

Agency: Commerce, Community and Economic Development

Grants to Named Recipients (AS 37.05.316)

Grant Recipient: Alaska Wildlife Conservation Center, Inc. Federal Tax ID: 92-0170600

Project Title:

Project Type: New Construction and Land Acquisition

Alaska Wildlife Conservation Center, Inc. - Visitor Education and Research Sanctuary

State Funding Requested: \$1,000,000
One-Time Need

House District: 32 / P

Brief Project Description:

The Alaska Wildlife Conservation Center (AWCC) proposes to build a Bear Education Awareness Research Sanctuary that would provide visitors with a one-of-a-kind, bear viewing experience and educational opportunity.

Funding Plan:

Total Cost of Project: \$6,000,000

	<u>Funding Secured</u>		<u>Other Pending Requests</u>		<u>Anticipated Future Need</u>	
	<i>Amount</i>	<i>FY</i>	<i>Amount</i>	<i>FY</i>	<i>Amount</i>	<i>FY</i>
Federal Funds			\$2,500,000	2009		
Rasmuson Foundation					\$2,000,000	2010 or 2011
Other Funds	\$175,000	2009				
Total	\$175,000		\$2,500,000		\$2,000,000	

Explanation of Other Funds:

AWCC has provided \$175,000 in earnings, private donations and in-kind contributions. Rasmuson Foundation would like to see us secure 1/3 of the total funds before committing funds, but have discussed providing 1/3 of the total cost. We intend to earn \$600,000 in visitor surcharges over the next two years. The remaining funds will be solicited from private, corporate and foundation donations.

Detailed Project Description and Justification:

The Alaska Wildlife Conservation Center (AWCC) proposes to build a Bear Education Awareness Research Sanctuary that would provide visitors with a one-of-a-kind bear viewing experience and educational opportunity. The sanctuary will be a 9,700 square foot multi-functional structure specifically designed to include renewable "green" resources. The sanctuary will include a large interpretive hall for educational bear-themed topics, an enhanced viewing area for the outdoor bear exhibit with an outdoor viewing deck, educational classrooms in a theater setting, a conference room, animal holding areas, a catering kitchen, public rest rooms, staff office space, and a small gift shop. In the winter, the bears will live in four 15'x 15' indoor dens that will allow the bears to be safely restrained for medical treatments, research projects, or ground maintenance. These dens, which will provide a cozy bed for hibernation, will also be viewable by visitors, including students. This is truly a one-of-a-kind experience.

The Bear Education Awareness Research Sanctuary has the potential to attract hundreds of thousands of new visitors each year. Bear viewing in Alaska is an activity appreciated by local Alaskan residents and tourists alike. Millions of visitors come to Alaska each year to witness and photograph Alaska's amazing wildlife resources and seeing a bear is often at the top of their list. This is why AWCC would like to take advantage of the opportunity we have to share our three adult brown bears with visitors in a setting where animals display their natural and wild behaviors.

There will be four phases of construction:

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Design Phase – This initial phase will be the architectural and engineering design phase for the physical building of the facility. The project architect and engineers plan to incorporate multiple renewable resource concepts into the design of the facility.

Phase I – foundation construction, support columns modification, exterior framing of the first floor level.

Phase II – completion of building construction to include roof systems, interior construction and finishes, exterior finishes, exterior stairs, windows and doors, mechanical and electrical items.

Phase III – planning, design and construction work to provide interpretive exhibits for the bear center. Completion of grounds and parking area.

Approximately \$50,000 has been raised and spent to date on the design phase of our project. Our organization has raised and spent approximately \$100,000 to date on the existing bear exhibit. AWCC expects to raise \$300,000 in revenues from more than 250,000 visitors in 2009 and 2010.

AWCC has an earned gross income of over \$1,500,000 annually. Our total annual organizational budget for fiscal year 2009 is \$1,346,864. The value of the already existing 18 acre security-fenced brown bear exhibit and one acre wildlife habitat incentive pond, a newly constructed 2 acre parking area, a new 60 gallon water well, and the proposed facility project costs is estimated to be \$6 million.

Project Timeline:

Phase 1: Summer 2009 - summer 2011.
 Phase 2: Spring 2010 - summer 2010.
 Phase 3: Spring 2010 - summer 2011.

Entity Responsible for the Ongoing Operation and Maintenance of this Project:

AWCC

Grant Recipient Contact Information:

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Has this project been through a public review process at the local level and is it a community priority? Yes No

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**Business Plan
for the
BEARS of Alaska
of the
Alaska Wildlife Conservation Center, Inc.**

The First Bear Center in Alaska

**Alaska Wildlife Conservation Center, Inc.
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EIN 92-0170600**



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February 24, 2009

I. Executive Summary

Introduction & Justification For Request

Alaska Wildlife Conservation Center's (AWCC) mission indicates the organizations commitment to wildlife: *To preserve Alaska's wildlife through conservation, and public education, providing quality animal care and spacious enclosures for injured and orphaned animals on a year-round basis.*

AWCC originally opened in 1993 with the knowledge that interest in wildlife viewing was a growth industry ready to be tapped. From its first days, the principles of education and conservation were cornerstones of its foundation. Since its inception, over 3 million people have visited the wildlife center from all over the globe. With an annual visitation of over a quarter of a million people, AWCC has the rare opportunity to reach a large and diverse audience. AWCC would like to take full advantage of this prospect and construct a Bear Education Awareness Research Sanctuary (BEARS) of Alaska that would provide visitors with a one-of-a-kind, bear viewing experience and educational opportunity.

Bear viewing in Alaska is an activity appreciated by local Alaskan residents and visitors alike. No other species is as interesting, captivating or endearing to humans as bears. Millions of visitors come to Alaska each year to witness and photograph its amazing wildlife resources. Hence, this bear facility has the ability to attract hundreds of thousands of new visitors each year. Seeing a bear is often at the top of most visitors' lists. However, bear viewing by its very nature, is usually in remote settings and often comes at a high price. This is why AWCC would like to take advantage of the opportunity we have to share our 3 adult brown bears with visitors in a natural setting only 50 minutes south of Anchorage. School groups, local Alaskans, and visiting summer tourist will have the opportunity to enjoy the BEARS of Alaska while viewing bears in a semi-wild natural environment. Already in place is an 18-acre enclosure, which is home to 3 brown bears, 4 coyotes and other visiting wildlife. Also, a one-acre pond and a coniferous forest are in place and provide a wilderness setting where animals display their natural and wild behaviors.

Alaska is the only state in the union to have all three bear species. Black, Brown, and Polar bears all have their challenges in today's environment. Polar bears carry a very important message about global climate change that needs to be carried to the public. This facility will be dedicated to educating the public about Bears of Alaska and will be the only one of its kind in the world. The total budget to build the addition of the Bear Center to the existing park is approximately \$6 million.

AWCC plans are to begin seeking initial substantial financial commitments to the project in the fall of 2008. Substantial support from local and national foundations, corporations, and philanthropic contributors from New York City and Alaska are in the process of being solicited and financial prospects are quite promising.



Why the Project (BEARS of Alaska) will succeed:

- The tourism industry has a proven interest in the Alaska Wildlife Conservation Center.
- AWCC has a guaranteed revenue flow through the support of admissions and gift shop sales to cover our operating expenses, which have been steadily growing since inception.
- AWCC has an optimum location, just 50 minutes south of Anchorage.
- AWCC has a professional team that includes Sam Trimble Design, Inc. an Architectural firm from New York City, and Bezek-Durst-Seiser Inc. Architects from Anchorage, Alaska, which have a wonderful reputation as designers.
- AWCC has a Memorandum of Understanding with several organizations to provide funding for interpretive interns and program assistance.
- AWCC has the potential for a much larger visitor base through development of winter tourism and a new effort to bring the 2018 Olympics to Alaska.
- AWCC currently has 3 adult brown bears in an 18-acre forested enclosure that includes a pond and a one-acre parking area for the bear center.
- AWCC has quality board members who collectively have currently donated \$15,000 in cash and in-kind contributions to this project.

Project Description--Proposed Facility

The BEARS of Alaska will be a 9,700 square foot multi-functional structure, and will be specifically designed to include renewable “green” resources. (The project will be developed in four phases, which is further explained on page 6.) The building will include a large interpretive hall for educational bear themed topics and enhanced outdoor bear exhibit viewing, educational classrooms in a theater setting, a conference room, an outdoor viewing deck, animal holding areas, a catering kitchen, public rest rooms, staff office space, and a small gift shop. Further detail of the building is as follows:

Educational Interpretive Exhibits on the 3 Bears of Alaska- Alaska is the only state in the union that is home to all 3 species of bears. Interactive exhibits will engage the visitor in topics such as Bear Safety, Bear Management and Conservation in Alaska, Global Climate Change and it’s effect on Bears, the Differences Between Polar, Brown and Black Bears, Bear Communication and Bear Viewing in Alaska. (The Exhibit Hall would be available for special events and community functions and will be adjacent to staff office space and the public rest rooms.) Bear artifacts and life sized models of the three bear species will also be featured. Photographs will line the hallways from various well-know wildlife photographers and will be accompanied by wall-sized window viewing of the centers Brown Bears. Revenue generated from gift shop sales would help support the educational programs of the center.



Educational Classroom Area/200 Seat Theater- A 20-minute documentary film presenting bears of Alaska will be displayed. This theater will also be used as a classroom. This area would be used for various educational classes, community meetings and revenue generating events.

Conference Room- A conference room will be created with a large viewing window of the breath taking Chugach National Forest and a small catering kitchen will also be included in this area for special event use.

An Outdoor Brown Bear Viewing Deck- From the safety of the outdoor viewing deck, visitors will be able to witness and photograph brown bear behavior up close. Outdoor interpretive panels along with mounted binoculars offer the visitor the opportunity to gain further insight into these magnificent animals.

Animal Holding Area- Four 15'x15' indoor dens will allow the bears to be safely restrained for medical treatments, research projects, or ground maintenance. These dens will also provide an area for hibernation. Bears will be able to be viewed during their winter slumber.

Animal Food Preparation Kitchen and Walk-In Freezer- Staff will prepare the daily meals for the bears of AWCC in this kitchen while educating the public. A glass window into the kitchen will allow spectators and visitors to watch the food preparation process. The kitchen viewing will educate visitors on the diet of Alaskan bears through interpretive displays when it isn't feeding time. Learning about the nutritional value of Alaskan salmon, the total calories an adult brown bear consumes, and feeding adaptations they have developed are all topics that will be presented. A Walk-In Freezer is needed to store in season bulk food items until needed. All of the food will be donated from salmon and trout hatcheries, canneries, and fish processing facilities, Alaska Railroad, and grocery stores.

Gift Shop Area- A small gift shop area will be designated to generate revenue to help support the educational programs of the center. Bear themed products will be sold along with educational materials.

Construction Cost

The value of the existing 18 acre fenced brown bear exhibit and one acre Wildlife Habitat Incentive Pond, a newly constructed 2 acre parking area, a 60GPM water well, and the proposed facility project costs is estimated to be \$6,000,000. There will be four phases of construction:

Design Phase – This initial phase will be the architectural and engineering design phase for the physical building of the facility. The project architect and engineers plan to incorporate multiple renewable resource concepts into the design of the facility.



Phase I – foundation construction, support columns modification, exterior framing of the first floor level.

Phase II – completion of building construction to include roof systems, interior construction and finishes, exterior finishes, exterior stairs, windows and doors, mechanical and electrical items.

Phase III – planning, design and construction work to provide interpretive exhibits for the bear center. Completion of grounds and parking area.

II. The Organization and its Environment

The Organization

Alaska Wildlife Conservation Center (AWCC) is a non-profit corporation and has been designated by the Internal Revenue Service as having 501(c)(3) status.

Initially founded by Michael Miller, the for-profit corporation, Sourdough Development Services, Inc. dba Big Game Alaska opened to the public in 1993. In late 1999, the non-profit corporation named Big Game Alaska, Inc. dba the Alaska Wildlife Conservation Center (AWCC) was formed. The non-profit status and name change was completed in order to better reflect its intended purpose and mission. In January 2007 the corporation changed its name to Alaska Wildlife Conservation Center, Inc.

AWCC is a wildlife park with a gift and souvenir shop on the premises. The park is situated on approximately 170 acres of raw land. The current souvenir shop is housed in a two-story log building that has a loft area above the second floor. The 18 acre fenced brown bear exhibit, one acre Wildlife Habitat Incentive Pond (originally funded in 2003 by the Natural Resource Conservation Service) is part of the 170 acres currently in the park.

The park also provides education and interpretive programs to visitors and school groups by employing 5-6 college interns in the summer months. Stipends and on site housing expenses are covered through donations provided by corporate partners.

The wildlife park contains nearly one hundred various animals, which includes: brown bears, black bears, elk, caribou, musk ox, moose, deer, bald eagles, lynx, wood bison, plains bison, and owls. The Center is approximately 50 miles south of Anchorage on the only highway leading out of south Anchorage. One of the most visited attractions in Alaska, Portage Glacier, is just 5 miles further south from AWCC.

Revenues are primarily from retail gift/souvenir sales to individuals and tour bus passengers who visit the park. The second major source of revenues is park entrance fees. The Center has visitation agreements from four major tour companies, Princess Tours,



Holland America, Premier Tours, Royal Caribbean and CIRI Tourism. AWCC has partnerships formed within USDA Forest Service/Alaska Region, Alaska Department of Fish & Game/Division of Wildlife Conservation, USDA Natural Resource Conservation Service, and the tourism industry.

Operations

Most short-term cash needs are funded from operations. A bank line of credit is available to fund operational and capital expenditures.

Management

Key management of AWCC: includes Michael Miller, the Executive Director of the Organization. Michael Miller, has been with the Organization since inception, therefore, is very familiar with the Organization's operations. Kelly Miller is the Director of Education. The company also employs 25 employees and 5 college interns during the peak season from May 1st to September 30th.

Organization Expectations and Economic Outlook

Over the past few years, the Organization has experienced steady growth, and expects continued growth in the future based upon the anticipated number of visitors to Alaska. The visitor industry remains positive in the Anchorage economy, especially among older Americans. Economic research states that the average annual growth for the year 2002 was 3% nationwide with annual growth rates of 4 1/2 to 5 percent in 2003 to 2005. Overall visitation to south central Alaska increased by 6% in 2006 through 2008 with growth anticipated for 2009 and beyond. With the addition of the new convention center in Anchorage, the AWCC will benefit, as the city will grow its inbound meeting and convention business immediately after the building opens in September of 2008.

The Center has exceeded the nationwide growth rates each year. The national economy remains healthy due to low interest rates, the improving stock market, lower taxes, and a low core inflation rate. Since the organizations inception, 3 million visitors have passed through AWCC's gates.

Purpose

Alaska Wildlife Conservation Center's (AWCC) mission is: *To preserve Alaska's wildlife through conservation, and public education, providing quality animal care and spacious enclosures for injured and orphaned animals on a year-round basis.* Furthermore AWCC respects all wildlife user groups such as: subsistence, hunting and watchable wildlife groups.



III. The Programs/Services and Social Return on Investment

The Operation and Use

Operation of the facility will include multiple functions – walk-in opportunities as well as educational presentations by Forest Service Interpretive Specialists and others, including interns from the Alaska Wildlife Conservation Center. It will also serve as a dramatic setting for special events and group presentations.

The facility will be available for visitation and year round use. Visitation would include Alaska residents and conference attendees during the winter months and visiting friends and relatives during the summer. Through an interpretive partnership with the U.S. Forest Service, interpretive specialists would help staff the facility during the high use summer season, Memorial Day to Labor Day. These professional, trained staff would provide interpretive services including stories, lectures, and other presentations.

Benefit to the Community – The Social Return on Investment

Promote Tourism Economy Both Large and Small-

According to a Travel Industry Association poll, nearly a third of Americans, or more than 66 million people over the age of 16, reported that they photographed, fed or observed wildlife. They also spent \$40 billion doing so. Alaska also came out as one of the top five places where people reported being involved with wildlife viewing. Wildlife viewing is one of Alaska's strongest assets and is something that sets us apart from the rest of the country as a visitor destination.

Building the BEARS of Alaska would help to promote large and small tours to the center and provide an attraction that would enhance Anchorage tourism due to its proximity. The center will provide an accessible and affordable bear viewing option to visiting tourist.

Reduce Human/Brown Bear Conflicts through Education-

No matter how long someone has lived in Alaska, the thrill of spotting a bear is always present. Alaska media highlights bear stories almost daily. Residents crowd high-use fishing area, hike our popular trails, and live and recreate in bear country.

Each year, more and more people venture into bear country. New advances in technology today allow the less qualified person the opportunity to travel deeper into the wilderness. All terrain four wheelers, jet propelled riverboats, planes and helicopters transport many people to areas that until recently were inaccessible. New and improved lightweight hiking shoes, backpacks, tents, and camping gear allow for more access and a longer stay in bear country.



The number of Bear vs. Human conflicts has increased and will continue to increase until the public is educated on proper behavior in bear country. When negative bear encounters happen, agency officials often place restrictions on areas to offer protection and minimize encounters. These restrictions sometimes harm the local economy with reduced numbers of people to a certain area. Most conflicts can be avoided through proper bear interaction and education. Human/bear conflicting incidents and euthanization of bears can hopefully be reduced.

Fill the Void and Satisfy the Need for a World Class Wildlife Facility in Alaska-

Surrounding the hub of Anchorage, lie some of the most wonderful interpretive centers. The Begich Boggs Visitor Center caters to visitors eager to learn about glaciers, Prince William Sound, and the second largest National Forest in the Country, the Chugach National Forest. The Alaska Native Heritage Center provides visitors with a quality cultural learning experience. The Alaska Museum of Natural History promotes developing educational programs in science. The Seward Sea Life Center is a world-class marine facility.

Glaciers, native history, art and marine wildlife are of interest and well represented. But somehow, Alaska has not yet established a facility to present the subject that draws hundred of thousands to this state. We need an educational facility that fills this void. The BEARS of Alaska at the Alaska Wildlife Conservation Center is the answer.

Provide an Educational Center for South Central Alaska School District Students-

More recently, studies have shown that our American youth suffer from what has been termed as “Nature Deficit Disorder”. Living in Alaska we like to think we are exempt from these statistics, but the truth is that many Anchorage students have had limited wildlife exposure and some have never even traveled down the Seward Highway. People value and care about what they know and understand. This new facility will expose students to biological facts, ecological concepts and instill a responsible attitude towards all living things. Wildlife education can also include other species that presently reside at the wildlife center including moose, musk oxen, caribou, deer, elk, coyotes, wood bison, plains bison, red foxes, lynx, eagles, and owls. We owe it to Alaska’s future to provide wildlife education to our youth today.

AWCC’s close proximity to Anchorage will allow district children a memorable wildlife learning experience and provide a platform for the teaching of many educational standards. School children outside of the district will also be able to use this facility as they travel to and from the hub of Anchorage for extra curricular activities. Potential education programs are endless with a facility of this nature. Education is stated in the mission of AWCC, and AWCC is excited to fulfill this role. Currently, AWCC uses the Begich Boggs Visitor Center facility when a classroom is needed for wildlife programs.



Sustainability

Alaska Wildlife Conservation Center is the most visited developed attraction in the State of Alaska according to the Alaska Travel Industry Association. Furthermore, surveys of potential visitors to Alaska have shown that people desire to see glaciers, mountains and wildlife when visiting the state.

AWCC has an earned income of over \$1,500,000 annually. AWCC has always been self-sustaining through sound business practices and partnerships formed within the tourism industry. This current annual revenue covers existing operating costs and some minor building and program expansions.

Assistance however, is needed for the construction of the BEARS of Alaska. Maintenance and operating costs will be covered by already proven admission and gift shop sales. AWCC is also projecting an increase in these numbers with an increase in admission numbers and cost. The admissions rate is currently \$7.50 for an adult admission and the maximum is \$25.00 a carload. An increase in personal and corporate memberships along with donations is also anticipated.

IV. Market Analysis

Situation Analysis

A healthy economic climate, combined with a strong and growing visitor industry eager for quality attractions, creates an ideal environment for a new bear education facility. Additionally the dedication of gift shop and admission revenues gives the facility a built-in financial advantage not available to most new attractions. This revenue stream covers a significant portion of the facilities expenses, which will allow us to adopt a conservative marketing plan and keep our marketing expenses to a minimum.

The timing of our entry into the marketplace is good. Anchorage enjoyed its 18th consecutive year of job growth in 2006, adding some 2,500+ jobs. Personal income continued to creep upward during the year to \$37,442, nearly 20 percent higher than the national average.

With its younger population (32.4 years), high family income (\$60,500) and relatively low unemployment (5.2 percent in December 2006), visits to the Center by Anchorage residents and visitors should continue to increase. The January 16, 2004 issue of CNN money magazine placed Anchorage on the “Hottest Towns” list. Criteria for selected cities included college education, working professionals, well above average income and access to art, sport, and cultural resources.

The national collapse of the visitor industry after 9/11 had a disastrous affect on Alaska tourism. This same year, however, AWCC saw a 17% increase in revenue proving wildlife viewing sustainability. Tourism has begun to rebound in Anchorage, with



approximately 1 million visitors through the city in 2005, including 176,000 cruise ship visitors. More than 1,000 new hotel rooms have been added in Anchorage since 2004. Today Anchorage has an inventory of 8,100 hotel rooms and another 800+ bed and breakfast rooms.

Anchorage's winter visitor market totals about 500,000, of which 12 percent visit Girdwood. With the addition of the Glacier-Winner Creek trail, the number of winter visitors to Girdwood, just 11 miles from AWCC is projected to increase dramatically in five years to more than 86,000 destination skiers.

In addition to changes in the Anchorage demographics that will lead to strong support of a center, there have been changes in the nearby Girdwood community. Its population matured and family income shot upward, and at a median age of 33, the 2000 resident population of 1,817 was almost a year older than Anchorage. Home ownership in Girdwood about equals Anchorage (59.0 percent versus 60.1) but the median value was \$23,300 higher in Girdwood. Median family income was 17 percent higher than Anchorage and per capita income was 38 percent higher than the national average. Girdwood residents are significantly more educated, with 95.6 percent holding a high school diploma and an amazing 42.9 percent with a bachelor's degree or higher.

Stakeholder Analysis

Stakeholders are individuals and organizations who believe in AWCC's mission and have made a commitment to help the organization achieve its goals. Our major stakeholders include:

- AWCC's Board of Directors who collectively have donated approximately \$15,000 in cash and in-kind donations to the Organization in the past twelve months.
- AWCC anticipates establishing a partnership with the US Forest Service (USFS) in the near future. Trained Forest Service interpreters will be on site delivering important bear safety messages and thematic educational programs along side AWCC staff. Use of the BEARS of Alaska for winter/off-season educational programs plans to also be in partnership with the USFS environmental education program. AWCC looks forward to the variety of prospects that exists with AWCC staff working in cooperation with the USFS.
- Girdwood 2020, the organization that organized Girdwood, Inc. continues to support the operation of the AWCC.
- The residents of Girdwood and Anchorage and their visitors who will use the Center for special events, programs and research.
- Major contributors who will continue to support the Center's operation and expansion.



- Tourism and historical societies interested in securing additional venues.

Primary Target Audiences

In addition to our major stakeholders, there are many individuals and organizations that would be considered primary target audiences, who would be most interested in the Center. These primary target audiences include:

- Summer and winter visitors
- Residents of Girdwood and Anchorage
- Cruise line tourism and related industries
- The Anchorage School District
- National and international tour operators
- Meeting and wedding planners
- Chugach and Kenai Peninsula School Districts
- Area tour operators
- Regional and national conventions in Anchorage
- The Alaska Railroad

The Visitor/Tourism Industry

Within the primary target audiences is Alaska's visitor industry, which deserves specific discussion within this Business Plan. To AWCC, the visitor industry is diverse and composed of the following segments (in alpha order):

- Association, which includes visitors affiliated or associated by a common profession or focus. An example would be the 2008 CIRI Tourism agreement, which is expected to bring more than 50,000 more visitors to AWCC in the summer months.
- Catering, this includes weddings, reunions, special events and holiday functions.
- College internships, which includes continuing education combined with business and pleasure.
- Corporate, which includes business meetings.
- Domestic tour and wholesale, which includes tour operators and wholesale travel agents throughout the nation who package a visit that includes transfers to the Center.
- Government, which includes meetings at the local, state and federal level.
- International tour and wholesale, which consists of international tour operators and wholesale travel agents who package year-round.
- Independent travelers, which includes individuals and families who travel on an independent basis throughout the year. This group includes frequent leisure travelers, frequent business travelers, Alaskans, travel industry personnel, special packages, AAA members, and AARP members.

In addition, Anchorage has an aggressive convention and meeting marketing effort underway, and is constructing a new convention center. Many of these meetings include



opportunities to visit area attractions for fieldtrips, receptions and catered events. The BEARS of Alaska will be available to host these events.

Industry and Market Trends

As noted previously, the visitor industry has rebounded and is now beginning to grow again. The Alaska Travel Industry Alliance reports that businesses are seeing the number of inquiries rise slowly, along with the number of bookings. Employment has increased 2.8 percent a year since 2004, versus 1.8 percent for total employment. Much of this growth is due to the dramatic expansion in services oriented toward the needs and wants of visitors, including the estimated 30 new hotels that have been built since 1997, putting 4,200 additional beds on the market. The majority of these beds are in Anchorage, placing their occupants within easy travel distance of our facility just 50 miles south of Anchorage.

There have been dramatic shifts in travel planning behavior in recent years and increased demand for special travel such as cultural, historical and soft adventure. Girdwood has witnessed an explosive growth in soft adventure, ranging from glacier treks to birding adventures. The combination of the historic Crow Creek Mine with the Roundhouse at Alyeska should add to the area's appeal. Since the AWCC is just 11 miles south of Girdwood, the Bear Center can expect residuals from this rising market area.

And within Alaska, the state projects Anchorage to gain 20,000 residents over the next seven years and Girdwood's population are projected to be 5,000 within 10 years.

The Competition

There are several other museums and interpretive centers in the surrounding area. There are two museums (in Hope and Whittier), a visual arts center (Girdwood Center for Visual Arts), the Alaska Zoo in Anchorage, our wild game park (Alaska Wildlife Conservation Center), a historic gold mine (Crow Creek Mine) and a natural history interpretive center (Begich-Boggs Visitors Center) within a 50-mile radius of Girdwood. Because there is not any real competition, the addition of the Bear Center will enhance visitorship among the facilities. Also AWCC is currently able to accommodate more tour buses and increased visitation at a given time to encourage continued growth due to the 170 acres of land it resides on.

- One of the Center's biggest collaborators is the Begich-Boggs Center in Portage, which is operated by the U.S. Forest Service. AWCC looks forward to the variety of prospects that exists with AWCC staff working in cooperation with the USFS. The Director is enthusiastic about the Bear Center potential and believes there are many ways we can cross-promote one another.



Opportunities for Collaboration

Effective collaborations are a key to the success of the Bear Center project. AWCC has critical partnerships in place with the U.S. Forest Service, Alaska Department of Fish and Game, US Geological Survey, International Association of Bear Research and Management, the Alaska Travel Industry Association, Anchorage Convention and Visitors Bureau, Anchorage Chamber of Commerce, Girdwood Chamber of Commerce, Kenai Peninsula Visitors Bureau, Prince William Sound Visitors Bureau, The Alaska Railroad, and the Cruise-line and Tour bus industries. Currently there are plans to establish strong relationships with additional marketing partners, including:

- Anchorage, Chugach and Kenai Peninsula School Districts
- Girdwood and Anchorage Community Schools
- ConocoPhillips Earth Energy Partners Program

Community and Stakeholder Support

AWCC has worked in partnership with many local and regional organizations and enjoys a significant level of community and stakeholder support for the Bear Facility project. The following actions concretely demonstrate this high level of support:

- AWCC Board of Directors unanimously approved a resolution in support of the Bear Facility.
- Representatives of various Girdwood and Anchorage groups, organizations and special interests were invited to a community meeting with our interpretive consultants to gather input on what the Center should include.
- U.S. Forest Service is in the process of negotiating a memorandum of understanding with AWCC to support the Bear Center.
- Community fundraisers are planning to raise \$20,000 to \$30,000 in the summer of 2008 and 2009.
- Sourdough Development Services, Inc. in March 2008 signed a fixed-price lease for their current land and buildings with AWCC for a 30-year term. AWCC will have the option to purchase the property at any time during the lease. Any capital improvements on the existing 170 plus-acres of land that are paid for or by AWCC and their stakeholders during the lease term will offset the purchase price dollar for dollar. One-hundred percent of these capital costs incurred by AWCC will be used to offset the total option to purchase the property when the option to buy is exercised.
- Management is currently negotiating the Phase II portion of the construction materials to be donated at 25-30% below retail cost for tools, lumber, and hardware from Spenard Builders Supply and from Home Depot.
- AWCC board members donated approximately \$15,000 in cash and in-kind donations to the project in the past twelve months.



- AWCC has successfully completed numerous grants in the past year to the satisfaction of the grantee organizations. Contributions from the Rasmuson Foundation for \$10,000, from ConocoPhillips for \$42,000, from GCI for \$50,000, and from the Atwood Foundation for \$50,000 are among some of the recent grants.
- The Anchorage Soil and Water Conservation District donated \$5,500 and Atwood Foundation donated \$13,000 for interpretive displays for existing animals in 2006. These grants were completed on a timely basis.
- AWCC will publish fundraising posters to finance miscellaneous expenses and predevelopment costs.
- Articles in favor of the Bear Center project will be published in the Anchorage Daily News, Turnagain Times and Girdwood 2020 newsletters.
- Several high profile actors and media professionals in New York City have shown support for the project. A fundraiser for New York City is currently being planned.

V. Communication Plan

Marketing Plan

The BEARS of Alaska will rely in part on the already existing and highly successful marketing efforts of AWCC and the Anchorage Convention & Visitors Bureau (ACVB). In addition to the efforts of AWCC and ACVB, the AWCC board and staff will work on the following marketing objectives:

Objective 1: Create a unique identity for the Bear Center

- Logo
- Business system
- Signage
- Unique sales materials
- Website that includes on-line sales

Objective 2: Install proper signage

- At AWCC

Objective 3: Develop appropriate collateral materials

- Rack card for visitor industry – distributed in Anchorage, Kenai Peninsula and in Prince William Sound, and in co-marketing partners such as Begich-Boggs, Alyeska Resort Hotel, and Crow Creek Mine in Girdwood
- Facilities brochure – with cover letter for distribution to wedding planners, meeting planners, Alyeska marketing staff, area B&Bs and tourism associations



Marketing Plan (continued):

Objective 4: Develop cross promotions with natural partners

- Cruise line Industry
- Alyeska Resort
- Crow Creek Mine
- Begich-Boggs Visitor Center
- Museums in Hope and Whittier
- Visitor industry associations
- The Alaska Railroad
- Oil Industries

Objective 5: Tie into local/Anchorage/Alaska marketing efforts

- Secure editorial in planners
- Participate with family tours
- Work with travel writers
- Work with Alaska media
- Work with national planners such as the Milepost and other national travel guidebooks.

Objective 6: Establish relationship with education community

- Letter to area teachers
- Assist with transportation grants

Objective 7: Support fundraising efforts

- Develop sponsorship booklet and plan

Sustainable Human Resources Plan

There are two specific human resource needs related to the Center, which is: high use summer season and off-season. The only year-round full-time employees will be the Executive Director, the Director of Education, and the Funding Development Director. During the summer season, college interns and Forest Service employees will provide five additional staff. The Center will reimburse the Forest Service for each hour worked by interpretive staff at the Center. As operations mature, AWCC intends to add a seasonal manager for the bear center. A part-time winter employee and winter internship program will supplement the Executive Director's, Education Director, and Funding Development Director's efforts.



Personnel Needs

- (1) One Executive Director, one Director of Education, and one Funding Development Director (existing positions)
- (2) One Operations Manager for the Bear Center (new position)
- (3) Retail Staff (3 existing positions, 3 new positions)
- (4) Interns/Volunteers (5 existing intern positions, 4 new positions)
- (5) Maintenance/Custodian (new position)

Job Descriptions

Personnel Needs: Initial hiring will be conservative and AWCC plans to use existing management positions to assist with the management and operation of the Bear Education Awareness Research Sanctuary BEARS of Alaska. These management positions are already an expense paid by AWCC so additional payroll burden due to this new facility will be minimal.

Position Descriptions:

The Executive Director – is the chief operating officer of the Bear Center reporting to the AWCC Board of Directors and is responsible for all aspects of the centers operations including: interpretive planning, public programming, management, marketing, strategic and operational planning and budgeting, grant writing, fundraising and volunteer development. The Executive Director position will change once the Bear Center is created (existing position presently filled by founder Mike Miller) - This person will be responsible for overseeing the research and educational component of the BEARS of Alaska. He will also oversee the Operations Manager and Director of Education. He will report directly to the board and provide guidance through the initial growing stages, always staying focused on the mission and goals of the Center.

Director of Education - (existing position presently filled by Kelly Frick Miller) - This person will be responsible for coordinating public services and educational programs of the Center. She reports directly to the Executive Director. Job responsibilities held by this position include coordinating and facilitating outreach education, handling information and special event requests, overseeing and facilitating all marketing and promotional advertisement of the Center, hiring and supervising Interns/Volunteers, soliciting donations and membership campaigns directly associated with the BEARS OF ALASKA and are the editor for quarterly newsletter content.

Funding Development Director - (existing position presently filled) - This position facilitates grant writing and overall solicitation of donations. He oversees membership campaigns, and fundraising events, and is the contributing editor for the quarterly newsletter. He reports directly to the Executive Director.

Operations Manager – (new position) - This person will be responsible for the profit and business components of the BEARS of Alaska. He/she reports directly to the Executive Director and manages the custodian and retail staff. He/she is responsible for the



Center's gift shop merchandise, including buying and pricing. This person will manage the web store including sales and shipping of merchandise.

Retail Staff (3 new positions) - These positions will be full and part time and report directly to the Operations Manager. They are responsible for displaying merchandise and sales in the BEARS of Alaska gift shop.

Interns/Volunteers (5 existing, 4 new positions) - These staff help lead visitors through the Center and provide information and interpretation to the public. They have a broad base knowledge about the workings of the Center and present scheduled interpretive programs and theatre program introductions. They staff the information desk, outdoor bear viewing area, and assist with retail sales and animal husbandry when needed. They report directly to the Director of Education. Intern positions are funded by corporate grants.

Maintenance/Custodian (new position) - This full time position will be responsible for keeping the facility and outside grounds clean and orderly. He/she will report directly to the Operations Manager.

Evaluations

Performance evaluations will be performed on an annual basis by AWCC management. Upper-management will be annual evaluated by the board of directors of AWCC.

Volunteer Utilization

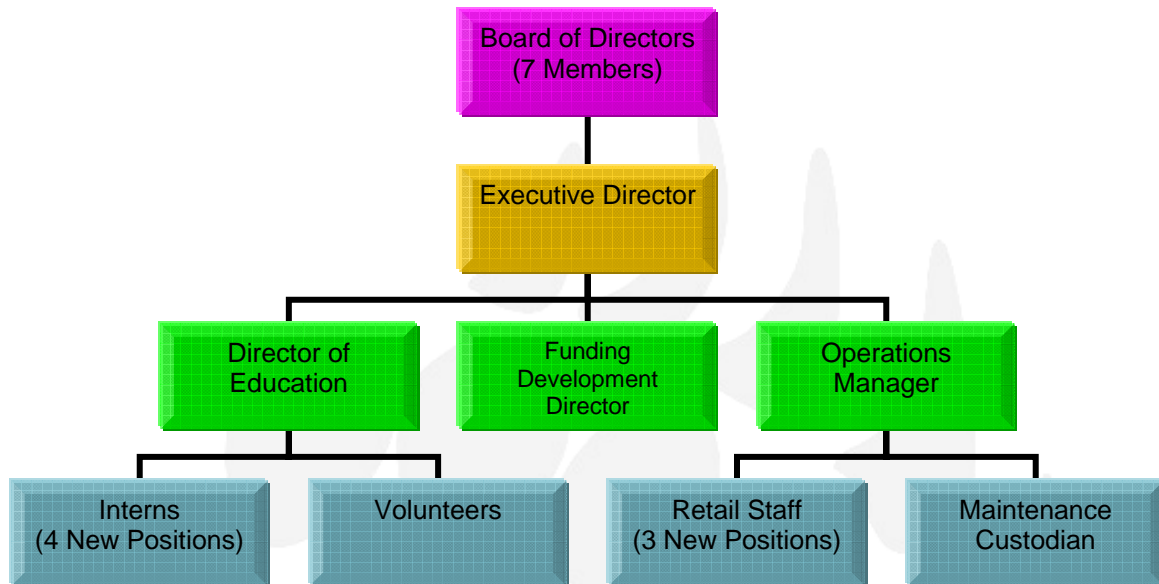
Volunteers will be an integral part of the centers operations. Every effort will be made to use volunteers from the Forest Service and other community organizations wishing to donate their time. The Forest Service at an annual spring orientation will provide training.



VI. Governance and Leadership

Organizational Chart

Following is an organizational chart for the operation of the Center:



Governance Board

AWCC is currently governed by a seven-member Board of Directors, which meets at least quarterly. Terms are one year, and board members receive no compensation for their service on the board. The Governance Board is responsible for overseeing the mission of the center, and provides the strategic direction for the organization, long-range planning and policy direction. The board takes an active role in fundraising efforts and building the relationships necessary for effective operation of the center.

Board Membership

Chris von Imhof – President: Chris von Imhof was the former CEO of Seibu Alaska, Inc., dba Alyeska Resort and Prince Hotel, based in Girdwood, Alaska until mid-2007. He was employed by Alyeska Resort owners since the 1960's. Chris is a long-time advocate in promoting international and year-round tourism to Alaska and was the founding member of Girdwood 2020. Von Imhof is a member of the U.S. Travel and Tourism Promotion Advisory Board and board member of the American Hotel & Lodging Association Resort Committee, member of the Alaska State Chamber of Commerce, Alaska Travel Industry Association, Alaska Hotel & Motel Association, and board director for the Anchorage Convention & Visitors Bureau, Hawaiian Vacations, Inc., and the Alaska Wildlife Conservation Center, Inc.



Board Membership, continued

Bruce Bustamante – Vice President: In the summer of 2007 Bruce became the Vice President of Community and Public Affairs for Princess Tours. Bruce Bustamante had been the President & Chief Executive Officer of the Anchorage Convention & Visitors Bureau (ACVB) from April 2000 to the summer of 2007. Bustamante had served on ACVB's board of directors since 1994. ACVB is a public/private, non-profit destination marketing organization, contracting with its more than 1,300 business members and the Municipality of Anchorage to attract and serve visitors.

Bustamante serves on the boards of several organizations, including but not limited to the Alaska Travel Industry Association (ATIA), Anchorage Economic Development Corporation (AEDC), Anchorage Chamber of Commerce, Alaska Wildlife Conservation Center (AWCC), and the Western Association of Convention & Visitors Bureau (WACVB). He was appointed in September 2006 to a one-year term on the United States Travel and Tourism Advisory Board. Bustamante is also a member of many affiliate organizations for tourism, marketing, and association executives: Destination Marketing Association, International American Marketing Association, American Society of Association, and Executives Center for Association Leadership.

A University of Alaska Anchorage graduate, Bustamante holds a Bachelors Degree in Business Administration/Marketing. A resident of Alaska since 1992, Bustamante, his wife Linda and two children call Anchorage home.

Steven Mendive – Secretary: Steven is professionally a Firefighter/Paramedic with the Anchorage Fire Department and President of the Portage Valley Community Council. Arriving in Alaska via Las Vegas, NV in 1996, he settled in Portage, shortly after the addition of AWCC's first black bear. With the arrival of that first black bear, it provided Steve with the opportunity to volunteer countless hours to AWCC and provide continual support of AWCC's bear program. Additionally he continues to devote numerous hours of time to the rehabilitation and treatment of the orphaned and injured that the center cares for each season. He also assists with public education and wildlife programs at the center. Steve is active in the community assisting in the training of Girdwood volunteer fire department members, and leading Portage through the Municipality of Anchorage community council. Steve is a decorated US Naval veteran, serving on the USS Wisconsin BB-64; recently recognized for his merit by the I.A.F.F. as the Paramedic of the year for local 1264.

Suzanne Trimble, CPA – Treasurer: A self-employed tax consultant and certified public accountant with a Bachelor of Business Administration in Accounting from the University of Alaska. Suzanne is currently the President of Suzanne M. Trimble, CPA, APC in Anchorage, Alaska. She and her husband Fred are residents of Anchorage, Alaska since 1970. They have one son, Stephen who is a recent Geology graduate at the University of Alaska, Anchorage. She is very active in community affairs having served on various boards and organizations including: Alaska Museum of Natural History, and the Alaska Mountain Wilderness Huts Assoc., the Make-A-Wish-Foundation, and the Alaska Wildlife Conservation Center, Inc. Suzanne is a member of the Alaska Society of CPAs, the Estate Planning Counsel, National Association of Certified Valuation Analyst and the American Institute of Certified Public Accountants.



Board Membership, continued

Toni Walker – President and Owner of Logistics, LLC, is very active in the community, a member of all major tourism organizations and currently serves on the Anchorage Convention and Visitors Bureau Board of Directors, Alaska Wildlife Conservation Center Board of Directors, Alaska Travel Industry Association Marketing Committee, and chair of the collateral committee, which produces the state’s annual visitor guide. In addition, she serves on several committees including the Visitor Industry Charity Walk, Hospice’s Annual Awards and Fundraising event, and Eva Foundation Gala Event. This involvement gives Logistics strong ties in the community and has built strong relationships with all major tour vendors, caterers, hotels, transportation companies, etc. With over 20 years of tourism experience, Toni has had the privilege to work in various aspects of the industry, such as hotel sales, wholesale tour operators, restaurants/bars/catering, meeting plans, destination management services and event planning. These previous experiences along with being the owner and operator of Logistics, LLC for over 11 years provide Toni with the knowledge, understanding and expertise to work with many different sectors of the industry. She can be depended on to provide commitment, support, energy and work needed to carry out the responsibilities required by her clients, the boards she serves and its peers.

Fred Trimble, Computer System Analyst- employed by ConocoPhillips in Anchorage, Alaska. Fred is married to Suzanne Trimble who is also on the board. He has a Bachelor of Science Degree with a minor in Accounting from the University of Alaska. He provides expertise in computer and point-of-sale management at the Center. He also maintains the website for the organization. Fred joined the Alaska Wildlife Conservation board in March 2008.

Lana Johnson –senior vice president for Marketing Solutions, on of Alaska’s leading advertising, public policy and public relations firms. She manages several of the agency’s largest accounts, including BP, Chevron, and the Alaska Cruiseship Association, and directs all of the agency’s public policy efforts, including last year’s successful effort to defeat the Clean Water Initiative. A former journalist, she was the first female managing editor of the Anchorage Times, and is author of “Alaska’s Perfect Mountain,” a history of Girdwood area. Lana serves on the Alaska Council for Economic Education and was a founding member of Girdwood 2020. As a former member of the Girdwood Inc. board, she supervised the exhibits for Girdwood’s new museum, the Roundhouse at Alyeska. Lana joined the Alaska Wildlife Conservation board in January 2009.



Professional Consulting and Support Services

The board and staff recognize the value of going outside the organization to obtain the necessary expertise to build a thriving organization. Firms that have and will be used for consulting services include:

- *The Foraker Group* for non-profit board development training and business plan formulation.
- *Sam Trimble Design, Inc., and Bezek-Durst-Seiser, Inc. Architects* for architectural and design considerations.
- *U.S. Forest Service* for interpretive design and evaluation.
- *Alyeska Resort* for collaborative efforts and expertise.
- [General Contractors pending](#) for the project administration
- [Pending](#)_____ for museum and interpretive design.
- *Logistics LLC* for marketing and collateral support.
- *Law Offices of Royce & Brain, Jason Ruedy* for legal advice and agreements.
- *Livingston & Associates and Suzanne Trimble CPA* for financial expertise.

Advisory Associates

Robert Stephenson, Alaska Department of Fish and Game Biologist
Robert Jones, State Conservationist, Natural Resource Conservation Service
Joe Meade, Forest Supervisor, Chugach National Forest
Denby Lloyd, Commissioner, Alaska Department of Fish & Game
Vic Van Ballenberghe, Retired Biologist, USDA Forest Service
Harry Reynolds, President of International Bear Association
John Hechtel, Refuge Manager, Alaska Department of Fish & Game
Steve Amstrup, USGS Alaska Science Center, Polar Bear Project Leader
Scott Schliebe, U.S. Fish & Wildlife Service, Polar Bear Project Leader
Geoff York, USGS, Alaska Science Center, Polar Bear Project Leader
Tom Smith, Assistant Professor, Brigham Young University
Robert Buchanan, President of Polar Bears International



VII. Facility Construction and Operations Plan

Site Selection

The center offers scenic views of Twenty Mile Valley and Portage Valley with majestic mountains and glaciers. This site is already home to 3 adult brown bears in an 18-acre natural enclosure and offers a world-class opportunity to tell the story of bears in Alaska.

Site Control

Sourdough Development Services, Inc. has a fixed priced lease for their current buildings and land with AWCC for a term of 30 years, commencing on May 1, 2005 and ending May 1, 2035. To facilitate providing a location for the center, the lease rent is paid quarterly. Sourdough Development Services, Inc. will also provide on-site management in exchange for the use of the grounds.

Development and Project Management

Michael Miller, the Executive Director of AWCC will work in conjunction with the project manager. Mr. Miller has 15 years experience in the animal park industry, with 15 years in upper management.

Sam Trimble Design, Inc. of New York City and Bezek-Durst-Seiser, Inc. of Anchorage are the Architects of Record and the Construction Administrators.

The General Contractors *Pending* will be the project managers.

Development Schedule and Timelines

Phase One of the \$6 million project is to commence within the summer of 2009 and be completed by the summer of 2011. This first phase of restoration included design, foundation construction, support columns modification and exterior framing of the first floor level.

Phase Two of the rehabilitation is planned to begin in spring 2010 and will continue until available funds are depleted. With additional funds becoming available during the 2010 spring construction season, Phase Two is scheduled for completion during the summer of 2010.

Phase Three (final phase) work which involves planning, design and exhibit construction, is estimated to begin in the spring of 2010 with design work. Completion of this phase is projected to be in early 2011.



Project Design and Planning Budget

		<u>Budget</u>	
<u>Phase I & II Construction</u>			
Division 1	General	9.00%	\$ 480,028
Division 1	a) Design	5.50%	\$ 293,350
Division 1	b) Contingencies	3.00%	\$ 160,009
Division 2	Site Work	11.00%	\$ 586,700
Division 3	Concrete	9.11%	\$ 485,694
Division 4	Masonry	11.00%	\$ 586,700
Division 5	Metals	16.00%	\$ 853,382
Division 6	Wood/Plastic	2.08%	\$ 110,930
Division 7	Thermal/Moisture	9.16%	\$ 488,692
Division 8	Doors/Windows	2.03%	\$ 108,273
Division 9	Finishes	3.20%	\$ 170,892
Division 10	Specialties	0.56%	\$ 29,981
Division 11	Equipment	1.00%	\$ 53,336
Division 12	Furnishings	1.00%	\$ 53,336
Division 13	Special Construction	1.85%	\$ 98,938
Division 14	Conveying Systems	2.00%	\$ 106,673
Division 15	Mechanical	6.15%	\$ 328,019
Division 16	Electrical	6.35%	\$ 338,787
Subtotal Phase I & II		100.00%	\$ 5,333,640
<u>Phase III Interpretive</u>			
Interpretive Design			\$ 100,000
Interpretive Construction			\$ 517,000
Escalation @ 8%			\$ 49,360
Subtotal Phase III			\$ 666,360
Total Bear Center Project			\$ 6,000,000



Work Completed and/or Associated Payments as of December 31, 2008

• Design/Construction Rendering	Architects	\$ 45,500
• 18 acre development on bear pond	Forest Service	\$ in process
• In-Kind Design Services	Architects	\$ 17,000
• In-Kind Financial Services	CPA	\$ 13,000
• Phase One Construction	Construction	\$ -0-
	Permits, Testing	\$ -0-
• Phase Two Construction		\$ -0-
Subtotal Work Completed		<u>\$ 75,500</u>
Amount of Work Still to be Completed		<u>\$5,924,500</u>

Project Construction Income and Net Funds Available Today

Funds to date:

• In-kind services Architects and Accountant	\$ 40,000
• Foundation Grants for design pending	\$ -0-
• Funds reserved by AWCC board meeting resolution	<u>\$ 100,000</u>
Total Project Funds	<u>\$ 140,000</u>
Less: Work Completed to Date in cash	<u>\$(45,500)</u>
Net Funds Available Today	<u>\$ 94,500</u>

Facility Ownership

After completion of the three phases, AWCC will be responsible for facility operations during the 30-year lease period. In accordance with the terms of the lease agreement, the AWCC will be responsible for property taxes.

Operations Structure and Implementation

The AWCC will open its doors in an enviable position: with a guaranteed, significant revenue flow, a natural flow of visitors, and a unique structure.

The existing center and the Bear Center will be open to the public, year-round with emphasis from Memorial Day through Labor Day, and holidays and weekends during the winter season. The facility will be available for educational fieldtrips, special events and groups during the off-season times. The AWCC board and Executive Director will jointly determine and change hours of operation as necessary as experience and public exposure is gained to provide access for the maximum number of visitors. AWCC monitored visitor patterns during the 2007 summer season to help determine optimum operating hours. As of December 31, 2007 there were approximately 270,000 visitors in the 2007 season.



The lease agreement with Sourdough Development Services, Inc. provides that all maintenance, security and janitorial requirements are the responsibility of the Center. Interim daily “pickup cleaning” will be accomplished by on-duty staff at the end of each day. Additionally, artists, photographers and other persons of interest in our community will be sought to provide volunteer staffing participation and community involvement. **Estimated expenses over the next four years will be reflected in the Pro-Forma Income Statement appearing in the Financial Section.*

VIII. Sustainable Income Plan

Bear Operating Income

Building and maintaining a sustainable income stream has always been an important part of ensuring the long-term success of the Center. Primary operating income sources, as depicted in the chart below, are a surcharge on each admission ticket sold and on each retail sale. The Begich-Boggs Visitor Center historically realizes approximately \$5.00 in purchases from each visitor. Since many of the Bear Center visits will occur in conjunction with other attractions in the area such as dining, skiing or sightseeing, we anticipate that, initially at least, we will average less than \$5.00 per visitor in additional income. The Center plans to commence surcharge-collections in the summer of year one. Below is a breakdown of anticipated income for the Bear Project:

• Admission sales @ \$1.50 per visitor surcharge	\$ 300,000
• Retail bear gift store sales	<u>160,000</u>
Total Bear Operating Income for project	<u>\$ 460,000</u>

Bear Center Operations Expenses and Net Funds

Fixed expense such as utilities, insurance and maintenance are the responsibility of the existing Center. Additional expenses incurred by AWCC for the Bear Center operations that are expenses above and beyond what AWCC already has incurred are increased labor, retail cost of goods, insurance and utilities, taxes, and general office supplies. Below is a breakdown of anticipated additional expenses for the Bear Center only:

• Bear Center manager labor and benefits	\$ 45,000
• Part-time Additional Staff labor and benefits	\$ 55,000
• Office supplies	\$ 3,000
• Insurance and utilities	\$ 40,800
• Taxes	\$ 16,000
• Retail cost of goods	<u>\$ 100,000</u>
Total Additional Operating Expenses	<u>\$ 259,800</u>

Operating Income (above)	\$ 460,000
Less Operating Expense	(259,800)
Net Excess Funds in Year One	<u>\$ 200,200</u>



VIII. The Financials

- Project Costs Estimate
- Financial Worksheet for Phase One, Two & Three Construction
- Financial Worksheet of Operations for three years
- Pro-Forma Income Statement for 4-Year Analysis
- Current AWCC Statement of Financial Position (Balance Sheet), unaudited
- Current AWCC Statement of Activities (Profit & Loss), unaudited



**BEARS of Alaska
Project Costs Estimate**

			<u>Budget</u>	<u>Actual to Date</u>
<u>Phase I & II Construction</u>				
Division 1	General	9.00%	\$ 480,028	
Division 1	a) Design	5.50%	\$ 293,350	\$ 45,000
Division 1	b) Contingencies	3.00%	\$ 160,009	
Division 2	Site Work	11.00%	\$ 586,700	
Division 3	Concrete	9.11%	\$ 485,694	
Division 4	Masonry	11.00%	\$ 586,700	
Division 5	Metals	16.00%	\$ 853,382	
Division 6	Wood/Plastic	2.08%	\$ 110,930	
Division 7	Thermal/Moisture	9.16%	\$ 488,692	
Division 8	Doors/Windows	2.03%	\$ 108,273	
Division 9	Finishes	3.20%	\$ 170,892	
Division 10	Specialties	0.56%	\$ 29,981	
Division 11	Equipment	1.00%	\$ 53,336	
Division 12	Furnishings	1.00%	\$ 53,336	
Division 13	Special Construction	1.85%	\$ 98,938	
Division 14	Conveying Systems	2.00%	\$ 106,673	
Division 15	Mechanical	6.15%	\$ 328,019	
Division 16	Electrical	6.35%	\$ 338,707	
Subtotal Phase I & II		100.00%	\$ 5,333,640	\$ 45,000
 <u>Phase III Interpretive</u>				
Interpretive Design			\$ 100,000	
Interpretive Construction			\$ 517,000	
Escalation @ 8%			\$ 49,360	
Subtotal Phase III			\$ 666,360	\$ -
 Total Bear Center Project			\$ 6,000,000	\$ 45,000
 Work to be Completed			\$ 5,955,000	



BEARS of Alaska Financial Worksheet for Phase One, Two & Three Construction

<u>Description</u>	<u>Year One</u>	<u>Year Two</u>	<u>Year Three</u>	<u>Grand Total</u>
Income:				
Balance Forward	\$ 200,000	\$ (18,972)	\$ 130,126	\$ 311,154
Public/private support	\$ 87,000	\$ 80,000	\$ 80,000	\$ 247,000
Foundation grants	\$ 200,000	\$ 100,000	\$ 100,000	\$ 400,000
Corporate grants	\$ 500,000	\$ 1,350,000	\$ 630,000	\$ 2,480,000
Federal/state grants	\$ 1,000,000	\$ 800,000	\$ 500,000	\$ 2,300,000
Surcharge Retail/Admissions	\$ 300,000	\$ 318,000	\$ 337,080	\$ 955,080
Total Project Income	\$ 2,287,000	\$ 2,648,000	\$ 1,647,080	\$ 6,582,080
Expenses:				
Phase I & II Construction				
Division 1 General	\$ 288,017	\$ 192,011	-	\$ 480,028
Division 1 a) Design	\$ 221,845	\$ 61,505	\$ 10,000	\$ 293,350
Division 1 b) Contingencies	\$ 53,337	\$ 53,336	\$ 53,336	\$ 160,009
Division 2 Site Work	\$ 258,350	\$ 164,175	\$ 164,175	\$ 586,700
Division 3 Concrete	\$ 485,694	-	-	\$ 485,694
Division 4 Masonry	\$ 476,700	\$ 110,000	-	\$ 586,700
Division 5 Metals	\$ 512,029	\$ 341,353	-	\$ 853,382
Division 6 Wood/Plastic	-	\$ 110,930	-	\$ 110,930
Division 7 Thermal/Moisture	-	\$ 488,692	-	\$ 488,692
Division 8 Doors/Windows	-	\$ 108,273	-	\$ 108,273
Division 9 Finishes	-	\$ 170,892	-	\$ 170,892
Division 10 Specialties	-	\$ 29,981	-	\$ 29,981
Division 11 Equipment	\$ 10,000	\$ 20,000	\$ 23,336	\$ 53,336
Division 12 Furnishings	-	-	\$ 53,336	\$ 53,336
Division 13 Special Construction	-	-	\$ 98,938	\$ 98,938
Division 14 Conveying Systems	-	-	\$ 106,673	\$ 106,673
Division 15 Mechanical	-	\$ 328,019	-	\$ 328,019
Division 16 Electrical	-	\$ 338,707	-	\$ 338,707
Subtotal Phase I & II	\$ 2,305,972	\$ 2,517,874	\$ 509,794	\$ 5,333,640
Phase III Interpretive				
Interpretive Design	-	-	\$ 100,000	\$ 100,000
Interpretive Construction	-	-	\$ 517,000	\$ 517,000
Escalation @ 8%	-	-	\$ 49,360	\$ 49,360
Subtotal Phase III	\$ -	\$ -	\$ 666,360	\$ 666,360
 Total Bear Center Project	 \$ 2,305,972	 \$ 2,517,874	 \$ 1,176,154	 \$ 6,000,000
 Balance	 \$ (18,972)	 \$ 130,126	 \$ 470,926	 \$ 582,080



BEARS of Alaska Financial Worksheet of Operations for Year One

<u>Description</u>	<u>Unrestricted</u>	<u>Restricted</u>	<u>Total</u>	<u>Notes</u>
REVENUE AND OTHER SUPPORT				
Public and private donations	\$ 76,596	\$ 287,000	\$ 363,596	
Foundations	36,700	200,000	236,700	
Federal, agency & corporate support	68,500	1,500,000	1,568,500	
Program related filming income	27,750	-	27,750	
In-kind donations	32,500	-	32,500	
Gift store/snack bar sales	909,842	-	-	
Less: cost of sales	<u>(554,955)</u>	354,887	354,887	
Surcharge Retail/Admissions	-	300,000	300,000	(1)
Admission ticket sales	674,240	-	674,240	
Total Revenue and Other Support	<u>1,271,173</u>	<u>2,287,000</u>	<u>3,558,173</u>	(2)
EXPENSES				
Program services				
Animal care	288,320	-	288,320	
Gift store & snack bar	448,255	-	448,255	
Education program	170,496	-	170,496	
Bears of Alaska Center Construction	-	2,305,972	2,305,972	(3)
Supporting services				
Management & general	112,745	11,275	124,020	
Fund-raising	60,328	114,350	174,678	
Total Expenses	<u>1,080,144</u>	<u>2,431,597</u>	<u>3,511,741</u>	
Increase in Net Assets	<u>\$ 191,029</u>	<u>\$ (144,597)</u>	<u>\$ 46,433</u>	

Notes:

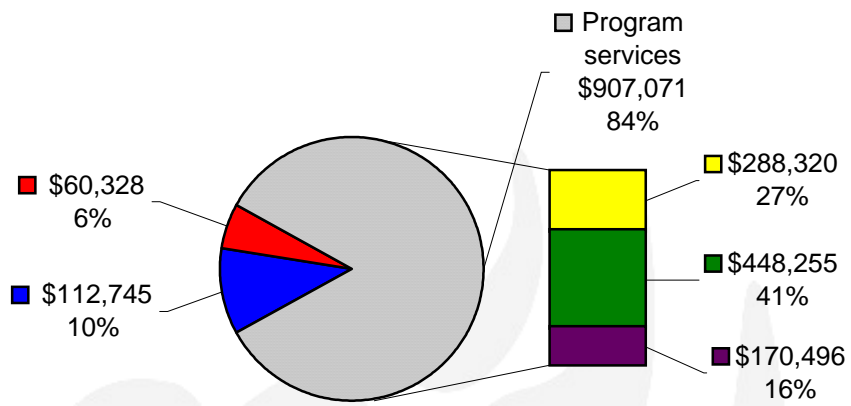
(1) Restricted sales of \$300,000 is explained on Page 27. Retail/Admissions sales surcharge would be at \$1.50 per visitor starting in the summer months of the year one.

(2) These restricted revenues and other support would be for the purpose of commencing funding for the BEARS of Alaska in year one.

(3) These construction cost are the total of year one Phase One and Two Construction Expenses on Page 30.



YEAR ONE UNRESTRICTED PROJECTED EXPENSES



	Animal care		Gift store & snack bar		Education program
	Management & general		Fund-raising		

BEARS of Alaska Financial Worksheet of Operations for Year Two

<u>Description</u>	<u>Unrestricted</u>	<u>Restricted</u>	<u>Total</u>	<u>Notes</u>
REVENUE AND OTHER SUPPORT				
Public and private donations	\$ 84,300	\$ 80,000	\$ 164,300	
Foundations	20,000	100,000	120,000	
Federal, agency & corporate support	50,000	2,150,000	2,200,000	
Program related filming income	30,000	-	30,000	
In-kind donations	25,000	-	25,000	
Gift store/snack bar sales	964,443	-	-	
Less: cost of sales	<u>(597,955)</u>	366,488	-	
Surcharge Retail/Admissions		318,000	318,000	(1)
Admission ticket sales	714,694	-	714,694	
	<hr/>	<hr/>	<hr/>	
Total Revenue and Other Support	1,290,482	2,648,000	3,938,482	(2)
EXPENSES				
Program services				
Animal care	305,619	-	305,619	
Gift store & snack bar	475,150	-	475,150	
Education program	180,726	-	180,726	
Bears of Alaska Center Construction	-	2,517,874	2,517,874	(3)
Supporting services				
Management & general	119,510	11,951	131,461	
Fund-raising	63,948	132,400	196,348	
	<hr/>	<hr/>	<hr/>	
Total Expenses	1,144,953	2,662,225	3,807,178	
	<hr/>	<hr/>	<hr/>	
Increase in Net Assets	\$ 145,530	\$ (14,225)	\$ 131,305	

Notes:

(1) Restricted sales of \$300,000 is explained on Page 27. Retail/Admission sales surcharge would be at \$1.50 per visitor starting in the summer months of the year one with 6% increase in year two.

(2) These restricted revenues and other support would be for the purpose of funding for the BEARS of Alaska the fall of year one through year three.

(3) These construction cost are the total of the year two Phase Two Construction Expenses on Page 30.



BEARS of Alaska Financial Worksheet of Operations for Year Three

<u>Description</u>	<u>Unrestricted</u>	<u>Restricted</u>	<u>Total</u>	<u>Notes</u>
REVENUE AND OTHER SUPPORT				
Public and private donations	\$ 86,000	\$ 80,000	\$ 166,000	
Foundations	10,000	100,000	110,000	
Federal, agency & corporate support	60,000	1,130,000	1,190,000	
Program related filming income	35,000	-	35,000	
In-kind donations	12,500	-	12,500	
Gift store/snack bar sales	1,022,310	-	-	
Less: cost of sales	<u>(623,609)</u>	-	398,701	
Surcharge Retail/Admissions	-	337,080	337,080	
Admission ticket sales	714,694	-	714,694	(1)
Total Revenue and Other Support	<u>1,316,895</u>	<u>1,647,080</u>	<u>2,963,975</u>	(2)
EXPENSES				
Program services				
Animal care	323,300	-	323,300	
Gift store & snack bar	503,500	-	503,500	
Education program	190,800	-	190,800	
Bears of Alaska Center Construction	-	1,176,154	1,176,154	(3)
Supporting services				
Management & general	126,140	12,614	138,754	
Fund-raising	67,840	82,354	150,194	
Total Expenses	<u>1,211,580</u>	<u>1,271,122</u>	<u>2,482,702</u>	
Increase in Net Assets	<u>\$ 105,315</u>	<u>\$ 375,958</u>	<u>\$ 481,273</u>	

Notes:

(1) Restricted sales of \$300,000 is explained on Page 27. Retail/Admission surcharge sales would be at \$1.50 per visitor starting in the summer months of the year one with 6% increase in years two & three.

(2) These restricted revenues and other support would be for the purpose of commencing funding for the BEARS of Alaska the fall of year one through year three.

(3) These construction cost are the total of the year three Phase One, Two & Three



BEARS of Alaska
Pro-Forma Income Statement Analysis

Operating Income Analysis-New Bear Center only

<u>Description</u>	<u>Yr 1</u>	<u>Yr 2</u>	<u>Yr 3</u>	<u>Yr 4</u>
Admission surcharge \$1.50 ea.	\$ 300,000	\$ 318,000	\$ 337,080	\$ 357,305
Retail sales of inventory	161,000	170,660	180,900	191,754
Total Revenue	461,000	488,660	517,980	549,058

Operating Expense Analysis-New Bear Center only

<u>Description</u>	<u>Yr 1</u>	<u>Yr 2</u>	<u>Yr 3</u>	<u>Yr 4</u>
Additional labor & benefits	\$ 100,000	\$ 106,000	\$ 61,800	\$ 63,654
Supplies	3,000	3,180	3,371	3,573
Retail goods	100,000	106,000	112,360	119,102
Taxes	16,000	16,960	17,978	19,056
Utilities & insurance	40,800	43,248	45,843	48,593
Total Expenses	259,800	275,388	241,351	253,978
GOP(L)	\$ 201,200	\$ 213,272	\$ 276,628	\$ 295,080

Escalation is calculated at 6% for both revenues and expenses



Alaska Wildlife Conservation Center, Inc.
Statement of Financial Position
(Balance Sheet)
December 31, 2008

ASSETS	
Current Assets	
Cash and cash equivalents, unrestricted	\$ 409,826
Cash, restricted funds	100,000
Inventory	391,070
Other current assets	-
Total Current Assets	<u>900,896</u>
Property and Equipment	735,075
Accumulated depreciation	<u>(235,503)</u>
Total Property and Equipment	<u>499,572</u>
TOTAL ASSETS	<u><u>\$ 1,400,468</u></u>
LIABILITIES & NET ASSETS	
Liabilities	
Current Liabilities	
Current portion of long-term debt	\$ 25,406
Accounts payable	36,651
Total Current Liabilities	<u>62,057</u>
Long Term Liabilities	<u>68,602</u>
Total Long Term Liabilities	<u>68,602</u>
Total Liabilities	<u>130,659</u>
Net Assets	
Unrestricted net assets	759,392
Board designated for Intern Complex	50,000
Temporarily restricted net assets	50,000
Increase in net assets, current	<u>410,417</u>
Total Net Assets	<u>1,269,809</u>
TOTAL LIABILITIES & NET ASSETS	<u><u>\$ 1,400,468</u></u>



Alaska Wildlife Conservation Center, Inc.
Statement of Activities
(Profit & Loss)
For the year ended December 31, 2008

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
REVENUES AND OTHER SUPPORT			
Public and private donations	\$ 34,106	-	\$ 34,106
Membership dues	32,753	-	32,753
Wood Bison Grants	39,870	-	39,870
Federal, agency, & corporate support	39,100	50,000	89,100
Foundations	10,000	-	10,000
In-kind donations	60,890	-	60,890
Program related filming income	17,500	-	17,500
Interest income	967	-	967
Gain on sale of assets	1,204	-	1,204
Gift store & snack bar sales	\$ 896,437		
Less: cost of sales	<u>(437,794)</u>	-	458,643
Admission ticket sales	774,011	-	774,011
TOTAL REVENUES AND OTHER SUPPORT	<u>1,469,044</u>	<u>50,000</u>	<u>1,519,044</u>



Statement of Activities, continued

EXPENSES

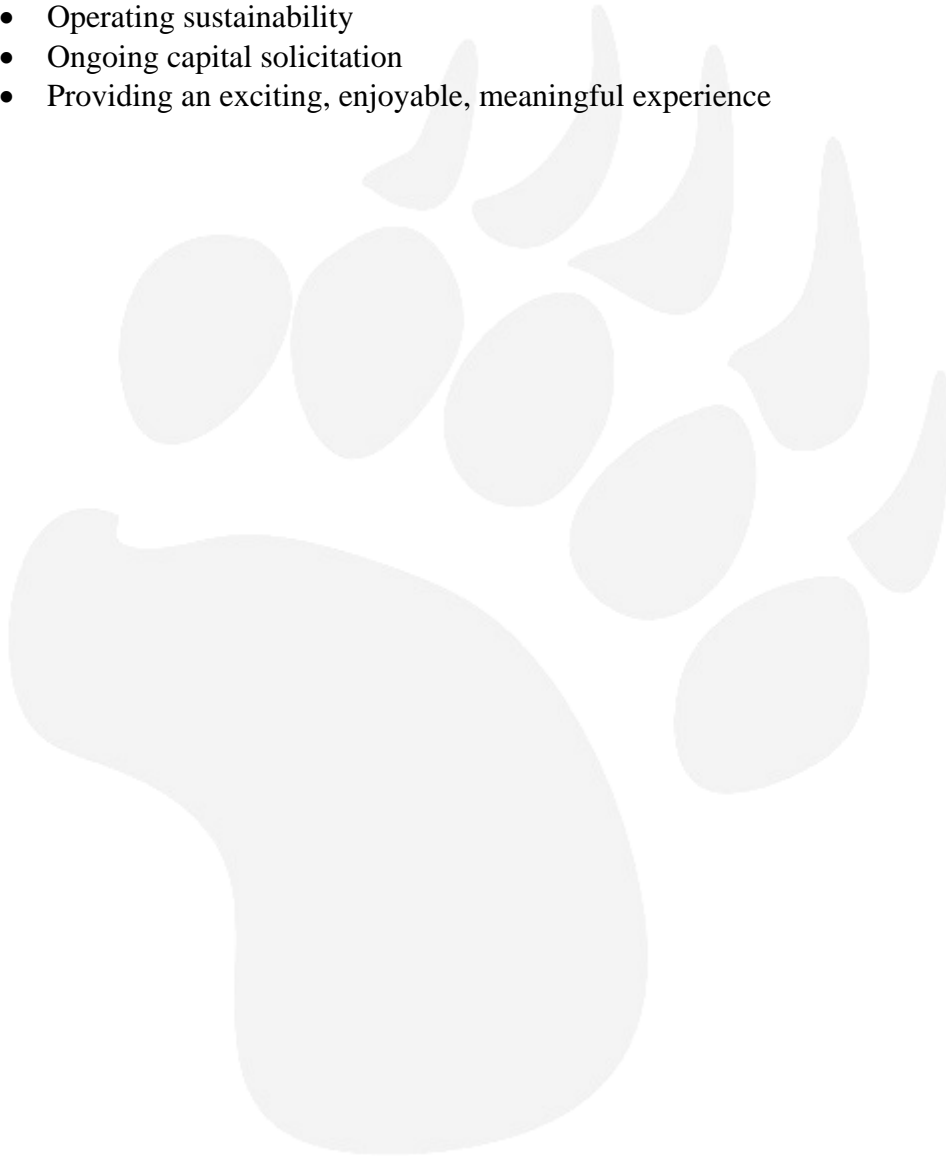
Program services			
Animal care	332,778	-	332,778
Gift store & snack bar	354,241	-	354,241
Education program	181,818	-	181,818
Supporting services			
Management & general	178,501	-	178,501
Fund-raising	61,289	-	61,289
	<hr/>		
TOTAL EXPENSES	1,108,627	-	1,108,627
	<hr/>		
INCREASE (DECREASE) IN NET ASSETS	360,417	50,000	410,417
	<hr/>		
NET ASSETS AT BEGINNING OF YEAR	859,392	-	859,392
	<hr/>		
NET ASSETS AT END OF YEAR	\$ 1,219,809	\$ 50,000	\$ 1,269,809



X. Critical Success Factors

The factors that are critical for the success of the Bear Center and gift shop operations are:

- Completion of all remaining phases of construction
- Continued growth of the tourism/skier market
- Operating sustainability
- Ongoing capital solicitation
- Providing an exciting, enjoyable, meaningful experience



Appendices (available upon request)

- Appendix A - Concept Design from Sam Trimble Design, Inc.
- Appendix B - Tax-exempt status letter from IRS
- Appendix C - Letters of Support
- Appendix D - Architect Qualifications (Resume)
- Appendix E - Alaska Wildlife Conservation Center Inc. Master Plan





Alaska Wildlife
Conservation Center

April 19, 2009

Senator Bert Stedman, Co-Chair, Senate Finance Committee
Representative Bill Stoltze, Co-Chair, House Finance Committee
Alaska State Capitol
Juneau, Alaska 99801

Dear Senator Stedman and Representative Stoltze,

Thank you for including an appropriation using Commercial Vessel Passenger Tax Account funds in the capital budget for the Alaska Wildlife Conservation Center, Inc. Visitor Bear Education and Research Sanctuary. The education and research sanctuary, called "BEARS of Alaska," will be an 9,200 square-foot LEED (Leadership in Energy and Environmental Design Green Building Rating System) facility that will offer public education about Alaska's bears. Alaska is the only state in the union to have all three bear species, which will make this facility a unique and educational experience for both Alaskans and tourists.

As is indicated in the attached business plan, the state investment of \$1,000,000 will be matched 4-to-1 by contributions and grants from non-profit foundations, corporations and governmental agencies; in-kind donations (both private and public); fundraising efforts; and admission fees. This grant, which is the first state capital grant awarded to AWCC since opening to the public in 1993, will be the only request for state funding for this project. AWCC is self sufficient, covering its operating expenses and even giving value back to the state through our investment in wildlife conservation, including the wood bison restoration project, and wildlife education. AWCC actively pursues corporate donations and foundation grants for its programs and capital projects.

With an average of 82,000 cruise ship passengers annually over the past 10 years, Alaska Wildlife Conservation Center receives more cruise ship visitors than any other developed attraction in state. These passengers represent all cruise ship companies that contribute to the head tax, including Holland America, Norwegian Cruise Line, Carnival Cruise Lines, Princess Tours, Royal Celebrity Tours, Alaska Sightseeing, and Regent Seven Seas Cruises. In the past 15 years, AWCC has hosted more than 25,000 motor coaches carrying approximately 1 million cruise ship passengers. This year, AWCC expects 30 scheduled tours from Disney, which will expand in 2010 when Disney Cruise Lines comes to Alaska.

Both cruise ship companies and passengers receive value from AWCC. For 10 years, there were no admission charges for cruise ship passengers to visit AWCC. 2008 was the first year AWCC charged an entrance fee of only \$1.70 per person to help cover cruise visitor related expenses including insurance, utilities, road construction and maintenance, facilities construction and maintenance, intern recruitment and training, and wildlife education outreach. Each cruise ship motor coach is offered a trained college intern to provide a guided tour of the Center.

AWCC also serves as a staging area to stagger motor coaches boarding the cruise ship or travelling into Anchorage, relieving congestion at the airport, Egan Center and hotels. Building BEARS of Alaska will continue to ease that congestion by allowing a larger facility where cruise ship passengers can spend time watching films, explore interpretive exhibits and view bears in a natural habitat.

Board of Directors:

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President

Bruce Bustamante
Vice-President

Steve Mendive
Secretary

Suzanne Trimble
Treasurer

Toni Walker

Fred Trimble

Lana Johnson

Staff:

Mike Miller
Executive Director

Eve Dickmann
Director of Retail
Operations

Kelly Miller
Director of Education



In addition to the benefits for cruise ship passengers, BEARS of Alaska will provide future benefits to Alaskans. The facility will be available for year round educational opportunities for school children, local Alaskans and visiting friends and relatives. BEARS of Alaska is the ideal day trip destination located just 50 miles south of Anchorage. BEARS of Alaska takes advantage of the already constructed 18 acre brown bear enclosure and includes interactive exhibits on bear safety, bear/human coexistence, bear management and bear conservation in Alaska. Also available will be a unique opportunity to see bears hibernating. The construction phase will create hundreds of new, short-term construction jobs. Once built, the facility will provide long-term job opportunities. The conference room, educational classroom and 126 seat theater will also be available for special events.

Thank you, again, for including our request in the fiscal year 2010 capital budget. If you have any questions or need additional information about the project, please don't hesitate to contact me.

Sincerely,

Mike Miller
Executive Director
(907)301-7942



Alaska Wildlife
Conservation Center

Alaska Wildlife Conservation Center, Inc. PO Box 949, Portage, AK 99587
Contact: Mike Miller, Executive Director
Phone: (907)783-2025, Cell: (907)301-7942, Fax: (907)783-2370

April 19, 2009

Senator Bert Stedman, Co-Chair, Senate Finance Committee
Representative Bill Stoltze, Co-Chair, House Finance Committee
Alaska State Capitol
Juneau, Alaska 99801

Re: Bear Education Awareness Research Sanctuary

Dear Senator Stedman and Representative Stoltze,

Alaska Wildlife Conservation Center's mission indicates the organizations commitment to wildlife: *To preserve Alaska's wildlife through conservation, and public education, providing quality animal care and spacious enclosures for injured and orphaned animals on a year-round basis.*

The Alaska Wildlife Conservation Center's (AWCC) hereby submits our proposal to the State of Alaska Legislature for our Bear Education Awareness Research Sanctuary that would provide visitors with a one-of-a-kind, bear viewing experience and educational opportunity.

A brief history of the organization: since its first days, the principles of education and conservation were cornerstones of its foundation. AWCC is a non-profit corporation and has been designated by the Internal Revenue Service as having 501(c)(3) status. Initially founded by Mike Miller, the for-profit corporation, Sourdough Development Services, Inc. dba Big Game Alaska opened to the public in 1993. In late 1999, the non-profit corporation named Big Game Alaska, Inc. dba the Alaska Wildlife Conservation Center (AWCC) was formed. The non-profit status and name change was completed in order to better reflect its intended purpose and mission. In January 2007 the corporation changed its name to Alaska Wildlife Conservation Center, Inc.

Services provided: AWCC provides public education in its year-round facility for all age groups. Each year our beneficiaries witness the animals living in spacious enclosures, while being provided quality animal care by the AWCC staff. The public also attends our daily education seminars provided by our college interns in the summer. School and youth oriented groups, local Alaskans, and visiting summer tourist will have the opportunity to enjoy the Bear Education Awareness Research Sanctuary while viewing bears in a semi-wild natural environment.

Geographical area served and number of beneficiaries: The wildlife center is just 50 minutes south of Anchorage. We serve approximately 250,000 people each year traveling primarily from the Anchorage, Kenai Peninsula, and Seward area. Many of the beneficiaries are traveling by tour buses supplied by the Cruise-line industry.

Project description--proposed facility: the Bear Education Awareness Research Sanctuary will be a 9,200 square foot multi-functional structure, and will be specifically designed to include renewable "green" resources. (The project will be developed in four phases). The building will include a large interpretive hall for educational bear themed topics and enhanced outdoor bear exhibit viewing, educational classrooms in a theater setting, a conference room, an outdoor viewing deck, animal holding areas, a catering kitchen, public rest rooms, staff office space, and a small gift shop. In the winter, the bear's animal holding area will be four 15'x15' indoor dens that will allow the bears to be safely restrained for medical treatments, research projects, or ground maintenance. These dens will also provide an area for hibernation. The Bears will be able to be viewed during their winter slumber while hibernating. This is truly a one-of-a-kind experience for patrons in our great State of Alaska and in our nation.

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Director of Retail
Operations

Kelly Miller
Director of Education



Need for project: bear viewing in Alaska is an activity appreciated by local Alaskan residents and visitors alike. No other species is as interesting, captivating or endearing to humans as bears. Millions of visitors come to Alaska each year to witness and photograph Alaska's amazing wildlife resources. Hence, this bear facility has the ability to attract hundreds of thousands of new visitors each year.

Seeing a bear is often at the top of most visitors' lists. However, bear viewing by its very nature, is usually in remote settings and often comes at a high price. This is why AWCC would like to take advantage of the opportunity we have to share our 3 adult brown bears with visitors in a natural setting only 50 minutes south of Anchorage. Already in place is an 18-acre enclosure, which is home to 3 brown bears, 4 coyotes and other visiting wildlife. Also, a one-acre pond and a coniferous forest are in place and provide a wilderness setting where animals display their natural and wild behaviors.

Contribution of project to the quality of life for Alaskans: Recently, studies have shown that our American youth suffer from what has been termed as "Nature Deficit Disorder". Living in Alaska we like to think we are exempt from these statistics, but the truth is that many Alaska students have had limited wildlife exposure. Also, the number of Bear vs. Human conflicts has increased and will continue to increase until the public is educated on proper behavior in bear country. This new facility will expose Alaskans of all ages to biological facts, ecological concepts and instill a responsible attitude towards all living things. Wildlife education will also include all other species that presently reside at the wildlife center which includes a variety of Alaskan animals.

Project total cost: the value of the already existing 18 acre security-fenced brown bear exhibit and one acre wildlife habitat incentive pond, a newly constructed 2 acre parking area, a new 60 gallon water well, and the proposed facility project costs is estimated to be \$6 million.

How much has been raised to date: Approximately \$50,000 has been raised and spent for the Design Phase to date. Also, our organization has raised and spent approximately \$100,000 to date on the existing 18 acre pond and bear exhibit. AWCC expects to raise \$300,000 in surcharge revenues in the 2009 and 2010 season from its more than 250,000 visitors.

Amount requested from the State and what grant funds will purchase: AWCC would like to request \$1,000,000 from the State of Alaska Legislature to contribute towards commencement of Phase 1 in 2009. This first phase of restoration includes design, foundation construction, support columns modification and exterior framing of the first floor level.

Project Director and qualifications: Mike Miller, the Executive Director is the project director and has been at the center since its inception. A general construction project manager will be hired for this project and has yet to be determined. Unlike in the past, Mike Miller, will not be the overall manager of the project due to the magnitude of this project.

Future sustainability: AWCC has an earned gross income of over \$1,500,000 annually. AWCC currently has set aside 3 months operating reserves in 2008 for a total of \$100,000. The Center plans to commence surcharge collections in the 2009/2010 season. AWCC will charge a surcharge on admission sales of \$1.50 per visitor which is estimated to be \$300,000 for this project.

Other Information:

Total Annual Organizational Budget for fiscal year 2009 is \$1,346,864.

Why approach you for this project: AWCC recognizes your success in helping to be a key supporter on notable projects within our State for other non-profit organizations. We would appreciate any support, if our full request can not be funded at this time.

Thank you for your consideration,

Chris von Imhof,
President