

Sheeatika vs. Sheffield —

Sitka hotels stir corporate competition

By Virginia McKinney

Sheeatika has arranged financing and hired a management firm for its long planned hotel to be built in Sitka, but there is still a chance Sheffield Enterprises might beat them to the punch and get a hotel up a year earlier than the Native village corporation.

The race to build a first-class hotel in the historic Southeast Alaska town has apparently narrowed down to those two contestants, with a Juneau radio and television entrepreneur pulling out to concentrate instead on a shopping

center there.

Sheeatika has signed a ten-year management contract for their hotel with a small family-owned Oregon firm.

The Native village firm contracted with Village Green Corporation, based in Cottage Grove, a 16-year-old business that owns three properties in Oregon.

Architects for the project are Lovegren and Loveland and Associates of Seattle, who had done the design work for Trader Vic Restaurants and Western Hotels.

Sheeatika spokesman says construction could begin as

early as mid-November if the early start-up is necessary to meet the corporations opening goal of April 1978.

The 100 room hotel is slated to have two lounges, a restaurant, meeting rooms, plus a small amount of retail space.

Financing of the four million dollar project have been tentatively approved under the Indian Financing Act, which guarantees 90 percent of the loan.

Despite Sheeatika's announced plans to build its hotel, Sheffield Enterprises has not dropped its own hotel idea for Sitka.

If Sheffield does decide to go ahead with its own hotel, it would be slated to open by next July, a year sooner than Sheeatika's.

Sheffield has been negotiating to buy a three acre tract of Katliane Street, waterfront land where Sitka cold storage once stood.

Tourism industry experts have cited the shortage of hotel accommodations at peak periods, plus the absence of a first-class hotel as obstacles to development of a larger convention and tourism industry in Sitka.