

# MINUTES

FEDC Interior Issues Council  
Community Economy and Preparing for the Next Boom Task Force Meeting  
November 22, 2006  
FEDC Office

## Attendees

The following attended the meeting:

Jack Wilbur, Task Force Chairman  
Jim Dodson, FEDC President and CEO  
Brian Rogers  
Dave Gardner  
Kathryn Dodge  
Sue Hull  
Dan Hoffman

## Discussion Points

- Where do we want Fairbanks' economy to be in the year 2020?
  - A "boom" will likely have come and gone by then.
  - Ft. Knox may be gone.
  - What can we do before the "boom" to ameliorate the negative societal effects caused by a "boom"?
  - Proactive rather than reactive.
  - Coming retirees hold a lot of wealth; how do we keep that money in Fairbanks?
  - We should leverage skills learned in a "boom".
- We should establish the current "state of the economy" for Fairbanks.
  - Brian Rogers and Jim Dodson will work on a presentation covering this for the December 20 meeting.
  - Predictive software, with the right forecasting and reporting data, could be used to establish trends for the local economy. That data doesn't exist for Fairbanks.
- Why does Fairbanks grow at 1% per year and Anchorage grow at 2% per year.
  - UAF research and the military contributions to the economy are growing nicely.
  - Fairbanks has a service based economy serving various government entities and their employees.
  - Anchorage has a service based economy also serving the oil industry and their employees.
  - Manufacturing in Fairbanks is limited to birch bowls and parkas.

- Air cargo industry potential.
  - What is the critical mass in air cargo business to make it work in Fairbanks?
  - Fairbanks has cheaper fuel and colder air than Anchorage.
  - Anchorage is running out of airspace and runways. Fairbanks has both available.
  - Maybe Petrostar could produce aviation fuel also to provide competition in the Fairbanks market.
- Gas line.
  - GVEA should own the gas it needs for electrical generation.
  - A gas line could result in savings of \$160M to \$180M in energy costs for Fairbanks.
  - Energy underpins economic development.
- Small scale fabrication plants.
  - Establishment of small scale fabrication plants serving a global market through internet sales has boosted economy in some local economies.
  - Book: FAB
- University research.
  - Proposed Alaska Business Accelerator may be able to leverage UAF research to create jobs.
- Potential areas for growth.
  - Traditionally 55% of economic growth comes from expansion of existing businesses, 45% from new business start-ups, 1% from relocations.
  - Regional air hub.
  - Cultural center.
  - Home for Alaska Natives as they leave villages.

### **Next Meeting**

The next meeting will be held 7:30 am, December 6, FEDC office. Potential topic: Military assets and opportunities.