

National Park Service
U.S. Department of the Interior
Katmai National Park & Preserve



Commercial Services Strategy

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Tonight's Agenda

- Introduction
- What are Commercial Services?
- Commercial Services Strategy
- Katmai's Current Commercial Services
- Questions
- Your Thoughts

Introduction

- National Park Service (NPS) Business Plan Internship
- Caroline Gimmillaro
- Michael Mulhall

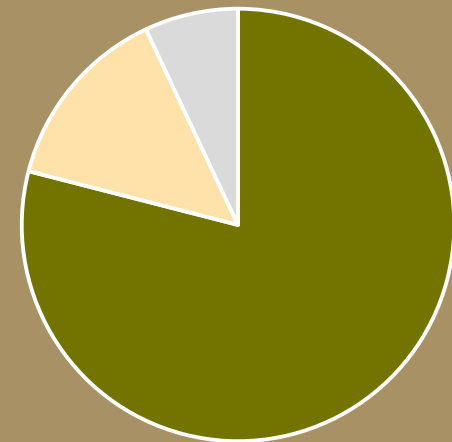
Katmai Purpose Statement

- The purpose of Katmai National Park & Preserve is to protect, study, and interpret active volcanism surrounding the Valley of Ten Thousand Smokes, extensive coastal resources, habitats supporting a high concentration of salmon and brown bears, and an ongoing story of humans integrated with a dynamic subarctic ecosystem

Visitor Demographics

- Age:
 - 62% of visitors are over 50 years of age
- Household Income:
 - 57% have a household income of \$100,000+
 - 25% have a household income of \$200,000+
- Education:
 - 49% of visitors have a graduate degree
- Residency:
 - 76% from USA
 - 14% from Alaska
 - Less than 1% from Bristol Bay

Primary Reason for Visit



■ Bear Viewing ■ Fishing ■ Other

Economic Impacts of Visitor Spending

- Local Region (Lake and Peninsula, Kodiak Island, Kenai Peninsula, and Bristol Bay boroughs)
 - Output: \$27.9M
 - Jobs: 246
 - Labor Income: \$7.4M
 - Value Added: \$13.2M
- Alaska
 - Output: \$62.5M
 - Jobs: 595
 - Labor Income: \$17.3M
 - Value Added: \$30.6M

What are Commercial Services?

- Any compensated activity or service that occurs in a park (e.g., air taxis, guided bear viewing, guided sport-fishing, etc.)
- Provide services to park visitors that are not provided directly by the National Park Service
- Can help increase visitation and visibility of park
- Revenue helps offset cost of providing park services



Commercial Services Strategy

An NPS planning document, which features:

- A framework for evaluating existing and potential commercial service opportunities
- Development of new ideas and desired conditions for potential commercial services through engagement with community stakeholders, visitors, staff, etc.
- Areas of particular interest:
 - Brooks Camp
 - Hallo Bay
 - Moraine Drainage
 - Lake Camp
 - Savonoski River



Katmai National Park & Preserve



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How are Commercial Services Authorized?

The National Park Service Concessions Management Improvement Act of 1998 issues two primary guidelines for determining which commercial services can be offered in the park:

- **Appropriate:** *Can the park authorize this service without compromising the reason it is a unit of the National Park System?*
- **Necessary:** *Why is this service important for the park?*

Katmai-specific Definition of “Necessary”

Concessioners must meet one:

- Provides the opportunity for visitor understanding and appreciation of park purpose and values
- Enhances visitor experience by facilitating access to and enjoyment of park resources
- Assists the park in managing visitor use
- Provides a basic service that is not available within a reasonable distance from the park
- Educates visitors on important issues related to the park, including its geological, biological, and cultural significance, minimum impact techniques, and opportunities for healthy outdoor activities



Katmai-specific Definition of “Appropriate”

Commercial operators must meet all:

- Does not compromise public health, safety, or well-being
- Does not conflict with Katmai’s purpose
- Is provided in a manner that complies with all NPS policies and regulations as well as federal, state, and local laws and regulations
- Does not unduly conflict with park programs/activities, traditional or subsistence activities, and NPS concessioner operations
- Do not significantly impact fundamental park resources and values
- Do not monopolize recreational opportunities at the expense of the public.



Concession Contracts

- Must be **necessary** and **appropriate** for Katmai
- Competitive process for larger commercial activities (may have land/building assignments within the park)
- Generally valid for 10 years or less; charged an annual franchise fee (percentage of gross receipts)
- 9 concessioners in Katmai

Commercial Use Authorizations (CUAs)

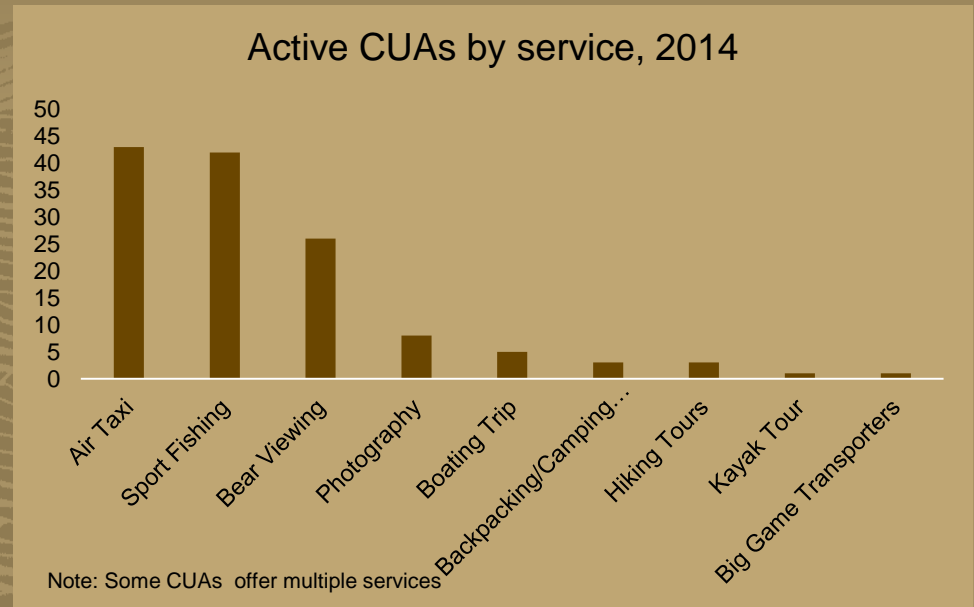
- Services must be **appropriate** for the park and must not impact park resources
- Typically non-competitive application process
- Smaller-scale commercial activity, usually based outside of park
 - In-park CUAs can generate up to \$25,000 in revenue; For CUAs generating greater amounts, services must begin and end outside of park boundary
- 1-2 year permit; flat fee at application and a management fee per visitor-use day logged
- 84 active CUAs in 2014

Visitor Use Days

- One way the NPS quantifies park usage
- Fees paid by CUA holders are based on Visitor Use Days
- $\text{Visitor Use Days} = (\text{number of visitors}) \times (\text{number of days each visitor spends with commercial operators})$

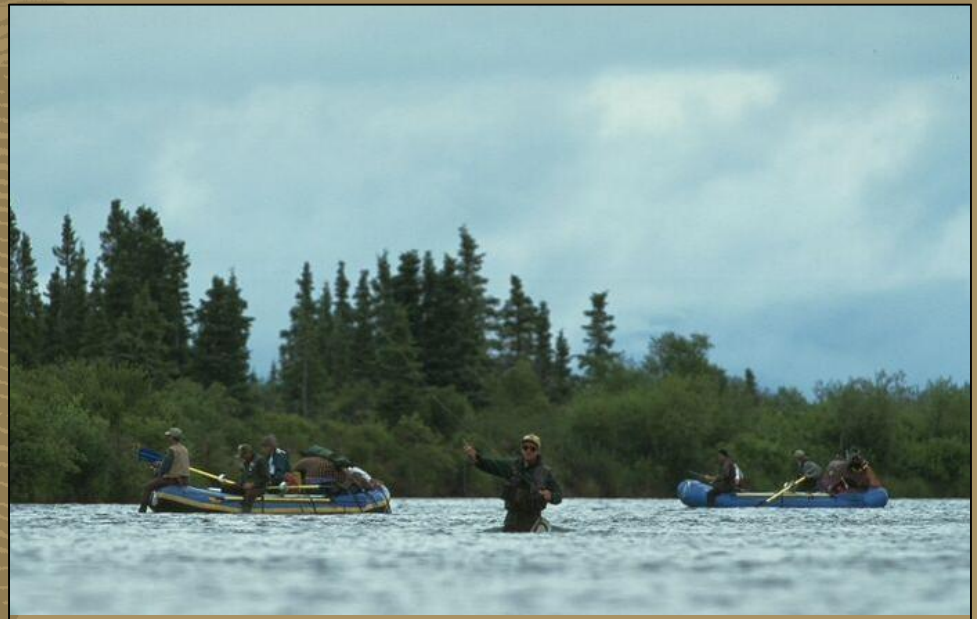
Commercial Use Authorizations at Katmai

- 84 active in 2014
- 42 CUAs provided air taxi services last year
- Most popular CUAs by visitor-use days:
 - 1) Air taxi
 - 2) Guided sport-fishing
 - 3) Guided bear viewing
 - 4) Photography
- Other approved services: boat trips; backpacking; hiking; kayaking; big game transporting; mountaineering; incidental hunt transportation; dog sledding; skiing; snowshoeing



Concessioners in Katmai

- Offer lodging, food, retail, and guided sport-fishing and hunting trips
- Brooks Lodge and Grosvenor Lodge contract includes land assignment
- Other contracts permit boat storage and sport-fishing on American Creek and hunting in Katmai National Preserve



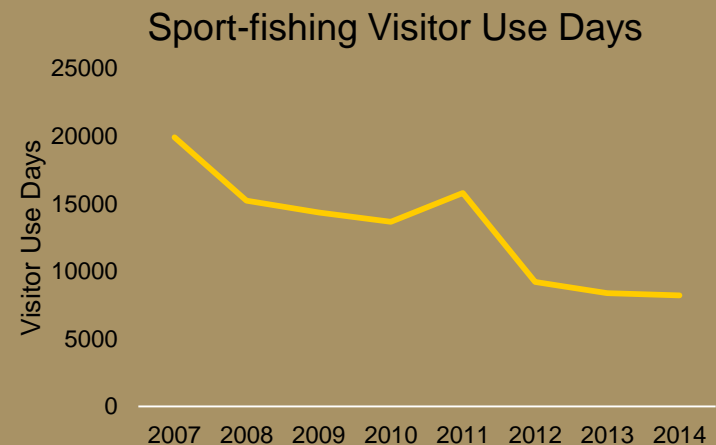
Air Taxis in Katmai

- 42 active air taxi CUAs in 2014
- 8,449 visitor-use days
- Strong post-recession growth
- Main location:
 - Brooks Camp



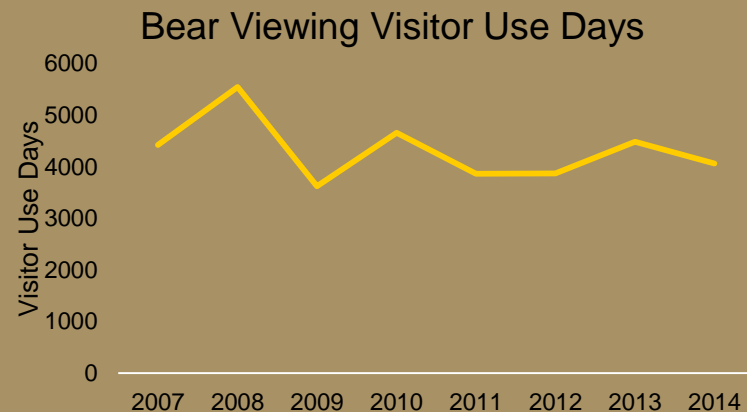
Guided Sport-fishing in Katmai

- 47 commercial operators in 2014
 - 6 concessioners and 41 CUAs
- 8,105 visitor-use days
- Drop in visitor-use days since 2007
- Main locations:
 - American Creek
 - Moraine Drainage
 - Brooks Camp
 - Kulik River



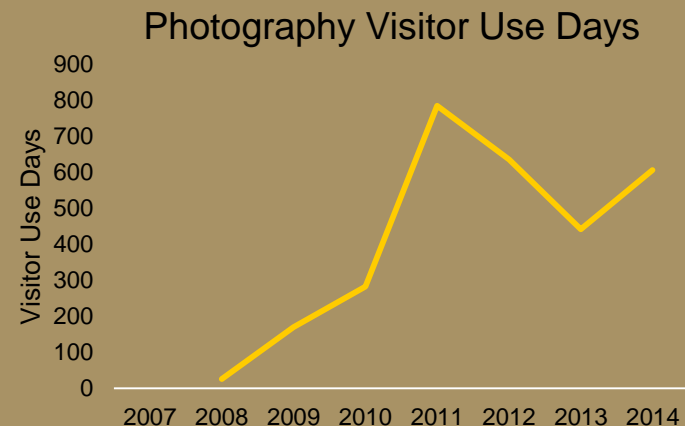
Guided Bear Viewing in Katmai

- 26 CUAs recorded bear viewing activity in 2014
- 4,064 visitor-use days
- Steady activity in recent years
- Main locations:
 - Hallo Bay
 - Moraine Drainage
 - Geographic/Amalik
 - Kukak Bay



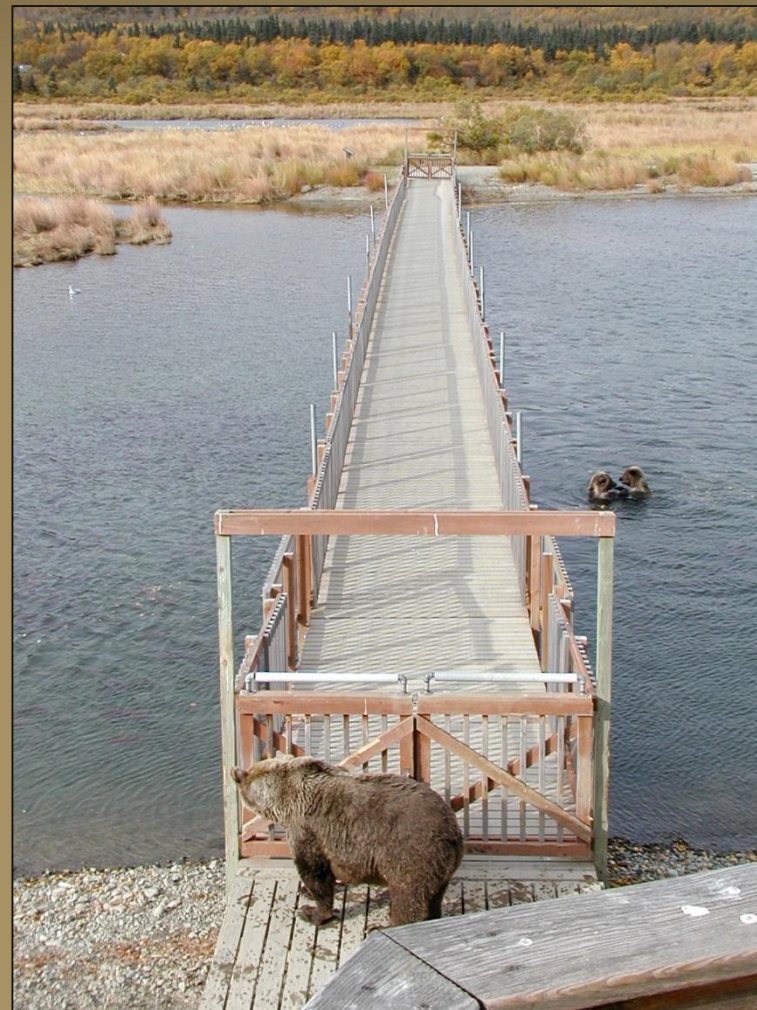
Photography in Katmai

- 7 CUAs recorded photography activity in 2014
- 592 visitor-use days
- Introduced as reporting category in 2008
- Main locations:
 - Hallo Bay
 - Geographic/Amalik
 - Brooks Camp
 - Moraine Drainage



Next Steps

- Incorporate feedback from public and business community into analysis
- Pinpoint and prioritize suggestions
- Identify implementation challenges
- Complete and publish Commercial Services Strategy by fall



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- Online comments welcome through July 31:
<http://parkplanning.nps.gov/KATMCommercialServicesStrategy>

Your Thoughts

- General feedback about current commercial services at the park?
- What changes would you like to see?
- What's working well?
- What are your ideas for new commercial services that should be offered in the park?
- Are there any commercial activities that you think should not be allowed in the park?
- Have you observed changes in the quality or quantity of park resources over time?



Thank you!

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