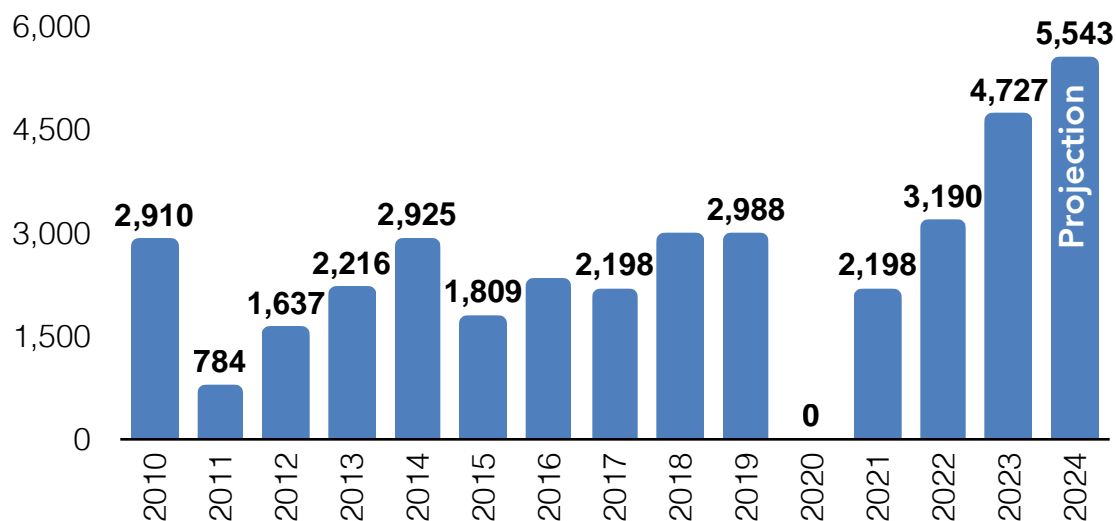
For the purpose of this analysis, small cruise ships include those with 30 to 199 passengers per vessel; mid-sized cruise ships includes those with 200 to 1,299 passengers per vessel; and large ships have 1,300 passengers or more.



## Small Cruise Ships

In 2024, 8 small cruise ships with an average capacity of 65 passengers are expected to make 76 port calls, potentially bringing 5,543 passengers to Wrangell if the ships are full. This represents a 17% increase in the total number of visitors on small cruise ships compared to 2023.

Wrangell Small Cruise Capacity 2010 to 2024



**Note:** For consistency, 2021 capacity numbers are included for small cruise ships, although actual travelers were likely lower. For the purposes of this analysis, small cruise ships are defined as those with 30 to 199 passengers per vessel.

Wrangell's small cruise ship sector experienced disruptions in 2010 when Cruise West ceased operations at the end of the summer season, and again during the pandemic years of 2020 and 2021.

## Mid-Sized Cruise Ships

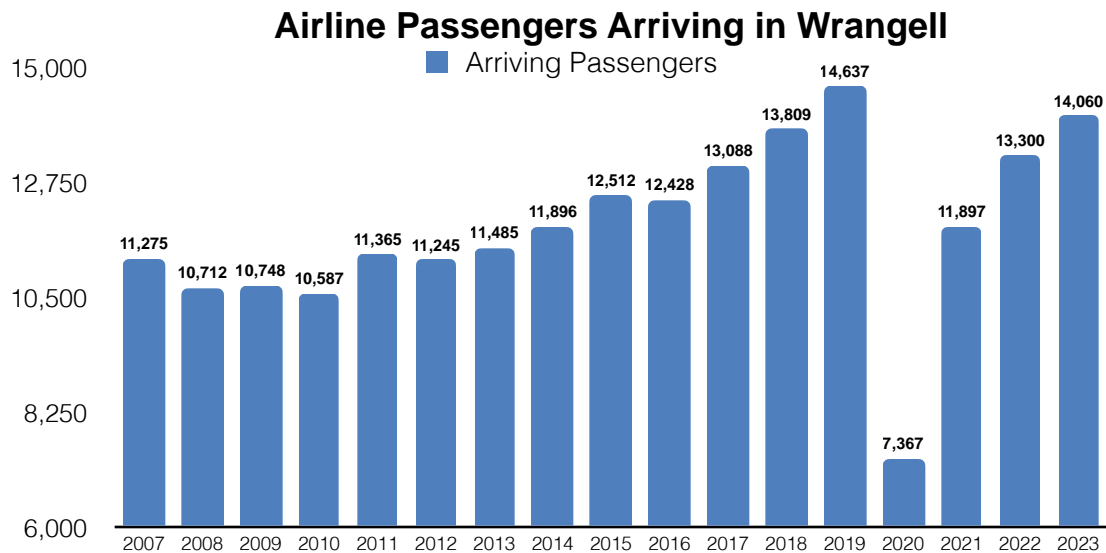
In 2024, 10 mid-sized cruise ships with an average capacity of 500 passengers are expected to make 42 port calls, potentially bringing 17,598 passengers to Wrangell if the ships are full.

## Large Cruise Ships

The first large cruise ships since 2005 are on the cruise schedule for Wrangell in 2024. Three ships, Nieuw Amsterdam, Queen Elizabeth, and Westerdam are scheduled to make 4 combined port calls. At full capacity, they would bring a combined 8,286 visitors. Norwegian Cruise Line made stops in Wrangell starting in 2003, but ceased operations after 2005. At the time they said that the community did not have sufficient capacity to provide visitor programming for a 2,000-passenger vessel. The large cruise ship Noordam made an unscheduled visit to Wrangell in September 2022.

## Air Passengers<sup>4</sup>

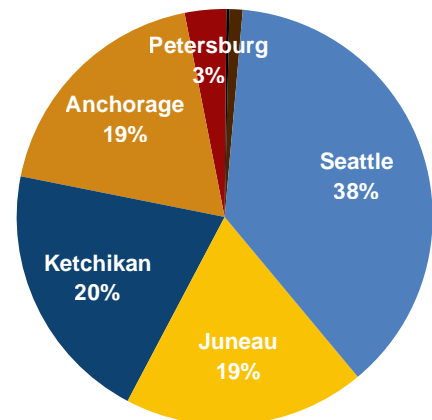
The number of air passengers arriving in Wrangell gradually increased through 2019. Passenger traffic fell steeply, and then rebounded strongly following the 2020 pandemic. Further growth occurred in 2023 as Trident Seafoods restarted local operations. In 2023, an estimated 14,060 air passengers arrived in Wrangell, a 6% increase over 2022 levels.



To estimate how many of these summer travelers were tourists (rather than locals traveling home or people traveling to work in Wrangell), average off-season monthly travel numbers were subtracted from high-season monthly travel numbers, along with summer labor estimates. Approximately 2,700 summer air travelers are estimated to have visited Wrangell for the purpose of recreation in 2023.

Looking at a full year of passenger data, the greatest percentage of passengers arrived in Wrangell via Seattle (38%), while a fifth of passengers arrived from each of the following locations: Ketchikan, Juneau, and Anchorage.

Passengers Disembarkments  
in Wrangell by City 2022

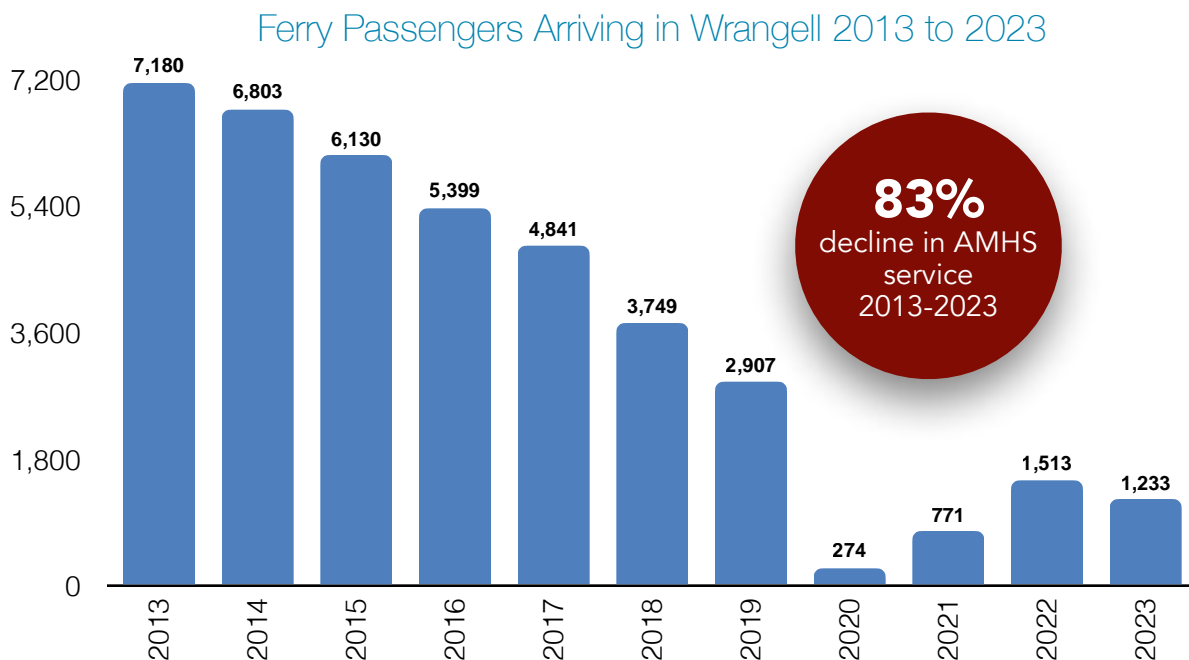


<sup>4</sup> Bureau of Transportation Statistics T-100 Market data. Photo of jet leaving Wrangell by Carol Rushmore.

## Ferry Passengers<sup>5</sup>

In 2023, just over 1,200 Alaska Marine Highway (AMHS) ferry passengers arrived in Wrangell. Just over half of these arrived during the summer (May through September).

Since 2013, the number of passengers disembarking in Wrangell has decreased by 83%: a nearly six-fold decrease. In 2023, the number of passengers disembarking decreased by an additional 19% from the already very low 2022 numbers — due to service cuts and reduced sailings.



AMHS has been hit hard by state budget reductions, yet Wrangell has been disproportionately impacted by service and port call cuts. Visitor-focused businesses built around serving ferry passengers have been further impacted by the unreliability of ferry services.

The pandemic decimated already diminished ferry service, yet Wrangell service levels fell again in 2023. In 2024, the state reports that it lacks the crew needed to operate the Kennicott, while the Matanuska remains indefinitely out of service due to disrepair, leaving Wrangell with summer weekly service from a single vessel - again. For Wrangell this meant 87 port calls in 2023, down from more than four times as many port calls in 2014.

<sup>5</sup> Alaska Marine Highway System Annual Traffic Volume Reports. Direct data requests.



## Ferry Passenger Arrivals

Year	Total Arriving Ferry Passengers	Summer Tourist Passengers (Estimated)
2023	1,233	225
2022	1,513	280
2021	771	143
2020	274	NA
2019	2,907	815
2018	3,749	961
2017	4,841	1,364
2016	5,399	1,365
2013	7,180	2,010
<b>Change 2013-2023</b>	<b>-83%</b>	<b>-89%</b>

While the full schedule for 2024 will not be published until April, currently it appears that the service level for Wrangell for 2024 will be similar to 2023.

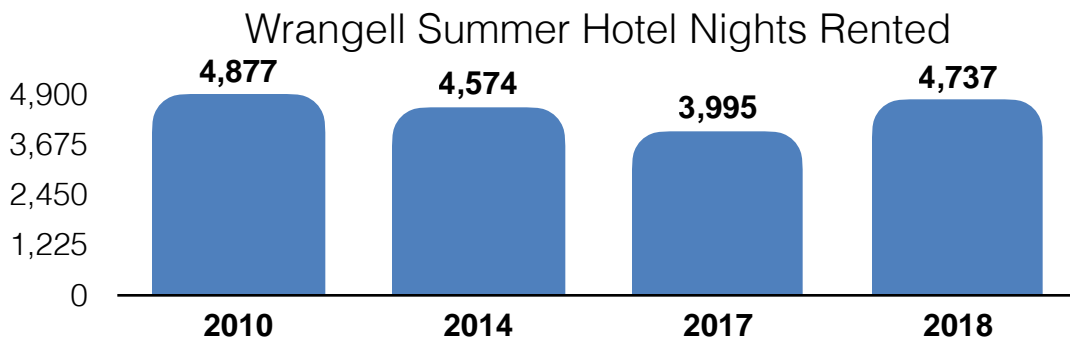


The MV Malaspina leaving Wrangell for the last time, in the Wrangell Narrows

## Hotels and Bed and Breakfasts

Previous analysis has shown that Wrangell summer visitors use an average of 4,500 hotel room nights, although room tracking is currently unavailable.

In 2023, Wrangell had 13 overnight accommodation businesses, with 69 total rooms.<sup>6</sup>



### Traditional Wrangell Overnight Rentals Inventory by Rooms/Units

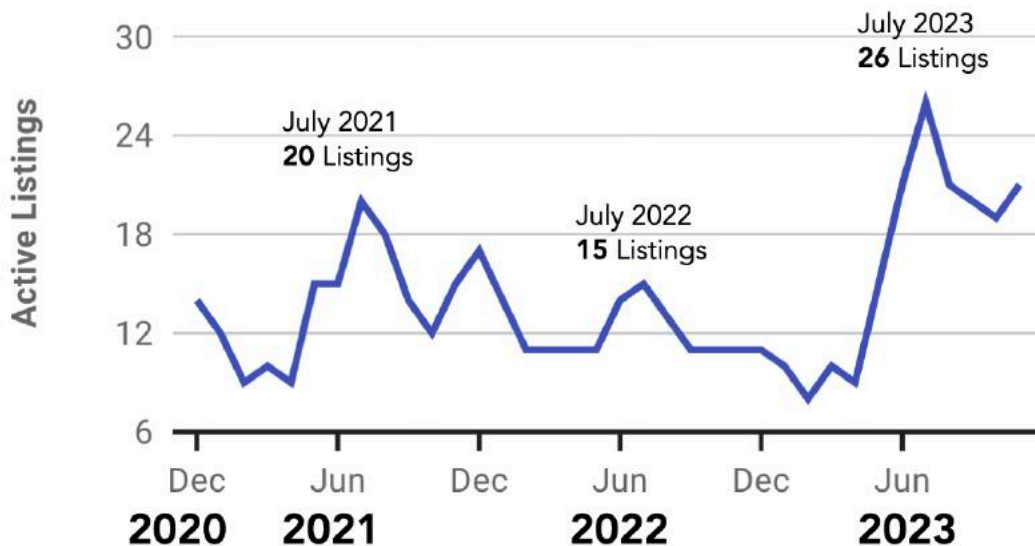
	2012		2018		2023
Ava's B & B	1	Ava's B & B	1	Apartment in Wrangell	3
Alaskan Sourdough Lodge	16	Armstrong Rents	3	A Suite Spot	5
Beaver Connections	2	Dockside Wrangell	1	ARED LLC	2
Benitz B&B	2	Grand View B & B	3	Forget Me Not	3
Diamond C Hotel/Thunderbird	6	Hertiage Harbor	3	Grand View B&B	3
Fennimore's B & B	6	Little Bitty Getaway,	1	Heritage Harbor	3
Grand View B & B	3	Off the Hook	2	Mt. Dewey Sunset B&B	2
John Taylor	1	H14	2	Northstar Reflections	1
Mt. Dewey Guesthouse	1	Rooney's Roost B & B	6	Reeves Guesthouse	2
Rooney's Roost B & B	6	Stikine Inn	34	Reliance Harbor Front	2
Stikine Inn	34	Tans Place	1	Stikine Inn	34
Zimovia B & B	2	Squawking Raven	2	Vacation Rental	1
<b>Total Rooms</b>	<b>80</b>	Extended Stay	8	Extended Stay	8
		Zimovia B & B	2	<b>Total Rooms</b>	<b>69</b>
		<b>Total Rooms</b>	<b>69</b>		

<sup>6</sup> Despite ten 2018 accommodation establishments closing by 2023, Wrangell had the same number of available rooms as in 2018 as in 2023. The 2018 businesses that closed include Ava's B&B, Armstrong Rents, Little Bitty, Off the Hook, H14, Rooney's Roost, Tans Place, the Squawking Raven, and Zimovia B&B. The Cedar House Inn, formerly known as Alaskan Sourdough Lodge, both opened and closed in 2023. It is an 18-room facility, although just a portion of those had been available for rent. It has been reopened as the Alaska Sourdough Lodge in 2023, and will be operating at a higher room count in 2024.

### Short-Term Airbnb and Vrbo Rentals

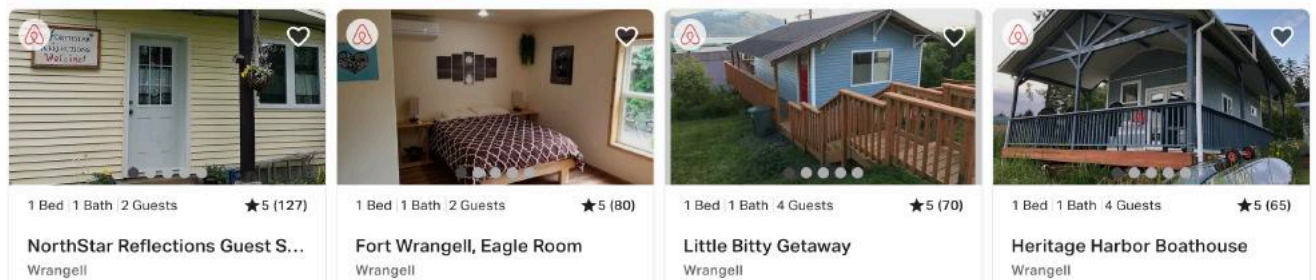
Additional rooms from non-traditional establishment are also available in Wrangell. Using data from AirDNA, a company that tracks Vrbo and Airbnb data, it is clear that short-term rental usage has become more popular. Use of short-term rentals, like Airbnb and Vrbo, have risen from 20 peak listing in the summer of 2021 to 26 active listings in the summer of 2023. The average price per night in 2023 was \$192 per night - a number that increased to \$347 per night in July, although properties range from \$81 to \$1,200 per night (prices include cleaning fees, local taxes, and agency fees). The listings included 14 rooms which are likely already part of Wrangell's traditional room rental inventory, along with 12 "entire homes." The average occupancy rate of these short-term rentals was 80% in July and 19% in October, for an annual average occupancy rate of 39%.

#### Wrangell Short-Term Rentals, 2020-2023



Source: AirDNA, Wrangell market analysis

The majority of Wrangell's short-term housing listings offered availability on a seasonal basis only. The listings include everything from boats, traditional inns, to luxury homes. The average length of stay in 2023 was 3 days.





# Anan, Stikine, LeConte Tours Analysis

## Anan Wildlife Observatory

The most important visitor attraction in Wrangell is Anan. Anan Creek is a historic Tlingit Native fishing site located on the mainland on the south end of Wrangell Island. The area has the largest pink salmon run in Southeast Alaska, attracting large numbers of black and brown bears during July and August. The



Anan Wildlife Observatory is managed by the Wrangell District of the US Forest Service, Tongass National Forest and is only accessible by boat or plane. There is a half-mile trail leading to a new observation deck, strategically allowing visitors to view bears while they fish for salmon in cascading waterfalls. During peak season, which is July 5 through August 25, visitors can only visit with a US Forest Service permit. There is a high demand for the daily passes. A significant allotment change means more Wrangell tourists can visit Anna than in previous years. Admission to the site is managed by the Forest Service. The number of visitors is limited to 60 commercially guided and 12 independent visitors a day. Passes are not required outside of the peak season. In 2023, 2,905 visitors went to Anan, including 2,357 that were commercially guided and 548 were independent or unguided visitors — a record number. A new permit system — aimed at better allocating under-utilized permits while maintaining the overall allowable number visitor permits — along with good weather and new infrastructure were credited for the increase. Not all visitors access Anan via Wrangell.

Combining the total spending by independent visitors to Anan, as well as cruise visitors who partake in Anan bear viewing, the total estimated economic impact of Anan bear viewing in Wrangell was \$1.9 million in the summer of 2017, meaning that more than a third (36%) of all summer tourism-related spending in Wrangell was made by travelers who visited Anan on a guided trip. 84% of the total economic impact of Anan visitors in Wrangell was due to independent travelers, while cruise passengers contributed 16% of the larger economic value realized by the attraction.



### **Stikine River, LeConte Glacier Tour Analysis**

There are two additional water-based tours that are very popular in Wrangell. These are the Stikine River and the LeConte Glacier.

**Stikine River:** Wrangell is known for being the gateway to the Stikine River, a name that translates to “the great river” in Tlingit. The Stikine extends 400 miles from headwaters in British Columbia to its mouth near Wrangell and encompasses 27,200 acres of delta flats. Local operators provide jet boat tours, which are the most popular way to access the Stikine River. There is a wealth of history and unique geological elements, as well as spectacular scenery and wildlife opportunities. The Stikine River and tributaries comprise the Stikine-Leconte Wilderness area. For the more advanced adventurer, canoes, kayaks, and rafts are available locally.

**LeConte Glacier:** The LeConte Glacier is North America’s southernmost tidewater glacier and is part of a massive glacial system that stretches 120 miles. It resides in a 12-mile-long fjord at the head of LeConte Bay, approximately 20 miles from the mouth of the Stikine River. It is an active, advancing glacier with frequent calving. Shakes Glacier on the Stikine River is part of the same glacial icefield. Tours are generally via jet boat and take about four hours.

# 2023 Business Climate Survey

## Wrangell Tourism Leaders

Each year Southeast Conference conducts a regional business climate survey in order to track Southeast Alaska business confidence. In the spring of 2023 a total of 16 Wrangell business owners and operators responded to the survey, representing a total workforce of 74. (A new survey will be conducted in March of 2024).

In the spring of 2023, Wrangell tourism business leaders were asked to describe their economic outlooks in their own words. These comments were primarily regarding their expectations of the 2023 season:

- *Increased visitation by ships is achieved by **extending the season**, adding in stops in April, May, September and October. The **revenue from those months is minimal and we often operate at a loss**. Staffing is difficult at best with most seasonal staff back in school. Given the lack of ferry service, the number of independent visitors is down. This affects not only us, but our entire community. Those visitors that do come have a difficult time finding lodging, but that issue will sort itself out by private industry. We could expand our job base and opportunities by having better transportation access to our community. We could also expand if there were more accessible recreation opportunities for both visitors and staff. For example, more hiking trails with camping opportunities, or even maintaining the current trails. Better USFS or State cabins that are accessible without needing specialized equipment or knowledge.*
- *Concerns over raising costs to operate. **AMHS** not being upgraded. Feeling fearful of the economy and potential travelers.*
- ***Fishing guides** have to contend with less fish, more rules, and less reason to want to fish under these conditions.*
- ***King salmon closures** means that we can't fish close to Wrangell for kings. Guides have to run more than 50 miles. There used to be 5 charters, but now there are two left. We were famous for our kings, which is why people came here for fishing charters, so the lack of kings has changed the visitor season.*
- ***Fuel costs** including electricity and the cost of shipping has impacted businesses in a substantial manner. The cost of food rises every month. We are being squeezed to death by State and Federal rules and policies.*



- **High shipping costs** and **little ferry service** is driving me out of business.
- I think that despite all the spin, the overall outlook will be stable. More ships but on **the shoulder seasons actually create less of a margin; expense without revenue.**
- **Longer-term rentals are in high demand**, especially among new hospital staff with either temporary or with longer contracts.
- Tourism in 2023 shows **signs of growth** for this season, primarily in the increase in the number of small to mid sized cruise ship stops. The number of **independent travelers decreased significantly** in 2017 with the break down & de-funding of the Alaska Marine Highway System. It came to a halt during COVID. It has not seemed to return to the strength independent visitor travel was in 2015. Other industries seem to be struggling in various areas from a good workforce base to hire from, cost of material to produce a product, cost of good sold, shipping costs, consumers having enough cashflow & income to create strong customer demand.
- **Very much a growth sector** however I am concerned about too many ships spoiling what makes Alaska so special. As I have generally been a proponent of industry regulating itself I am mixed in my feelings on how to manage this for the good of businesses that rely on ship passengers AND passenger and non ship passenger experience, including non industry locals. **Disgruntled non tourism industry locals need to be heard** because if ignored it only makes the situation worse. We must protect ourselves from becoming a "theme park", fake, atmosphere. How to do that is far beyond my skill set.
- We expect to see **increased cruise ship stops.**
- Although the number of visitors, based on increased cruise ship activity, is predicted to increase, these are **based on capacity** of each ship multiplied by the number of visits.