

2022-2026 Fairbanks North Star Borough Comprehensive Economic Development Strategy (CEDS)

Visitor Industry Cluster Summary – **DRAFT**

Includes: Strengths, Weaknesses, Opportunities, Threats | Targets | Goals | Strategies & Actions | Relevant Plans

Strengths <i>Internal attributes that contribute to success</i>	Weaknesses <i>Internal barriers to success</i>
<ul style="list-style-type: none"> • Access to outdoor recreation (trails, parks, fishing) • Appealing and walkable city center • Arts and culture opportunities; Alaska Native culture • Beautiful landscapes and wildlife • Explore Fairbanks • Midnight sun in summer, aurora in winter • On the road system • Proximity to Denali National Park and the Arctic Circle • Thriving mix of local restaurants, breweries • World Ice Championships 	<ul style="list-style-type: none"> • Aging infrastructure: roads and sidewalks in disrepair, limited sidewalk snow removal in winter • Misunderstanding from government and citizens of the purpose and use of the bed tax • Staffing challenges during pandemic (e.g., lack of J-1 Visa workers); general challenges recruiting for seasonal employment • Visible homelessness in downtown Fairbanks, with insufficient services to meet demand
Opportunities <i>External forces that contribute to success</i>	Threats <i>External forces that could be barriers to success</i>
<ul style="list-style-type: none"> • Alaska Long Trail • Expanding rail service to be year-round, and potential connection with Alberta • Growing interest in Arctic tourism • Increased collaboration between neighboring destinations (Denali Borough, City of Nenana, Tok) • Increasing year-round tourism • Legalization of marijuana 	<ul style="list-style-type: none"> • Climate change, including increased wildfire risks • COVID-19 and ongoing impacts to health, travel, workers • Dependence on cruise lines for many visitors • Land use conflicts at recreation and aurora sites • Light pollution (threat to aurora viewing) • Supply chain shortages (e.g., impacts on rental car supply) • Uncertainty and disruption to travel and workforce caused by COVID-19

Where We Are <small>(2019 as pre-pandemic baseline)</small>	What measurements can we use to track progress? Where do we want to be in 5 years?	2026 Targets <small>(5% growth from 2019)</small>
5,991	Jobs – FNSB residents employed in leisure & hospitality <i>10% of total workforce in 2019; this sector saw the greatest losses in 2020</i>	6,290
\$70.5 Million	Visitor Spending – Hotel/motel annual room receipts <i>Increased 8% from 2016 to 2019, then declined 55% between 2019 and 2020</i>	\$74 Million
\$143 Million	Wages – Annual wages to FNSB residents employed in leisure & hospitality <i>Only 4% of total wages, indicating these jobs pay less than other industries</i>	\$150 Million
596,066	Passengers – Fairbanks International Airport passenger arrivals <i>2020 passenger arrivals were half the 2019 number</i>	625,869
11.7 days <small>(2016)</small>	Trip Length – Average stay for visitors whose Alaska trips include Interior Alaska <i>Visitors to Interior Alaska stay longer than the statewide visitor average of 9.2 days</i>	12.5 days <small>(increase of ~1 day)</small>

Sources: Employment & wages from 2019 Bureau of Economic Analysis; Hotel receipts from FNSB Community Research Quarterly (as reported by Cities of Fairbanks & North Pole, FNSB Financial Services), Passenger data from FNSB Community Research Quarterly; trip length from the Alaska Visitor Statistics Program.

Visitor Industry Goals – long term improvements and changes we want to see in five years or more



1. Interior Alaska is celebrated as a year-round, world-class visitor destination.



2. Fairbanks is a prominent international hub for military and Arctic-focused conferences.



3. Interior Alaska is recognized and rewarded for its outdoor access and opportunities.

Strategies & Actions – the activities we will implement over the next 5 years to accomplish goals & targets and who will lead them	Lead
<p>1. Coordinated Marketing/Planning – Fund destination marketing and planning efforts by Explore Fairbanks. (Goals 1, 2, 3)</p> <ul style="list-style-type: none"> a. Promote Fairbanks as an in-state destination for Alaskans. b. Promote Interior Alaska as a road trip destination for Canadians, and Lower 48 visitors. c. Collaborate with neighboring destinations (Denali Borough, Nenana, Tok) on marketing. 	
<p>2. Top-Ranked Meeting Hub – Develop a world class convention and arts center in the Fairbanks North Star Borough. (Goal 2)</p> <ul style="list-style-type: none"> a. Construct the Fairbanks Convention and Arts Center. 	
<p>3. International Destination – Promote Interior Alaska as an international destination for Arctic and aurora tourism. (Goals 1, 2)</p> <ul style="list-style-type: none"> a. Create a collective marketing strategy for aurora viewing, including promotion in international markets. 	
<p>4. Year-round Access – Advocate for reliable, regularly scheduled transportation services to Fairbanks. (Goals 1, 2, 3)</p> <ul style="list-style-type: none"> a. Increase rail service in winter months. b. Support long-term rail connectivity to the Lower 48. c. Expand cooperative marketing programs with airlines to gain access to new visitor markets. 	
<p>5. Recreation Opportunities – Expand indoor and outdoor recreation opportunities that appeal to residents and visitors alike. (Goals 1, 3)</p> <ul style="list-style-type: none"> a. Complete and implement the FNSB Recreational Trails Plan. b. Support establishment of the Alaska Long Trail. c. Conduct a conceptual design study for renovation of the Carlson Center, including expanding indoor recreation, fitness, and multipurpose space. 	
<p>6. Quality Infrastructure & Effective Policies – Implement infrastructure and policy recommendations from regional plans that help create livable, vibrant communities and destinations. (Goals 1, 2, 3)</p> <ul style="list-style-type: none"> a. Maintain and implement the Chena Riverfront Plan. b. Complete and implement the Fairbanks Downtown Plan. c. (see also strategy 5, action a). 	

Other Relevant Resources

- **Alaska Visitor Statistics Program.** Alaska Travel Industry Association. [View here.](#)
- **Chena Riverfront Plan.** Fairbanks North Star Borough Chena Riverfront Commission. Amended 2016. [View here.](#)
- **Comprehensive Recreational Trails Plan.** Fairbanks North Star Borough. Est. completion spring 2022. [View here.](#)
- **Explore Fairbanks 2022 Strategic Marketing Plan.** Explore Fairbanks. 2021. [View here.](#)
- **Feasibility Study & Market Analysis for the Management Options of the Carlson Center.** Fairbanks North Star Borough. 2020. [View here.](#)
- **Fairbanks Downtown Plan.** Fairbanks North Star Borough. Est. completion Fall 2022. [View here.](#)



Interior Alaska Economic Summit, February 22-23, 2022

Visitor Industry Breakout: Discussion Summary (02-22-22)

To view results from the other sessions, visit <https://fnsbceds.com/> (results will be posted by March 11th)

This document compiles feedback and notes from the breakout session. The other tools that were used to guide the discussion include:

- An economic cluster/influencer one-pager that identified a preliminary SWOT analysis, goals, strategies, actions, and measures of success
- A worksheet identifying a proposed economic vision statement and guiding questions for each of the activities. The guiding questions have been copied into this document for reference. The feedback on the economic vision statement was compiled separately and will be released by March 11th.

Participants *(alphabetical by first name, based on sign in sheet)*

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Facilitated by Shelly Wade, Agnew::Beck Consulting

RSVPs: 28 participants

Feedback on the Strengths, Weaknesses, Opportunities, and Threats (SWOT) Analysis

Guiding Questions:

1. What did we get right?
2. What's missing?
3. What would you change?
4. What's the most important item in each quadrant?

Discussion Notes:

Color Key: **Blue** = proposed revision | **red** = proposed deletion | **green** = proposed addition

Strengths	Weaknesses
<ul style="list-style-type: none"> • Revise: aurora is the #1 singular attraction • Add: rail system/incoming modes of transportation • Add: winter visitors keep the Westmark open • Add: railroad • Add: Yukon Quest • Add: outfitters, guides • Add: Chena Hot Springs • Add: arts • Add: dog sled races • Add: land and resources • Add: regenerative tourism 	<ul style="list-style-type: none"> • Add: transportation sector is understaffed • Add: challenging supply chain (workers, rental cars) • Add: we've diversified the ability to serve both the independent traveler and cruise visitor. • Add: difficult to get transportation from Fairbanks to Denali • Add: lack of direct flights • Add: not enough venues • Add: winter roadside facilities are limited
Opportunities	Threats
<ul style="list-style-type: none"> • Add: airline winter travel is increasing • Winter spending is increasing: longer stays and spending more money • Add: marijuana no longer a novelty • Add: Interior Tourism • Add: arts and theater opportunities • Add: river rides, air boats 	<ul style="list-style-type: none"> • Add: cruise lines are summer only; dependency on cruise lines to drive visitor numbers • Add: some roads are unusable in winter • Add: Arctic is not pristine; we have air quality challenges

Goals, Strategies, Actions Discussion Questions

Guiding Questions:

1. What did we get right?
2. What would you change?
3. What's missing?
4. Who will lead each of the strategies? What do you see as you/your organization's role?
5. Which of the strategies is most important for us to focus on over the next year?

Discussion Notes:

- Goals
 - Revise: change “celebrated” to “striving” in Goal 1 and add adaptability
 - Revise: remove “rewarded” from Goal #3 (confusing - due to returning visitors or financial rewards?)
 - Revise: change Goal #3 to “recognized **and celebrated**”
 - Add: arts and energy is missing from Goal #2
- Strategy 1: Coordinated Marketing/Planning
 - Revise: Canadian tourists currently make up about 10% of total visitors
 - Add: it's important Carlson Center remains as a large space to utilize
 - Add: Advocate to ATIA to conduct the AVSP annually and better capture winter visitors
 - Add: develop a data collection strategy locally (e.g., survey residents/property owners asking how many visitors they hosted this year)
 - Add: capacity planning: what is possible and what can we reasonably sustain to offer high quality visits
- Strategy 2: Top-Ranked Meeting Hub
 - Revise: for a convention and arts center, there is especially a need for a larger space, especially if Fairbanks is to be a destination for conferences
 - Add: needs another action
- Strategy 3: International Destination
 - Revise: aurora viewing is a consistently progressive business; need to continue promotion
 - Add: solstice and arctic travel
- Strategy 4: Year-Round Access
 - Add: expanding flight options in winter
- Strategy 5: Recreation Opportunities
 - Add: where are the campgrounds? Fishing? Paddling?
- Strategy 6: Quality Infrastructure & Effective Policies
 - No comments

- Strategy 7: Other
 - Add: transportation out of Fairbanks; if we're going to be visitor hub you need to be able to get places
 - Add: know your demographics – work to attract different groups (multi-generational families, younger folks) and advertise what services are here

Measures of Success Discussion Questions

Guiding Questions:

1. What did we get right?
2. What's missing?
3. What would you change?
4. Which of these indicators will be the most effective at measuring our success?

Discussion Notes:

- Revise: visitor spending target can be higher
- Add: how do we measure VFR? Form on a plane?
- Add: ATIA and AVSP needs to move to annual and better capture the winter market (recommend adding as an action, too)
- Add: Explore Fairbanks Downtown Survey
- Add: cruise visitors are supposed to be 16% above 2019