



Introduction and Project Approach

The Fairbanks North Star Borough (FNSB) developed this plan to prepare the community for the arrival of two squadrons of F-35 Lightning II fighter jets (F-35) to be stationed at Eielson Air Force Base (EAFB). The arrival of the F-35s, referred to as the F-35 Beddown, will bring additional residents, employment opportunities, construction investments and more. The Eielson Regional Growth Plan (RGP) explores the impacts of the F-35 Beddown on the FNSB, including a review of Borough-wide programs, services and infrastructure to accommodate the changes. The plan also includes a list of recommendations summarizing ways the FNSB, residents, businesses and the Air Force can prepare for the F-35 Beddown to ensure a successful transition and an enhanced quality of life for both existing and incoming residents.

This plan was prepared under an award from the U.S. Department of Defense, Office of Economic Adjustment (OEA).

PLAN ORGANIZATION

The Eielson RGP is organized as follows:

PART 1 – Executive Summary. This includes overarching RGP goals; tools for achieving RGP-specific goals; and summary of assumptions, projections, and key findings and recommended strategies.

PART 2 – Focus Area Gaps, Resources and Recommendations. This includes the following categories:

- Housing
- Planning and Zoning
- Utilities and Infrastructure
- Transportation
- Education and Early Childhood Development
- Workforce Development
- Health and Social Services
- Public Safety
- Quality of Life
- Fiscal Impact

PART 3 – Implementation Plan

PART 4 – Appendices

THE PLANNING AREA: THE FAIRBANKS NORTH STAR BOROUGH

Location Overview

The FNSB is the county level government for the road-connected Interior Alaska region, including the cities of Fairbanks and North Pole and census-designated, non-incorporated communities such as Badger, Moose Creek and Salcha. The FNSB is also home to the U.S. Army Garrison Alaska (specially, Ft. Wainwright) and EAFB. The FNSB covers 7,361 square miles; about one percent of the land is developed for urban, residential, agricultural, or other purposes, with developed, non-military land in and around the cities of Fairbanks and North Pole totaling about 51 square miles.¹

Figure 1 shows the location of the FNSB in relation to the rest of Alaska and the defined project study area around Eielson. Figure 2 provides a closer look at the project area, including the City of Fairbanks, City of North Pole, Ft. Wainwright and Eielson Air Force Base. The map in Figure 2 covers an area of approximately 800 square miles.

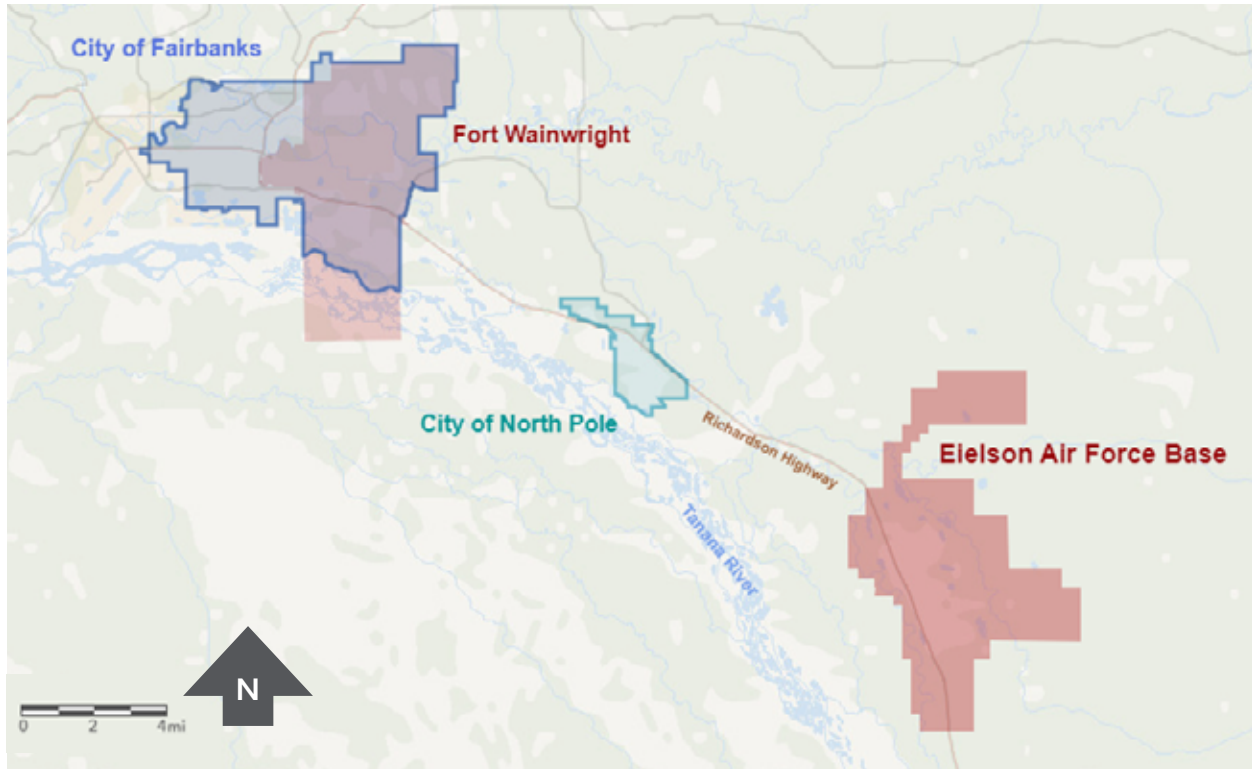
FIGURE 1: OVERVIEW OF PROJECT AREA



Map produced by Agnew::Beck using ArcGIS Online; data layers from the FNSB

¹ Alaska Department of Commerce, Community and Economic Development: Community Database Online. Accessed April 2018.

FIGURE 2: FAIRBANKS NORTH STAR BOROUGH



Map produced by Agnew::Beck using ArcGIS Online; data layers from the FNSB

FNSB Population

The Alaska Department of Labor and Workforce Development (DOLWD)’s 2017 estimate for the FNSB population is 97,738. This is a decline of 1,216 residents between 2016 and 2017, reflecting statewide trends showing Alaska’s first statewide population decline since the late 1980s. While small fluctuations have occurred over the past 10 years, the population has remained generally stable.

The City of Fairbanks includes approximately one-third of the total FNSB population, with an estimated population of 31,905 in 2017. The City of North Pole has a much smaller population of 2,124. The areas surrounding North Pole, including the Badger Road and Moose Creek areas, have almost 20,000 people and comprise the fastest growing area of the FNSB (see Figure 3).²

Figure 4 includes borough-wide population trends, plus counts for FNSB military members and their dependents and Eielson specifically.

² Northern Economics Inc. based on information from Alaska Department of Labor and Workforce Development and the Alaska REMI Model

Active duty military and their dependents represent between 15 and 20 percent of the total population of the FNSB. Most of these military households are based on Ft. Wainwright Army Base, with EAFB active duty members and dependents composing about one-quarter of the military population in the FNSB.

FIGURE 3: POPULATION GROWTH RATES, 2000-2010

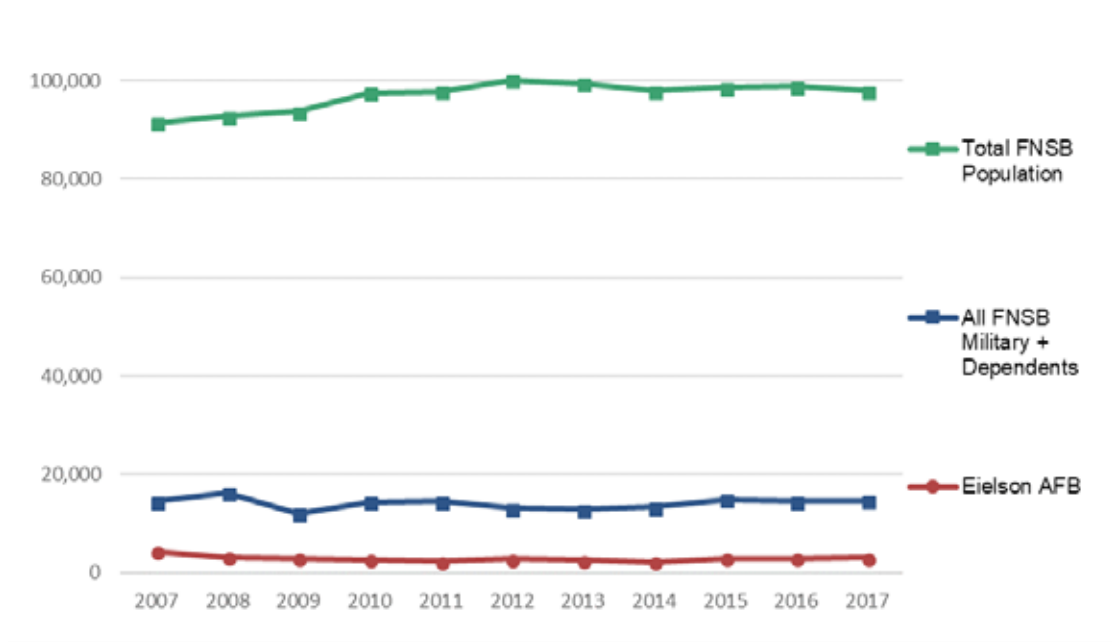
Population Growth between 2000-2010		
Alaska	13%	↑
Fairbanks North Star Borough	18%	↑
Salcha Area	26%	↑
North Pole Area	29%	
Badger Road Area	36%	
Area Northeast of North Pole	41%	

Source: U.S. Census



Photo Credit: Sherman Hogue/Explore Fairbanks

FIGURE 4: HISTORIC MILITARY AND FNSB POPULATION, 2007-2017



Source: Northern Economics Inc. based on information from Alaska Department of Labor and Workforce Development and the Alaska REMI Model

FNSB Economy

The FNSB is the regional economic hub for Interior Alaska and the transportation hub for North Slope development. Gold was the region's early economic driver during the gold rush in the late 1800s. The introduction of the Alaska Railroad in the 1920s helped establish the Fairbanks area as a transportation hub for the region. Following the discovery of oil at Prudhoe Bay, the FNSB became the staging, service, and supply center for the construction of the Trans-Alaska Pipeline System (TAPS). The discovery of oil and construction of the pipeline accelerated growth in nearly all sectors of the FNSB's economy from 1974 through 1977. The FNSB population increased from 42,000 in 1968 to 70,000 in 1975. Housing was scarce, prices for goods and services skyrocketed and criminal activity increased. This decade transformed the FNSB area from a small collection of communities focused on governmental and university employment, to a growing urban logistic

hub for TAPS and North Slope oil exploration and development.

The military also plays a prominent role in the economy of the region. Overall, military spending in Alaska is the third largest generator of jobs and income. Only oil and nondefense federal spending generate more jobs and income, according to economists at the University of Alaska Anchorage⁴. EAFB is a key driver of the FNSB economy; according to a 2010 publication from the Fairbanks Economic Development Corporation, EAFB generates \$1.5 billion in annual revenue for the local economy, equivalent to 10 percent of total annual revenue in the FNSB.

³ Information in this section comes from the 2016 FNSB Comprehensive Economic Development Strategy (CEDS) and an April 2018 Economic Trends article from the Alaska Department of Labor and Workforce Development, featuring an overview of FNSB's economy

⁴ Alaska Economic Trends, December 2013, pg. 4, "The Military and Alaska's Economy," Neal Fried

FNSB Military Installations

Eielson Air Force Base (EAFB)

EAFB is located approximately 26 miles southeast of Fairbanks via the Richardson Highway and is just southeast of Moose Creek. It was established in 1943 as a satellite field to Ladd AFB. It hosts the 354th Fighter Wing assigned to the Eleventh Air Force of the Pacific Air Forces. The 354th Fighter Wing's primary mission is to support Red Flag-Alaska, a series of Pacific Air Force commander-directed field training exercises for US Forces, joint offensive counter-air, interdiction, close-air support, and large force employment training in simulated combat environments. EAFB was named in honor of polar pilot Carl Ben Eielson.⁵

Ft. Wainwright Army Base (Ft. Wainwright)

Ft. Wainwright was first established in 1939 by the US Army Air Corps as Ladd Field. It was transferred from the United States Air Force (USAF) to the United States Army in 1961 and was re-named Ft. Wainwright, after General Jonathan Mayhew "Skinny" Wainwright, IV.

Ft. Wainwright is home to the only full-service military hospital in the FNSB area, the Bassett Army Hospital.

Other Nearby Military Installations

There are two military installations near FNSB: Clear Air Force Station (AFS) and Fort Greely. Clear Air Force Station is located about 80 miles southwest of Fairbanks, in the Denali Borough, two miles off the Parks Highway and is under the command of the Alaska Air National Guard. Fort Greely is located 103 miles southeast of Fairbanks on the Richardson Highway, in the Southeast Fairbanks Census Area. Fairbanks serves as the shopping and services hub for Army and Air Force personnel located at Fort Greely and Clear AFS. Even though these two military installations are not located within the FNSB boundaries, construction investments planned for both bases will affect the FNSB economy and the capacity of public service providers.

⁵ Eielson AFB military bases web site (<http://www.militarybases.us/eielson-air-force-base/>) accessed 6/20/2017



PLANNING CONTEXT

Alaska's Strategic Military Location

In response to international conflicts and relationships, military spending in Alaska has experienced buildups and cutbacks since 1940. Alaska is consistently recognized for its strategic location to respond to calls for U.S. military intervention in Asia, the Pacific and Europe.⁶

According to the F-35 Pacific Operational Beddown Final Environmental Impact Statement (EIS), establishing the F-35s at EAFB addresses the following national security priorities:

- Supports the Pacific rebalance as directed by the President and the Secretary of Defense to counter the threats arising in the Pacific arena;
- Supports the location of robust fifth-generation aircraft capability to offset similar threats in the Pacific Air Force area of responsibility;
- Supports future significant peacekeeping requirements or conflicts that may occur in the Pacific region; and,
- Provides adequate war planning response times in the Pacific Air Force area of responsibility.

The FNSB is a beneficiary of Alaska's strategic location in the Pacific's operations. The vast, sparsely populated land base is ideal for military training needs for relatively unrestricted air space.

⁶ Briefing provided by Eielson AFB staff on June 7, 2017



Beaver Springs Slough Trail
Photo credit: Agnew::Beck

History of Planning and Growth at EAFB

In February 2016, Congress approved a federal budget expenditure of \$526.5 million for construction and enhancement of facilities at Eielson, Ft. Wainwright, Fort Greely and Clear AFS. This decision, along with announcements approving the location of two squadrons of F-35 fighter jets at EAFB, will bring changes to the FNSB.

Ten years ago, the future of EAFB was much less certain. In 2005, The Department of Defense (DoD) proposed a major realignment of the base as part of its Base Realignment and Closure (BRAC) program. EAFB was on the potential base closure list. The specific action recommended by the BRAC Commission was to reassign all the A-10 aircraft at Eielson 354th Fighter Wing to a variety of new locations, including the 917th Wing at Barksdale AFB in Louisiana, a new active duty unit at Moody AFB in Georgia and to backup inventory. The 354th's F-16 aircraft would be sent to the 57th Wing at Nellis AFB in Nevada. The Air National Guard Tanker unit and a rescue unit would remain at EAFB, essentially putting the base into "warm storage."⁷



The community argued against the warm storage status, stating the decision deviated from military value criteria, would not produce estimated savings, undermined joint military training and ignored the strategic value of military presence in Alaska. The BRAC sided with the Secretary of Defense justification, which stated the airspace and ranges around Eielson were valuable, but the base was expensive to operate and improve. The Secretary also argued that redistribution of Eielson's aircraft would be to other bases that also ranked high in military value.



While DoD opted not to close the base, it did continue to consider relocating EAFB's squadron of F-16 Fighting Falcons, which according to estimates from the Fairbanks Economic Development Corporation, accounted for over 2,300 military and civilian jobs in the community. During these potential realignment conversations and subsequent efforts to bring F-35s to EAFB, the FNSB community came together in strong support of EAFB. Alaska's U.S. delegation further reinforced the strategic importance of EAFB. In summer 2015, DoD ultimately decided to keep the F-16 squadron at EAFB.⁸

⁷ Final Deliberations and Decisions, Department of Defense, Defense Base Closure and Realignment Commission, August 2005

⁸ Fairbanks Daily News-Miner, "Air Force: F-16s to remain at Eielson Air Force Base." Published April 14, 2015.

Through a series of environmental reviews conducted by the US Air Force from 2007 to 2016, the Secretary of the Air Force determined there was a need to locate F-35 aircraft in the Pacific Air Force (PACAF) Area of Responsibility (AOR) for the 2nd operational beddown of F-35 squadrons.⁹ After receiving the decision this second F-35 beddown would take place in the Pacific, PACAF, Air Combat Command, and Deputy Assistant Secretary of the Air Force Strategic Basing Division undertook an Enterprise-Wide evaluation to identify a suitable location to base the F-35 in the PACAF AOR. Eligible bases included U.S. Air Force main operating installations currently supporting the combatant commander for fighter operations. Based on strategic requirements, site survey results, and application of the selection criteria, the Secretary of the Air Force selected Eielson AFB as the preferred location for basing the two F-35 squadrons (48 Primary Assigned Aircraft [PAA] and 6 Backup Aircraft Inventory) in the PACAF AOR. Two alternatives were identified for analysis in the EIS – the no-action and proposed action alternatives.¹⁰

In April 2016, the United States Air Force released a Record of Decision announcement that EAFB had been selected for the two squadrons of F-35 aircraft.

⁹ There are three main variants of the F-35 fighter jet; the F-35 is the conventional takeoff and landing variant. There is also the F-35B short takeoff/vertical landing variant and the F-35C carrier variant. To learn more, visit <https://www.f35.com/about/variants>.

¹⁰ United States Air Force F-35 Operational Basing Environmental Impact Statement, February 2016





Alaska's Evolving Economy

The F-35 Beddown is occurring against a backdrop of other economic changes, including a statewide recession. In the early days, Alaska's economy was driven by fishing, timber and government/military spending. Oil discoveries in the 1960s provided a new source of wealth for the state and attracted new residents and related growth. Alaska's economy remains heavily dependent on the price of oil, which has funded state government spending since the individual income tax was abolished in 1980.

Recent years of low oil prices have resulted in sharp declines in state revenue, causing annual deficits in Alaska's budget. State of Alaska savings accounts, which have been used to offset the annual deficits, are nearly exhausted, despite severe budget cuts. These budget cuts to state spending and employment, along with the fiscal uncertainty the budget issue creates, have resulted in the statewide recession. For the first time since the 1980s, the population of Alaska declined in 2017, with rising statewide unemployment over the past four years. Forecasts project that Alaska will continue to lose jobs in 2018, but at a slower pace than previous years.¹¹

These statewide economic trends influence the FNSB economy. For example, FNSB has been losing residents to outmigration since 2012, and one of the largest employers in the region, the University of Alaska Fairbanks, has sustained deep cuts. The F-35-related growth should be viewed in context with these overall statewide declines and the local impacts of those losses.

¹¹ Institute of Social and Economic Research: "What do we know to date about the Alaska recession and the fiscal crunch?" by Mouhcine Guettabi, February 12, 2018.

PROJECT APPROACH

Overview

Personnel and operational changes on military bases can have significant impacts on the economies of nearby communities. The FNSB community needs and wants to be prepared.

- **Will there be sufficient capacity for new students in local schools?**
- **Will there be enough housing units available off-base for the incoming families, and will available units meet the characteristics desired by Air Force personnel and their families?**
- **How will demand change for water and sewer, roads and trails, police and fire, and parks and open space?**
- **How can the community, local businesses and residents prepare to meet the needs of these incoming military personnel and their families, while still ensuring a high quality of life for existing families?**
- **Overall, how can existing residents and businesses leverage this opportunity to make longstanding improvements to community programs, services and infrastructure?**

To answer these and other questions, the Eielson Regional Growth Planning team initiated the project with a gap analysis, comparing need to existing conditions (infrastructure, programs and services). The planning team reviewed existing plans and reports, but also met with Borough staff, the business community, the school district, military planners, local, state and federal leaders,

developers and representatives from the housing, transportation, public service, health and other fields to gather and summarize information. Following the gap analysis, the team continued their work with local, regional, state and federal partners to prepare preliminary recommended solutions and strategies for each RGP focus area, with an eye toward meeting any known resource gaps, and ways to best support the F-35 mission.

Throughout the planning process, the FNSB Tiger Team, a group of elected local, state and federal officials, including Borough, City of Fairbanks and North Pole community leaders, led by FNSB Mayor Karl Kassel, has provided both individual and team input on draft planning products. Many Tiger Team members were interviewed and/or participated in focus area strategy sessions. Many of these same individuals were instrumental in the “Save Eielson” effort, and later, in the successful assignment of the two F-35 squadrons to Eielson AFB. The Tiger Team has provided valuable direction and information about issues of highest importance to the FNSB community, and provided feedback on the best ways to engage with the FNSB community and key stakeholders. This group’s ongoing support and leadership will be instrumental in the success of RGP implementation.

Equally important to the success of the planning process and future implementation, are the leadership and contributions of the FNSB Mayor’s Office and the FNSB Community Planning Department. The Regional Growth Plan team has worked closely with both offices to develop draft plan products, and to identify key issues and focus the public participation effort.

Community Outreach and Involvement

The project community outreach plan was designed to share information, learn from and be guided by local and regional leaders and community members. The project planning team used a range of outreach techniques and tools to connect with stakeholders and residents through the planning process, including:

Community and Stakeholder Presentations

The project team presented at and participated in many community discussions over a one-year period; highlights include:

- Throughout the project: meetings with FNSB, City of Fairbanks, City of North Pole, Eielson Air Force Base, Ft. Wainwright leadership and staff; and presentations and discussions with the Tiger Team
- June 2017: Greater Fairbanks Chamber of Commerce
- June 2017: FNSB Planning Commission
- June 2017: Fairbanks Economic Development Corporation (FEDC) Housing Summit
- August 2017: Community meeting in Salcha
- August 2017: North Pole City Council
- August 2017: Greater Fairbanks Chamber of Commerce
- August 2017: FNSB Planning Commission
- August 2017: Greater Fairbanks Board of Realtors (see photo below)
- August 2017: FNSB School District Superintendent and Directors
- August 2017: Fairbanks Community Healthcare Foundation Administrators
- August 2017: Interior State Delegation
- August 2017: FNSB Assembly
- September 2017: Fairbanks City Council
- October 2017: Air Force Site Activation Task Force (SATAF)
- November 2017: Foundation Health





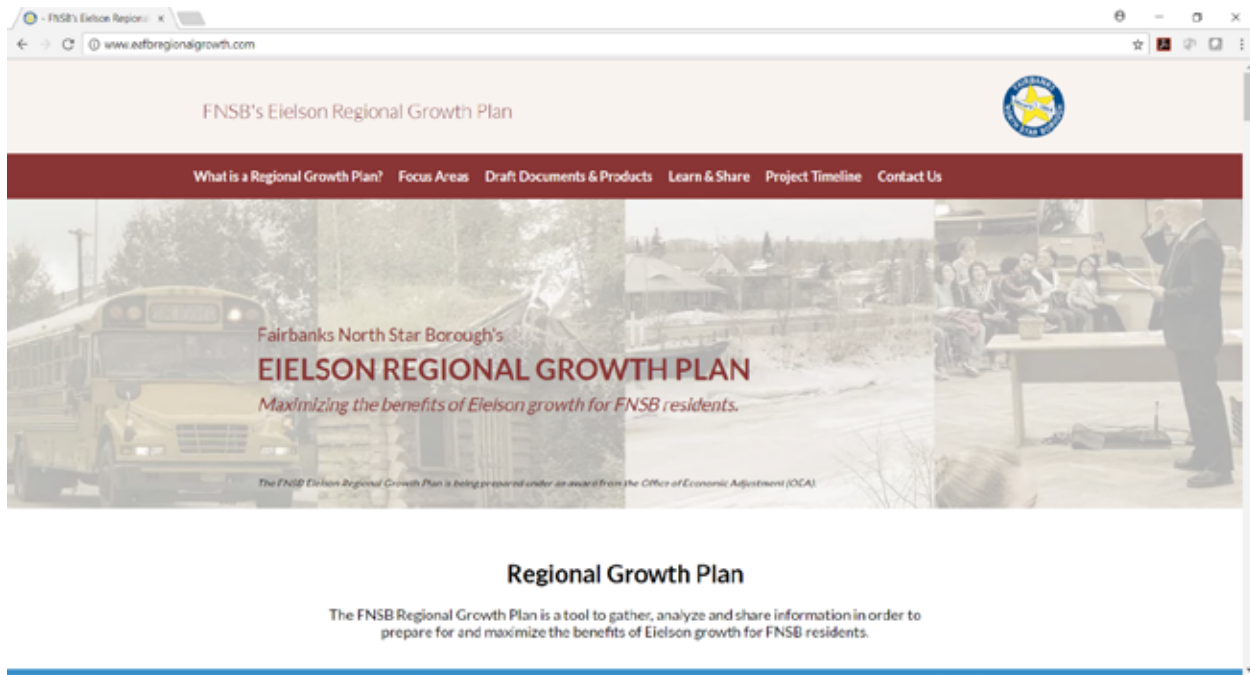
Source: Fairbanks Daily News Miner

- November 2017: Tiger Team meeting and RGP update to Governor Walker (see photo above)
 - November 2017: Workforce development strategy session with local and state education, workforce and training sector representatives
 - December 2017: Housing strategy session with housing sector representatives including local and other Alaska builders/developers, financial institutions, Borough and City municipal leaders and staff, Cold Climate Housing Research Center, Alaska Housing Finance Corporation, Alaska Industrial Development and Export Authority, Interior Regional Housing Authority, U.S. Department of Housing and Urban Development
 - April 2018: Greater Fairbanks Board of Realtors
 - April 2018: Air Force Site Activation Force
- Planned for June 2018**
- Community Meeting
 - FNSB Assembly
 - Greater Fairbanks Chamber of Commerce
- Already Completed**
- FNSB Planning Commission
 - May 2018: Fairbanks and North Pole City Councils
 - May 2018: FNSB Planning Commission

Project Website

A project website (<http://www.eafbregionalgrowth.com/>) was established for the project and was used to announce upcoming events, share project

information and electronic copies of presentations and draft products.



Email Updates

Interested community and other stakeholders could sign up for project updates by emailing the FNSB project manager, or submitting a request on the project website. Updates were emailed approximately once every three months with draft findings and new opportunities for resident and other stakeholder participation. Over 250 individuals requested and receive project updates.

Interviews

Interviewing key community leaders and stakeholders provided useful background context early in the process and helped identify preliminary issues, opportunities and priorities. Later in the process, the project team used interviews and small group discussions to share and refine recommendations. Moving forward,

these community and other stakeholders will be key partners in implementation and evaluation of plan progress.

Each focus area was developed with input from stakeholder experts. For example, during the development of the Education and Early Childhood Development focus area, the project team spoke with the FNSB School District, the EAFB School Liaison Officer, the program manager for the Alaska Child Care Program office, representatives at the EAFB Child Development Center, Family Child Care Office and School Age Center, child-focused nonprofits Thrivalaska and Thread, and the UAF Community and Technical College's Early Childhood Education program. Overall, the project team conducted 80 interviews.

Focus Groups

With coordination assistance from EAFB personnel, the planning team facilitated five focus groups with EAFB personnel and their families. Each focus group session was two hours, and included a range of interactive audience responses, of live voting, polling and discussion. The focus groups provided detailed information about perceptions, opinions and perspectives on a variety of RGP topics. While the information offered a level of detail unavailable through other planning tools and was one of the methods used to inform the planning effort, the focus group responses are not meant to be representative of all EAFB personnel and their families (see the Housing Appendix for a summary of focus group results).

Overall, the team held five focus groups with a total of 38 participants:

- Focus Group #1: Families who live on base with kids, 11 participants
- Focus Group #2: Families who live off base with kids, 8 participants
- Focus Group #3: Personnel on base with no kids, 10 participants
- Focus Group #4: Personnel on base with no kids, 7 participants
- Focus Group #5: Civilians, 2 participants

Direct quotes from community outreach efforts, including interviews, focus groups, strategy sessions and other events are integrated throughout the RGP.

Following, is a detailed overview of RGP growth projections, including an introduction and summary of the Alaska REMI Model; methodology; projections and limitations; and, exclusions of the model and the RGP process.



Source: Agnew::Beck