

Alaska Adventure Center Proposal

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Alaska Adventure Center, Inc.

Brief description of the project: The project is to build a 37,000 SF (approx.) Alaska tourism center, promoting statewide Alaska tourism, in the heart of Las Vegas "strip". This location will capitalize on the existing strong Las Vegas tourism market and be both a self-sustaining income-producing attraction and an Alaska tourism point of sale for every sector of Alaska's tourism market.

Funding Plan: Total Project Cost \$35,650,000 /Funding Already Secured: \$150,000 / FY2012 State Funding Request \$2,500,000

Provide detail of funding history (year, funding source, etc.): Past \$150,000 concept development and planning. Current FY 2012 request to the State of Alaska is \$2.5M for Feasibility Phase (market forecasting, planning, economic analysis, design and site control). Subsequent fundraising (2011-2013) is \$33M for the Implementation Phase (site development, building construction, exhibit/experience, equipment, commissioning) sources are State, Federal, Private Individuals, Foundations and Corporations.

Detailed project description and project justification:

This "think outside the box" solution to supplement existing Alaska tourism marketing efforts has the realistic potential to generate 100,000 additional visitors to Alaska annually. Alaska's \$2.1B tourism economy has decreased steadily in recent years. Since 2008, visitor numbers have declined over 200,000 (11%), resulting in a decline of approximately \$560M (15%) to the Alaskan economy. Result: Municipal and State revenues have declined approximately \$35M; thousands of jobs have been lost; unemployment has increased; many businesses have closed or are struggling to remain operational.

Traditional marketing techniques currently in place require urgent, innovative action to bolster the tourism market. The Alaska Adventures Center (AAC) can reverse the decline with a new visitor growth strategy. The AAC can greatly assist in reducing our per-visitor marketing expenditure while increasing revenue stream into Alaska. The new facility will offer an Expo-type experience to visitors similar to those at Disney's Epcot Center. This model has proven effective and successful at Epcot Center.

The AAC's potential sponsors and participants include all segments of the Alaska tourism industry: from airlines; cruise ship companies; Alaskan outfitters and excursion companies; visitor industry organizations; the hospitality and restaurant industries, Native tourism enterprises; Alaskan retail and seafood industry; Alaskan oil and mining industry; and land, park and resource management entities. Attractive, high-end point of sale kiosks for various participating entities will be located within AAC. An Alaskan-themed restaurant will offer Alaskan foods and beverages. All promotional efforts will be upscale and high-end, but with a range of prices and travel options to fit a wide cross-section of tourist budgets and demographics. Year-round travel opportunities will be promoted. Above all, the presentations-both in vendor kiosks and within the exhibit-experience parts of the facility, will be exciting and bold, colorful and/or interactive, generating enthusiasm and "buzz" about visiting Alaska.

A potential site on the Las Vegas strip has been identified. It is adjacent to some of Las Vegas' best hotel casinos, with a powerful street corner presence. Due to the existing depressed real estate market in Las Vegas, the timing is optimal to procure this property at greatly reduced cost.

Organization: Several professional tourism consultants have been identified to conduct market studies and analysis. As the project progresses, project leadership could be shared with existing Alaskan travel industry agencies.

Project Goals: Leveraged use of Las Vegas tourism market, continuous increased source of visitors to Alaska impacting all sectors of Alaskan tourism industry, and marketing the “Alaska Brand” message.

Feasibility Phase (\$2.5M): Pending Legislative funding, Summer/Fall 2011. Phase includes market forecasting, planning, economic analysis, design and securing site control.

Implementation Phase (\$33M): Mid 2012 through late 2013. Phase includes site development, building construction, exhibits/attractions fabrication and installation, equipment, marketing and promotion, vendor and sponsor organization and commissioning.

Project open to the public: Fall 2013.



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