

Environmental Studies Program: Studies Development Plan | FY 2023–2024

Field	Study Information
Title	Cook Inlet Area-wide Recreation and Tourism Inventory (AK-23-02)
Administered by	Alaska Regional Office
BOEM Contact(s)	Dr. Jeffrey J. Brooks (jeffrey.brooks@boem.gov)
Procurement Type(s)	Contract
Conducting Organization(s)	Industrial Economics, Inc.
Total BOEM Cost	\$1.1 million (approximately)
Performance Period	FY 2023–2027
Final Report Due	September 30, 2027
Date Revised	October 16, 2023
Problem	BOEM-authorized activities could affect outdoor recreation and tourism in marine and coastal areas in Cook Inlet. Information on the characteristics, location, and timing of recreation and tourism for the Cook Inlet area are dated, which could result in inaccurate baselines and imprecise effects analyses.
Intervention	This study would develop information on the recreation and tourism resources of the Cook Inlet area.
Comparison	Study outcomes would be compared between visitors and residents, between upper and lower Cook Inlet, and to results of similar studies in other regions.
Outcome	Information would be used to describe the affected environment and potential effects, develop and implement mitigation of impacts, and inform consultations and public involvement.
Context	Cook Inlet Planning Area and adjacent coastal areas

BOEM Information Need(s): Understanding how recreation and tourism may be affected by Cook Inlet Outer Continental Shelf (OCS) energy and minerals development is important for assessing potential impacts. BOEM needs a baseline study regarding the relative importance of marine and coastal recreation and tourism for residents and visitors of the area and how these amenities could be affected by future OCS lease sales, exploration, and development. Results would be useful for describing the affected environment, analyzing potential impacts, developing and implementing mitigation measures, and informing consultations and public involvement.

Background: The Cook Inlet Planning Area and adjacent coastal areas encompass portions of three Alaska boroughs, Kenai Peninsula Borough, the Lake and Peninsula Borough, and the Kodiak Borough. Outdoor recreation and tourism are key sectors of the region's economy. Previously viewed as a mature industry with large positive impacts but modest or negative overall growth, it is now seen as a fast-growing sector as visitor's and resident's interests and local opportunities continue to grow and evolve (Kenai Peninsula Borough 2019). Much of the emerging recreation and tourism is taking place on public

lands, including the Chugach National Forest, Kenai Fjords National Park, Katmai National Park and Preserve, the Kenai National Wildlife Refuge, and the Lake Clark National Park and Preserve.

The upper Cook Inlet area hosts a mature offshore energy sector in state waters. After a two-decade hiatus (no OCS lease sales were held from 1996 to 2017), recent industry interest and investment has focused on the state and OCS waters of the lower Cook Inlet. This renewed activity raised concerns for the potential effects of OCS development on the region's recreation and tourism sector, especially those activities that rely on coastal and marine resources and landscapes. A few studies have been conducted on the effects of OCS development on recreation and tourism in Alaska, but these have been limited to specific sectors (e.g., Kenai Peninsula sportfishing) (Criddle, *et al.* 1998) or have focused on the effects of catastrophic events, such as the *Exxon Valdez* oil spill (Fall 2001). The baseline information in these studies needs to be updated to capture changes that have occurred to the sector in the last 20 years.

Research in the Atlantic (Garcia *et al.* 2012; Parsons and Firestone 2018; Smythe *et al.* 2018.), Gulf of Mexico (Eastern Research Group, Inc. 2014), and Pacific Regions (Hoelting and Burkardt 2017) has led to new insights on how routine OCS conventional and renewable energy projects and spills or other technological disasters in all OCS regions could affect outdoor recreation and tourism (Industrial Economics, Inc. 2014). Baseline information has routinely been developed on this sector in these areas. This information, including geographic information in the Marine Cadastre, has been important in marine spatial planning to prevent and reduce conflicts. Developing similar information for Alaska-specific conditions would contribute to comprehensive OCS-wide data on this sector.

Objectives:

- Establish a baseline of outdoor recreation and tourism activities, amenities, and associated expenditures; the baseline will be used to assess social and economic effects of future offshore energy development.
- Assess and map where and which types of outdoor recreation and tourism activities are most prevalent in the study area, including when these activities occur; determine how much and which types of coastal- and marine-related recreation and tourism occur on public lands (e.g., state parks, national parks, and national wildlife refuges).
- Identify what residents and visitors consider to be of value when making recreational choices and how these preferences might differ based on geographic location within the study area and between Alaska residents and non-residents.
- Compare and document activities, values, and trip-related expenditures between upper and lower Cook Inlet areas for differences and similarities, exploring the influence of energy development in the upper inlet and the absence of energy development in the lower inlet.
- Compare and document attitudes of residents and visitors about how infrastructure, vessel traffic, noise, oil spills, and gas releases from offshore energy development could alter recreation and tourism.

Methods: BOEM anticipates a four-year study. In year one, researchers would compile and organize baseline data on the dimensions of outdoor recreation and tourism (i.e., activity, location, timing, level of participation, past expenditures) and the portion of recreation and tourism that would be sensitive to OCS activities. The synthesis of existing information and secondary data would be compiled using literature reviews, archival research, and examination of publicly available data. In years two and three, primary data would be collected using a combination of focus groups, surveys, interviews, and

community workshops, which would require travel to hub cities and smaller communities; these methods would be used to measure current preferences, values, attitudes, and expenditures of residents and visitors. Researchers would seek an Office of Management and Budget approval number for primary data collection efforts to comply with the Paperwork Reduction Act. Other methods could be adapted as appropriate from studies in other regions (e.g., Garcia *et al.* 2012; Smythe *et al.* 2018). In years three and four, researchers would analyze and interpret data and develop a final report.

Specific Research Questions:

1. What are the specific outdoor recreation and tourism resources, activities, and expenditures in the Cook Inlet area and when and where do these occur?
2. How could routine OCS activities, spills, gas releases, and other technological disasters affect outdoor recreation and tourism in the Cook Inlet area?
3. What mitigation measures could be used to monitor and mitigate potential impacts to outdoor recreation and tourism?

Current Status: Awarded September 20, 2023; kick-off meeting and project management plan complete.

Publications Completed: N/A

Affiliated WWW Sites: N/A

References:

- Criddle KR, Greenberg JA, Geier H, Hamel C, Herrmann M, Lee ST, Lewis CE. 1998. An economic assessment of the marine sport fisheries in lower Cook Inlet. In: University of Alaska Coastal Marine Institute Annual Report No.: 4. Anchorage (AK): U.S. Department of the Interior, Minerals Management Service. 5–12 pp. Report No.: OCS Study MMS 98–0062.
- Eastern Research Group, Inc. 2014. Assessing the impacts of the *Deepwater Horizon* oil spill on tourism in the Gulf of Mexico region. New Orleans (LA): U.S. Department of the Interior, Bureau of Ocean Energy Management. 192 p. Report No.: OCS Study BOEM 2014-661.
- Fall JA, Miraglia R, Simeone W, Utermohle CJ, Wolfe RJ. 2001. Long-term consequences of the *Exxon Valdez* oil spill for coastal communities of southcentral Alaska. Anchorage (AK): U.S. Department of the Interior, Minerals Management Service. 350 p. Report No.: OCS Study MMS 2001-032.
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- Industrial Economics, Inc. 2014. Economic inventory of environmental and social resources potentially impacted by a catastrophic discharge event within OCS regions. Sterling (VA): U.S. Department of the Interior, Bureau of Ocean Energy Management. 196 p. Report No.: OCS Study BOEM 2014-669. <https://www.boem.gov/sites/default/files/oil-and-gas-energy-program/Leasing/Five-Year-Program/2017-2022/Economic-Inventories-for-CDE.pdf>
- Hoelting K, Burkardt N. 2017. Human dimensions of climate change in coastal Oregon. Camarillo (CA): U.S. Department of the Interior, Bureau of Ocean Energy Management. 203 p. Report No.: OCS Study BOEM 2017-052.

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- Smythe T, Smith H, Moore A, Bidwell D, McCann J. 2018. Methodology for analyzing the effects of Block Island Wind Farm on Rhode Island recreation and tourism activities. Sterling (VA): U.S. Department of the Interior, Bureau of Ocean Energy Management. 300 p. Report No.: OCS Study BOEM 2018-068.