

COMMUNITY  
**Xtra!**

**Business News**

**Rising tide floats all boats**

By **Bill Popp**  
AEDC

It is not every day that an economic development corporation takes a public stance opposing the influx of over 1,000 people into their community, but recently the Anchorage Economic Development Corp. (AEDC) was forced to do just that. Earlier this year, citing potential cost savings, the United States Air Force (USAF) proposed relocating Eielson Air Force Base's F-16 Aggressor Squadron to Anchorage as early as March 2013. This move would have resulted in the relocation of several hundred personnel and their families from the Fairbanks area to Anchorage. Not only would this move have been a serious blow to the community and economy of Fairbanks, but the sudden population explosion would have had negative effects on Anchorage as well.



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steady growth over the past ten years there has been a tightening of the local housing and rental market. According to the Alaska Housing Finance Corporation's 2012 Rental Survey of the Anchorage Bowl there is a current rental vacancy rate of about 2.6 percent with few, if any, new units coming onto the market anytime soon. The supply of available housing for sale in Anchorage appears to be insufficient when modeled against the normal estimated population growth over the next 20 years.

There is also the potential to overburden our education system with a sudden unexpected influx of new students. There are an estimated 1,062 students that would transfer with the squadron. In Anchorage, elementary schools on JBER and in Northeast Anchorage would be filled to capacity. Not only would this have a negative impact on Anchorage schools, it would



Staff Sgt. Lakisha A. Croley / U.S. Air Force

An F-16C Falcon with the 18th Aggressor Squadron, receives fuel from a KC-135 Stratotanker with the 168th Air Refueling Wing, both from the Eielson Air Force Base

also result in the shutting down of three schools in Fairbanks due to loss of students. The closure of those three

schools would represent the loss of \$11.4 million in federal education funding for the Fairbanks North Star Borough School District. That is a huge blow to education in the region any way you look at it.

Fortunately for both Anchorage and Fairbanks, all of Alaska's congressional delegation immediately took action against USAF's proposed relocation and have managed to put the proposed move on steady hold through a series of meetings, legislative acumen and amendments to defense bills. When the original deadline was set for March of 2013, Senator Lisa Murkowski, Senator Mark Begich and Representative Don Young united to oppose the relocation.

Earlier this month Senator Lisa Murkowski worked hard to ensure that an amendment she made to the National Defense Authorization Act (NDAA) was passed unanimously in the Senate. The amendment forced the USAF to delay any movement of the Eielson F-16 Aggressor Squadron until March 2014 in order to provide time to

study the full impacts and implications of the move. While on the Senate Armed Services Committee Senator Mark Begich also added language that stipulated how the military handled base closures to further protect Eielson.

Having strong economies in both Fairbanks and Anchorage make Alaska an attractive place to live. Despite the distance between our cities, Anchorage and Fairbanks can collectively heave a sigh of relief that our Congressional delegations' efforts were successful in blocking this relocation. We are proud to stand with our Congressional delegation in opposing this relocation. We continue to urge other organizations across Alaska to join us in growing Alaska's economy as a whole, not at the cost of individual regions. I've often said about the Alaska economy that a rising tide floats all boats and that's never been truer than now.

*Bill Popp is the President & CEO of the Anchorage Economic Development Corporation.*

**Building relationships in the new north**