



Date: January 11, 2005
To: Rod Swope, City Manager
From: JCVB Board of Directors
Re: Passenger Fee Allocation for JCVB Visitor Information Services

Dear Mr. Swope:

On behalf of the community of Juneau, the JCVB offers a visitor information program to welcome travelers to our city. Over the past decade, cruise passengers have become the primary recipient of visitor center services. Our 180 volunteers greet cruise passengers on-board ship, on the docks and at three information centers (Marine Park plaza kiosk, Cruise Ship Terminal and Centennial Hall.)

The direct benefit to cruise passengers of the visitor information program is to make them feel welcome, assist them with basic travel needs (restrooms, pharmacy, postal services, telephones, etc.) and direct them to community services and businesses. The visitor center services and interaction with Juneau residents add a positive and personal dimension to the cruise passenger's experience.

As stated in the ordinance 69.20.120 (2) fees are applicable to "operating funds for personnel, training, commodities, rentals, services and equipment for services provided, made available to, or required as a result of marine passenger ships and marine passengers."

Marine passenger fees are an appropriate funding source to support this important service to cruise passengers. Program expenses include:

- Staffing and associated expenses to coordinate, train and manage a volunteer corps of 180+ residents (equivalent labor cost of \$64,190)
- Fees associated with operating the visitor centers
- Printing costs for 200,000+ community maps
- Signage, displays and images that provide directions and orient visitors

Juneau's visitor market share is now 92% cruise and 8% non-cruise. (approx. 883,000 cruise passengers¹ vs. 72,000 air/ferry visitors²). The JCVB board of director's request that the \$162,000 expense associated with serving this important consumer market, as indicated on the attached budget, be funded through passenger fees.

Sincerely,

Gwen Rivas, Chair
JCVB Board of Directors

Exhibit IS

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¹ 871,572 foreign-flagged passengers reported by US Customs, plus approximately 12,000 small ship domestic-flagged ship passengers.

² 2003 Alaska Traveler Survey adjusted for air pleasure arrivals to 44,428, plus 27,170 ferry passenger arrivals.

Juneau Convention & Visitors Bureau
 FY06 Request Based on FY05 Budget

Income	FY 05 Budget
FY04 Carry forward	\$3,798
Bed tax/Membership Dues	\$76,298
	<u>\$80,096</u>
Passenger Fee Revenue	\$100,000
Sale of labels	\$5,000
	<u>\$105,000</u>
TOTAL	\$185,096

Note: Apportioned according to percentage of cruise passengers served.

92% Cruise Market Share

Expenses Relevant to FY06 Program

Personnel	\$87,195 @	92%	\$80,219
Telephone	\$5,500	92%	\$5,060
Postage	\$16,500	92%	\$15,180
Supplies	\$1,500	92%	\$1,380
Dues & Subscription	\$200	92%	\$184
Miscellaneous	\$100	92%	\$92
Storage	\$1,850	92%	\$1,702
Janitorial	\$1,050	100%	\$1,050
Equipment Rental	\$500	92%	\$460
Mileage (Ferry/Airport)	\$400	25%	\$100
Volunteer/Supp/Orientation/Training	\$1,000	92%	\$920
Volunteer Recognition	\$895	92%	\$823
Juneau Maps	\$19,000	92%	\$17,480
Foreign Walking Maps	\$221	92%	\$203
Copy/Printing	\$2,500	92%	\$2,300
Note* Centennial Hall Rent	\$41,905	85%	\$35,619
TOTAL	\$180,316		\$162,773

Note* Centennial Hall Visitor Center serves residents, independent visitors, convention and meeting attendees, as well as, cruise passengers.