

# **1 EXECUTIVE SUMMARY**

## **Introduction**

Marlyn Chisholm & Associates has been commissioned by the Ministry of Small Business, Tourism and Culture to identify opportunities for sustainable community-based tourism development in the Mid Coast Forest District. The sub-consultants on this project are Geoscape Environmental Planners, Catherine Berris Associates, Sunderman and Associates, Frank Brown of Bella Bella and Patricia McKim of Bella Coola.

The Mid Coast Tourism Opportunity Strategy is one of several carried out in BC during the past two years. As part of the provincial government's Green Economy initiative, the Ministry of Small Business, Tourism and Culture (MSBTC) is undertaking Tourism Opportunity Strategies to assist rural communities, First Nations and entrepreneurs to identify new tourism development opportunities. The focus of the Tourism Opportunity Strategies is ecotourism, adventure travel, and heritage and culturally-based tourism development.

## **Purpose**

The findings of this report should provide a tool for government to support the efforts of individuals, municipal and regional governments, First Nations, tourism operators and economic development commissions to:

- diversify local economies,
- maintain access to recreational resources for local residents, and
- minimize conflicts among resource users.

In addition to identifying key opportunities for tourism, this report provides a strategy for tourism development on the Mid Coast, documents the principle issues and constraints facing Mid Coast tourism, and carries out prefeasibility assessments of three selected tourism opportunities.

## **Context and Setting**

The Mid Coast Forest District is located within the Vancouver Forest Region on the central coast of British Columbia. The Mid Coast is regarded as one of the most remote regions of British Columbia. While the Mid Coast region has one road link (Highway 20) to other parts of the province, and is served by both air and ferry transportation, the ferry service is curtailed during winter months, and poor weather during the winter often makes the Mid Coast difficult to reach by air.

The Mid Coast is sparsely populated, with a population of approximately 4,500 in 1999. Over half of this population is First Nations. The key communities of the Mid Coast are:

- Bella Coola Valley (Bella Coola, Hagensborg, Firvale and Stuie)
- Nuxalk
- Klemtu
- Waglisla (Bella Bella)
- Shearwater/Denny Island
- Ocean Falls
- Oweekeno

The BC Ferry service plays a critical role in accessing the Mid Coast, particularly during the summer months. During the winter months of fiscal year 2000/2001, just over 2,858 passengers travelled from Port Hardy to the Mid Coast, and 765 from Prince Rupert (Route 10). During the summer months of June, July, August and September, the Discovery Passage service (Route 40) transported 3,492 passengers to the Mid Coast from Port Hardy on Route 40 and 4,019 passengers from the Mid Coast to Port Hardy.

By bringing visitors to the Mid Coast regularly throughout the summer months, the Discovery Passage service has made a significant contribution to the regional economy, particularly in Bella Coola, the northern terminus of the route and the gateway to Highway 20.

### **The Tourism Industry**

The Mid Coast has the attributes and appeal to draw domestic and international visitors seeking authentic wilderness, adventure and cultural experiences. The demand exists for what the Mid Coast has to offer and more travellers are being attracted to British Columbia every year. In terms of attracting international markets, the Mid Coast can tap into the unique strengths that it shares with the rest of BC, including:

- a reputation for abundant and pristine wilderness resources,
- an image as an uncrowded and unspoiled holiday destination, and,
- a wide diversity of wildlife.

The challenge is to draw visitors off the beaten path to some of British Columbia's most spectacular, and lesser known, wilderness and scenery.

In the long term, as carrying capacity is approached at other tourism destinations elsewhere in BC and the world, the Mid Coast will increasingly be valued, and sought out, for its pristine qualities. Ecotourism and experiences emphasizing aboriginal culture hold particular promise for the Mid Coast.

### **Resources of the Mid Coast**

The highly varied resources, and the dichotomous nature of the inner and outer Mid Coast regions, presented a unique challenge in both analysis and stakeholder consultation. In order to fully address the resources of the Mid Coast, two separate Advisory Committees were struck. The committee in Bella Bella

represented the resources and interests of the outer Mid Coast, and the committee in Bella Coola focused on resources and matters related to the inner Mid Coast.

Each Advisory Committee selected a list of recreation and tourism activities that were highly suitable to its region. The activities were then analyzed respectively and grouped or singled out as specific **tourism products**. These are:

- Culture Heritage
- Ocean Kayaking
- Nature Observation
- Marine Cruising
- Road Touring
- Destination Lodges
- Hut to Hut Systems
- Adventure
- Air Tours

These final products can be regarded as the best short-term options for outdoor recreation-based tourism products. Opportunities to build on clusters of tourism products or where products could be linked are extremely important and are described in this report.

Each of the selected tourism products was further evaluated to determine the land's suitability to support the product. The results of this analysis were documented and depicted in the **suitability maps**. Suitability maps illustrate existing or potential tourism opportunities taking into consideration a range of constraints.

Throughout this report, identified opportunities are associated with the community or communities best situated to benefit from their development.

## **Product Assessment**

As a framework for depicting and mapping the inherent opportunities of the Mid Coast, the landscape has been divided into six geographic units: the **Outer Coast, Fiords and Lakes, Channels, Owikeno Lake, Mountains and Trade Routes**, and **Princess Royal Island**.

In the product assessment, each of the tourism products were evaluated using resource criteria in order to identify the geographic units exhibiting the highest potential. Each geographic unit was then assessed by market, economic and social criteria. In so doing, we identified the specific areas, or *polygons*, which exhibit the greatest potential within each geographic unit. This approach was used for all products but Culture/Heritage, where features and opportunities were not specifically identified.

Suitability maps were also generated for each product, except Culture/Heritage. Areas of low, medium and high suitability for recreation were depicted on each map. The following briefly describes the key findings for each product.

### ***Culture/Heritage***

The Mid Coast is rich in cultural resources associated with First Nations and non-aboriginal peoples. There is considerable potential to develop tourism products based on these resources. Heritage and cultural tourism products are often closely linked to ecotourism. Development of heritage and cultural tourism

products will require considerable sensitivity to local concern. Some heritage and cultural sites are considered to be archaeological sites under the Heritage Conservation Act. These sites cannot be disturbed or altered without permission.

“Ethnotourism” is booming worldwide, with more and more tourists seeking out cultural experiences in Africa, Australia, Asia-Pacific and North America. A recent study of the European long-haul pleasure market shows that Germany, the UK and Italy have the largest potential for aboriginal cultural products

Regional SWOT Summary for Heritage/Culture

<b>Strengths</b>	Quality of cultural resources, very high marketability, existing capacity for further cultural interpretation, low impact, non-consumptive activity.
<b>Weaknesses</b>	Although each culture is unique there is a repeatability of similar products along the BC coast, lack of artifacts and other visible evidence of culture and heritage to outsiders, level of support facilities and services; competition from elsewhere in the province
<b>Opportunities</b>	Education and interpretive tours, linkages to other products, infrastructure development.
<b>Threats</b>	Conflicting land uses

***Ocean Kayaking***

Ocean kayaking is a fast-growing sport worldwide, and the number of kayakers drawn to the Mid Coast is rising. Most of these are presently served by rental and guiding outfits based on North Vancouver Island.

The highest potential opportunities for ocean kayaking products are in the Outer Coast, Fjords & Lakes and Princess Royal Island geographic areas.

Regional SWOT Analysis for Ocean Kayaking

<b>Strength</b>	Remoteness, scenery, high value features, access, heritage and cultural features, historic and current First Nations presence, growing demand, community support, low startup capital requirements
<b>Weakness</b>	Repeatability of feature along coast, high precipitation, rapidly changing weather and sea conditions, extreme tides, limited camping and freshwater, relatively short "season", insects, Commercial Recreation Tenure uncertainties, uncertainty of land claims and traditional use sites, evidence of historic resource degradation, poor presentation of culture and related features, cost to access region, transportation scheduling
<b>Opportunity</b>	Links with a mothership, hut-to-hut, circuit routes, shuttling, educational, interpretive, overland (hiking, freshwater linkages to marine, leeward to windward side), resort and joint ventures with First Nations.
<b>Threats</b>	Increased use affecting “remote” experience, forest harvesting (visual), user safety preparedness, human waste management, conflicting site uses, competition for limited campsite options, user impact on sites.

### ***Nature Observation***

The Mid Coast offers tremendous opportunities in this product area. The Mid Coast has moderate value for Grizzly bear viewing and Princess Royal Island is renowned for the Kermode bear. Other faunas are abundant and can be sighted along rivers and adjacent mountains -- these include mountain goats, black bear, eagles, and migrating birds. The rivers are traditionally well known for salmon and steelhead that are ideal for fishing and for viewing during spawning.

All the geographic units of the Mid Coast have areas with high potential opportunities in nature observation.

#### Regional SWOT Analysis for Nature Observation

<b>Strength</b>	Quality and quantity of natural and wildlife features, very high marketability for both marine-based (Orcas, whales) and land-based (Kermode bear, grizzlies) species as well as the extensive intact coastal rain forest (old growth and the possibility of unique trees). Proximity to communities. Growing global awareness of Great Bear Rain Forest.
<b>Weakness</b>	Operator attention to resource management issues. Level of support facilities and services available (in terms of washrooms, buildings, parking areas, etc.). Insects. Unreliability of wildlife sightings. Cost to access region. Cost of fuel for boats involved in wildlife observation.
<b>Opportunity</b>	Infrastructure development (e.g. trails and viewing platforms), interpretive touring, touring products linking wildlife, natural features and built facilities (e.g. lighthouses). Linkage to high opportunity activity such as ocean kayaking or boating.
<b>Threats</b>	Unknown tourism impacts on wildlife behaviour & reproductive capacity (e.g., whales and birds). Poor harvesting practices and design can affect scenery and reduce the numbers of large trees. Where bear viewing is frequented, the potential for habituation of bears to tourists is a concern to the safety of both. Direct impacts on wildlife behavior.

### ***Marine Cruising***

The Mid-Coast is extensive and offers the scenic quality, the unique geographic features, the possibility for observing wildlife and the opportunity for cultural/heritage interpretation necessary for a successful Marine cruise product. Communities such as Bella Bella, Ocean Falls, Shearwater, Dawsons Landing and Bella Coola offer the required amenities and provide access to optimal areas.

By virtue of distance and features, there appear to be more opportunities for marine cruise development on the outer coast. There are some nearby attractions, however, such as the Tallio Cannery or the Tallio hotspots that could be destinations for a day trip from Bella Coola.

Regional SWOT Analysis for Marine Cruising

<b>Strength</b>	Sportfishing, range of remoteness, scenery, high value features including wildlife and natural features, culture, presence of lodges, lighthouses, remote communities and tourism infrastructure.
<b>Weakness</b>	High precipitation. Inner coast - great distances between outstanding features and communities. Lack of organized tourism related activities in a number of communities (e.g. cultural interpretation shows) and lack of infrastructure including availability of holding tank pump-out stations, high costs to develop infrastructure. Insects during some parts of the year. High tidal variances are a hazard for cruisers lacking local knowledge. There are no areas that provide assured whale, orca or bear sightings.
<b>Opportunity</b>	Development infrastructures, support products to pocket cruises, cultural and historical exposition. Linkages to on-shore commercial businesses, including tours/ interpretation.
<b>Threats</b>	Forest harvesting (with visual and environmental concerns), land use uncertainties, lack of community support, liquid and garbage waste disposal, contamination of anchorage sites and shellfish beds/aquaculture.

**Road Touring**

The most promising Road Tour product is along Highway 20, and up The Hill. This includes views of the high peaks that flank the valley, the Bella Coola River, the changing biogeoclimatic zones and the opportunity to see wildlife including grizzly bear. The product could also be linked to culture interpretation of the rich First Nations and immigrant histories. High quality cultural/historical features include the petroglyphs close to Bella Coola and the town of Bella Coola.

Regional SWOT Analysis for Road Touring

<b>Strength</b>	Destination feature (including the "Hill"), linkage to BC Ferries and the Chilcotin, infrastructure and community support, growing demand. Logging roads that lead to tourism features.
<b>Weakness</b>	Limited roads, road deactivation (Forest Service roads and Forest Company licensed roads), road, trail and site maintenance, lack of designated areas, safety concerns on active logging roads and the "Hill", scheduling with BC Ferries. Lack of roadside attractions and interpretive documentation.
<b>Opportunity</b>	Circle tour opportunities (local and regional), linkages with other tour types (marine and air), nature and cultural interpretive tours, linkages with other activities (hiking, air tour)
<b>Threats</b>	Conflict with sensitive wildlife habitats, high operating costs, competition.

**Destination Lodge**

There are several opportunities on the Mid Coast for developing new lodges linked to various hot springs, First Nations culture, historic canneries, or a combination thereof. In addition, there are opportunities to enhance existing lodges through diversified activities (kayaking, air tours, wildlife viewing, hiking, nature interpretation, canopy walks, etc.), offering full service spas in a remote "natural" setting, and providing lodge to lodge tours by boat or plane.

With full community participation, the development and operation of a new destination lodge could generate seasonal employment and economic benefits in any of the communities of the Mid Coast.

Regional SWOT Analysis for Destination Lodges

<b>Strengths</b>	Sports fish, remoteness, scenery, high value features including hot springs. Wildlife (bears and whales). First Nation culture
<b>Weaknesses</b>	High precipitation, poor scheduling of flights and cost to access region, competition among existing sport-fishing lodges, numerous sport fishing lodges in one location (Rivers Inlet), high start up and operating costs, government regulatory obstacles. Little or no relationship with local communities (with a few exceptions).
<b>Opportunity</b>	Diversification into other types of activities such as whale and wildlife watching, freshwater fishing, hiking, exploring, etc.; linkages to air and marine tours; soft adventure market niche seeking world class wilderness experience.
<b>Threats</b>	Land use uncertainties, increased use affecting "remote" experience, forest harvesting (with visual and environmental concerns), decline of the Pacific salmon stock.

***Hut to Hut Systems***

The topography and climate of the Mid Coast is well suited for this product. The outer coast includes large and small islands, beaches, coves, bays, and lagoons. There are also a number of lakes and rivers throughout the Forest District, and accessible sub-alpine/alpine areas close to Bella Coola. The marine hut system is especially promising on the outer coast.

The hut system can be linked to the culture and heritage of the region. Abandoned canneries, settlements, timber harvest sites, and traditional use sites are educational and interpretive opportunities that can only enhance the hut system product. This product is particularly promising for First Nations communities that want to control the recreational use of their territorial lands and cultural sites, and that have some infrastructure in place already.

Regional SWOT Analysis for Hut Systems

<b>Strength</b>	Remoteness, scenery, high value recreation features, optimum topography, places recreationists away from culturally or environmentally sensitive locations, enhances recreation opportunities in an area, adjacency to communities, community support for locally-based initiatives, new training opportunities for local labour force
<b>Weakness</b>	Vandalism, repeatability of product potential along BC coast, lack of support infrastructures (trails), cost to access region, compliance and enforcement, challenges in obtaining financing, untested high-end product
<b>Opportunity</b>	Rustic to high end lake and marine hut systems. Linkage to high opportunity activity such as ocean kayaking or boating
<b>Threats</b>	Increased recreation use affecting "remote" experience, forest harvesting

***Adventure***

The Adventure Product appeals to enthusiastic recreationists seeking an adrenaline experience. The activities identified include windsurfing in high winds, whitewater kayaking, exposed ocean kayaking, ski mountaineering, mountaineering, rock climbing, caving/canyoning, downhill mountain biking and

paragliding. With the exception of climbing, these extreme activities are relatively untested on the Mid Coast.

The Adventure Product is seen as a complement to other products on the Mid Coast, and an effective way of raising the Mid Coast's profile as an "extreme" destination. Adventure activities attract a diverse and interesting market, generally younger and with disposable income – and willing to travel a considerable distance to participate in their sport of choice. If a small number of adventure tour operators in inter-related businesses were to become established in a Mid Coast community, they could jointly draw a new and unique market to the region. A cluster of adventure product businesses in any community would generate income in the tourism sector, and for ancillary businesses in the community.

Opportunities for Adventure products are concentrated in the Outer Coast and Mountains and Trade Routes geographic units.

#### Regional SWOT Analysis for Adventure

<b>Strength</b>	Challenging recreation features close to staging areas suitable for a range of adventure activities. Attractiveness to a growing market. Fosters image of community as an extreme destination.
<b>Weakness</b>	High precipitation and inclement weather. Remoteness from population centers and cost to get to the staging areas. Lack of supportive infrastructure. Limited rescue capability. Access for some of the activities.
<b>Opportunity</b>	Development infrastructures and support products to the range of activities. Support includes sales, rentals, teaching, guiding, shuttling and information support.
<b>Threats</b>	Lack of community support.

#### ***Air Tour***

The Mid Coast has geographical features well suited for the air tour product. Certain staging areas (communities, base camp or airfield) are closer to the coastal geography, while others are better associated with the high country. To best determine the relationship of the features to the staging area, a 60 km<sup>1</sup> radius was drawn on the map around several chosen staging areas. Staging areas (communities, base camps or airfield) are determined by distance to attractions (a 120 km distance assumed to be the maximum), their ability to attract tourists, their close linkage to industrial opportunities and availability of required infrastructure. Air tours from all the coastal staging areas can access a wide range of coastal features, mountains, lakes and rivers, and there are potential linkages with fishing, nature observation, biking and hiking. Air tours out of Bella Coola/Hagensborg can access the Monarch Glacier, and a wide range of mountainous terrain, and inlets. Tours from this latter staging area could be linked with hiking, mountain biking, canoeing, possible paragliding. There are also tremendous opportunities for heli-skiing in the coastal mountain range.

The highest opportunities exist for air tours based in Bella Bella, Shearwater, Ocean Falls, Bella Coola, and Klemtu.

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<sup>1</sup> The assumption is that a one hour flight would travel no more than 120 km.

### Regional SWOT Analysis for Air Tour

<b>Strength</b>	Scenic recreation features suitable for air tour. Suitable activity opportunities close to staging areas.
<b>Weakness</b>	High precipitation and inclement weather. Remoteness from population centers and cost to get to the staging areas. Lack of supportive infrastructure. Wildlife are incidental and air touring may disturb those in visible areas. Environmental concerns with activities utilizing air access to subalpine/alpine ridges.
<b>Opportunity</b>	Expanding on existing opportunities (such as freshwater fishing), complimenting the road and marine tour products, growth of heli-skiing industry in BC
<b>Threats</b>	Land use uncertainties, lack of community support, declining industrial base.

### Tourism Action Plan

A scan of the issues related to tourism development on the Mid Coast shows the following.

- The communities recognize the importance of tourism as an economic generator, but the industry is still in its inception.
- Community support and participation will be critical in the development of future tourism products, particularly those that impact on First Nations territorial lands or traditional use sites.
- In the remote communities of the Mid Coast, there is generally a lack of knowledge regarding how to access resources, information or funding for tourism development, and a scarcity of local mentors who have developed successful business ventures. First Nations communities need to build capacity locally in order to capitalize on and participate in new tourism activities.
- Tourism operators and communities need to work together to advance their collective interests in building tourism on the Mid Coast.

The Tourism Action Plan of Section 7 outlines action strategies for each of the products, and at a general regional level. The **product action strategies** are developed for the outer Mid Coast and the inner Mid Coast respectively, and make specific recommendations regarding product development.

The **regional strategy** makes the following key recommendations for entrepreneurs, communities or economic development proponents.

- Communities should explore ways to **collaborate and connect their resources** to share in product development, forge relationships with communities and operators outside the region, and cultivate solid working relationships with all levels of government to create a climate that will attract investment and foster the timely development of tourism products.

- Support the development of local tourism sector opportunities by establishing a group of **business mentors and regional financial experts** to advise on the issues and requirements of securing financing and business development.
- Work with government or economic development to ensure **up-to-date and accessible tourism information** is in place to support local tourism business development.
- Work towards identifying and developing a **code of ethics** to ensure that tourism operators on the Mid Coast begin to develop high standards, and to promote the region as a provincial leader in this area.
- Establish a task force to explore the opportunities and disadvantages for local operators to develop **joint ventures and partnerships** with larger tourism companies from outside the region
- Identify and deliver specific **training** support.
- Focus on **regional marketing and explore the development of a regional image** by undertaking group marketing of the unique features of the Mid Coast. Tourism proponents can create an image that will raise the profile of the region to compete with other global destinations that feature wilderness and outdoor experiences. Recent media coverage of the Great Bear Rainforest has already been instrumental in raising global awareness of the intrinsic value of the Mid Coast. This could prove to be a good jumping off point for future regional marketing efforts.
- Explore approaches to **coordinating and developing additional resources for marketing** efforts, and use the media and internet as much as possible to publicize events and features of the Mid Coast.
- Establish a visible **tourism information centre** in Bella Coola, the hub of ferry and vehicle traffic during the summer months.. If arriving visitors can obtain information from an attractive and well-marked visitor information centre, many will be inclined to explore the region more, and *stay longer*.

## **Prefeasibility Assessments**

Three opportunities identified by local communities were selected for a more detailed prefeasibility assessment, and the results are summarized below.

### ***Marine Cruise and Canopy Walk at Roscoe Inlet***

There are abundant wildlife viewing opportunities in remote Roscoe Inlet – including eagles, bears and wolves, and seasonal chum and pink salmon migrations. Its outstanding viewscape and inherent qualities would make Roscoe Inlet a highly attractive destination for tourists and recreationists seeking a unique

wilderness experience. The prime target markets are BC residents and international travellers willing to pay a premium to travel to the Mid Coast.

The appeal of the canopy walk product is enhanced by combining it with other activities – wildlife viewing at Claje Creek and aboriginal cultural interpretation at an ancient Heiltsuk village site. In addition, it could be linked to other types of tours in the region, such as pocket cruises. Variations may include overnight stays at the cabin at Troup Passage or -- in the longer term -- overnight stays in the canopy in converted teahouse. Tours offered during the fall salmon migration would extend operations into the shoulder season.

The canopy walk product has the potential to create positive net revenues for the local community over a long period of time. As it will be a community-owned and operated venture, almost all income will be realized at the local level. Overall, the product would generate employment in construction, operating, guiding, maintenance and marketing throughout almost half of the year. It is entirely compatible with First Nation values, and community objectives of economic self-reliance.

The findings of this analysis appear to confirm that a marine cruise and canopy walk tour at Roscoe Inlet would generate modest but positive net revenues during the early years of operation. Given the nature of the product, it is also clearly sustainable over a long period of time. As demand grows and visits to the Mid Coast increase, the Roscoe Inlet canopy walk tour will make a significant contribution to local economic self-sufficiency. We recommend that long term cash flow be evaluated in the next stage – feasibility assessment and business plan -- as a prelude to seeking funding for the project.

### ***Road Tour of the Bella Coola Valley***

A road tour product, in and of itself, is likely to be modestly profitable. However, a well-run road tour could also generate broader economic benefits in a number of ways.

- By informing and entertaining visitors to the Bella Coola Valley, a road tour product would educate a broad audience about the history and attractions of the area, and stimulate greater interest in BC and abroad. The Bella Coola Valley is a “well kept secret” that needs to be told to the world.
- It could be marketed to provide links with other tourism products such as air tours, river drifts, marine tours, short hikes or First Nation culture, thereby spinning off benefits to other operators and to the regional economy.
- In the longer term, it could stimulate demand for more road and marine tours, and other activities.

While further work is required to evaluate the viability of a road tour product in the Bella Coola Valley, the results show that in the first years, modest profitability can be expected. In the longer term, as the operations expand and certain economies of scale are achieved, profitability would likely improve. A road tour represents a very good tourism opportunity in Bella Coola and we recommend that, if someone chooses to undertake this initiative, they carry out a more detailed feasibility assessment and business plan in order to achieve funding.

***Hut to Hut Ocean Kayaking Tour Around Bella Bella***

The hut-to-hut marine-touring product has the potential to create positive net revenues for the local community of Waglisa for a long period of time. While the actual hut system would generate a small amount of revenue, it will be an important component in diversifying the local adventure tourism products in the community could eventually offer. Through local development of the venture, almost all income generated will be realized in the community. Currently the Heiltsuk have a network of huts in place in the Bella Bella area and the hut infrastructure would not be a barrier. These huts are strategically placed so that a comfortable kayaking experience could be developed between huts. Overall, the product would generate employment in guiding, maintenance and marketing for approximately four or five months of the year. It could be developed in a manner that would be compatible with the Heiltsuk values, and community objectives of economic self-reliance.

The results of the preliminary investigation of the hut-to-hut ocean kayaking touring activity around Bella Bella suggest that there is merit in further exploring the Heiltsuk hut-to-hut ocean kayaking venture. However, the venture will need to undergo several key steps – including a process of community consultation-- to determine if community is supportive of this venture and if the venture is viable.