

**Discussion / Direction / Decision** of the Sitka Historical Society's request to appropriate \$50,000 of Commercial Passenger Excise Tax (CPET) funds for completion of the Sitka History Museum's interior.

Hal Spackman - Executive Director  
Kristy Griffin - Curator  
Caitlin Rogers - Fellow  
Jeff Budd - 150<sup>th</sup> Coordinator



## Sitka Historical Society & Sitka History Museum

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Web Site: [www.sitkahistory.org](http://www.sitkahistory.org)

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Mark Gorman, City Administrator  
City & Borough of Sitka  
100 Lincoln St.  
Sitka, AK 99835

March 21, 2017

Dear Mr. Gorman, Mayor Hunter and Members of the Assembly,

When cultural heritage is promoted and interpreted in museums, it becomes a demonstrated economic asset and an essential component of a vibrant economy, providing an infrastructure that attracts tourists and talent and enhances business development. Consequently, people are drawn to communities that have preserved a strong sense of their historical identities and characters.

The Sitka Historical Society (SHS) is excited to report we have almost attained our fund raising goal of \$757,849 needed to complete the interior of the Sitka History Museum. To date, SHS has expended over \$208,000 of capital campaign, savings, and grant funds we have secured to lay the foundation for the Sitka History Museum with plans to commit an additional \$450,000. We have completed an engaging gallery design; installed high quality condensed archival shelving; committed to construction of exhibit walls and framework; and contracted with a fabricator to install exhibits. Our organization is striving to finish the museum as soon as possible and pledges to make this cultural treasure a showcase of Sitka's history benefitting Sitkans and visitors alike.

Our Board, staff and volunteers are continuing to work hard to raise the additional funds necessary to complete inspiring exhibits, as well as to finalize artifact and archival storage. However, artifact protection and exhibit fabrication are costly, with the total exceeding \$700,000. We also have other capital needs that must be met before we can move into our new space, including the purchase of office furniture, archival supplies, art racks, research equipment and up-to-date technology.

Even though we have secured sufficient funds to begin the fabrication process, we are still short \$100,000. Thus, the Sitka Historical Society requests the City & Borough of Sitka consider appropriating \$50,000 of Commercial Passenger Excise Tax (CPET) funds to help us meet our funding goal, so we can complete the interior of Sitka's newest museum – a treasure which promises to benefit Sitkans and visitors for years to come – and begin operations during Alaska's Sesquicentennial.

We understand the importance of documenting the constituency the Sitka History Museum will serve should we be awarded CPET funds. To address this requirement, our staff will implement a system which accurately counts museum visitors, in particular, those visitors who are from cruise ships visiting Sitka. Whenever the museum is open, we will employ staff to take admission fees and gather attendance data. As each visitor pays, the staff member will ask each visitor if he/she is willing to share how he/she arrived in Sitka. We will record and categorize this information each day we are open and report that information to the City at the end of the fiscal or calendar year – whichever is preferred. Thus, we will have verifiable data on the demographics of our visitors, as it relates to the cruise ship industry.

On behalf of Board, members and staff of the Sitka Historical Society, I extend our strong appreciation to the City & Borough of Sitka Assembly and staff for the enthusiastic resolve and financial support which has been necessary to make the Sitka History Museum a reality.

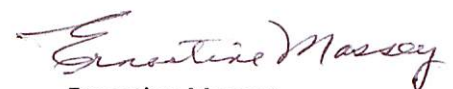
To help you make your decision, I encourage you to review a brief financial summary of the Sitka History Museum Capital Campaign and the overall interior design and construction progress to date.

Sitka History Museum Capital Project Funding Report						
Status as of March 20, 2017						
Project	Cost Not Incl In-kind	Cash Secured and/or Paid Out	Funding Source	In-kind secured	Funding Source	Status
672 sq ft Museum Expansion	\$66,000	\$66,000	Sitka Historical Society Capital Campaign & Savings Account Funds	\$239,760	McG/DCI Joint Venture	Complete
Condensed Archival Shelving	\$25,000	\$25,000	Sitka Historical Society Capital Campaign Funds	\$150,000	State of AK Div. of Libraries	Complete
Museum gallery design	\$77,600	\$77,600	Sitka Historical Society Capital Campaign Funds			Complete
Museum gallery framework construction	\$40,000					Contract Awarded
Final Digitization of Exhibit Graphics	\$23,000					Contract Awarded
Office furniture, archival supplies, art racks, research equipment & technology	\$40,000					In process
Fabrication of Exhibit Galleries	\$380,990	\$250,000	Rasmuson Foundation			Contract Awarded
		\$200,000	Sitka Historical Society Capital Campaign & Savings Account Funds			Funds available for Sitka History Museum
Collections audit, catalogue, préservation & curation	\$40,000	\$40,000	Sitka Historical Society Capital Campaign Funds & Grants			
Contingency Funds	\$65,259					
<b>TOTALS</b>	<b>\$757,849</b>	<b>\$657,600</b>		<b>\$389,760</b>		

Sincerely,



Hal Spackman  
Executive Director



Ernestine Massey  
President