

DOWNTOWN ASSOCIATION OF FAIRBANKS NEWSLETTER

2008—A BRIGHT LOOK AT THE FUTURE



DOWNTOWN ASSOCIATION FAIRBANKS
Promoting, Preserving, Revitalizing Downtown

INSIDE THIS ISSUE:

<i>Winter Solstice</i>	1
<i>Yukon Quest Fest</i>	2
<i>Housing Slump?</i>	2
<i>New Retail Edge</i>	3
<i>Vision Fairbanks</i>	4

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Happy New Year to everyone!

With the new year comes the first edition of our newsletter for 2008 and the hopes and expectations that we all have for a bright and prosperous year. For our association, 2008 marks a turning point as Vision Fairbanks moves from public processes to implementation, we launch some fantastic new programs for our members and look to introducing thousands to downtown with our international events. All aimed to realize our mission of promoting, preserving and revitalizing downtown.

For our retail members, the excitement is even greater as the work of 4 months of creating a retail strategy can finally be unveiled...see page 3 for more...

However, before moving on to the new year, we want to recognize the effort that everyone put in to join together and make Winter Solstice 2007 the biggest winter event we've seen for our downtown. For those who joined us in saying goodbye in style to the old year, you were witness to a night that truly shone as thousands bustled in and out of our stores, took part in treasure hunts, Santa photos, and games before standing in awe of one of the most spectacular display of fireworks ever seen in our downtown. To say that all the hard work

paid off is an understatement as we looked at happy and cheery people discovering our downtown—many for the first time!

Although the thanks go to everyone for making this event such a great night, for 4 special stores, Winter Solstice Festival also saw them crowned with the glory of being our 2007 Window Decorating Champions.

17 stores and businesses went all out to prove the value of aesthetics as visitors literally stopped in awe at the beauty of window displays of all styles and though it was a tough time choosing any winners at all, the winners and the bragging rights are set until next year—

ABSTRACT:

Winner: TCR's Ivory
 Runner Up: If Only... a fine store

THEMED:

Winner: Soapy Smith's
 Runner Up: Towne House Motel & Suites

Winter Solstice was an excellent example of our wonderful downtown spirit and the comments reflected what makes us so special. Thank you to all who sponsored, helped, put on an event, decorated a window or supported us through membership—here's to 08!



Winner: Abstract Category
 TCR's Ivory



Winner: Themed Category
 Soapy Smith's

HOUSING SLUMP OR MARKET ADJUSTMENT?

Lance Mackey, 1st Place winner is greeted at the finish line of the 2007 Yukon Quest International Sled Dog Race.



Don't Miss the FUN Of Yukon Quest Fest...

Yukon Quest Fest kicks off on February 5 in a week long celebration of the start of the **25th Running of the Yukon Quest**.

Don't miss out on being a part of the action as downtown goes all out with music, games, thousands of dollars in prizes and free giveaways and loads more. Bring the family out from 11 am—3 pm on Saturday, February 9 and downtownfairbanks.com or call us for a full schedule of events.

Yukon Quest fest
Best guess tickets

Of COURSE Yukon Quest should be as big as the Iditarod...help us get there by taking part in this fun 50/50 raffle for just \$5 a ticket. Call us for yours!

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A lot of people saw the headlines of a housing slump—and we thought—let's discuss with a local expert in economic analysis - Dr. Kathryn Dodge, Economic Specialist with Fairbanks North Star Borough.

Question: So, Kathryn—Housing Slump or Market Adjustment?

In her own words:

"I'm not an expert in housing as the gurus are those with the MLS Data but, given the secondary data that I have, let's take a look.

First we see that almost exactly the same number of houses came on the market in December 2006 and 2007 and almost the same number of houses were pulled off the market in the same period. If we look more closely at average sales price in 2006 and 2007 we see that it was about the same (around \$205,000). But if we look at the difference in list price we see that in 2006 the average list price was significantly higher (\$230,000) while in 2007 the list price was much closer to the sales price (\$207,000). The only other significant thing I can tell from this information is that there is a lengthening of the list time and reduction in sales frequency. That would likely, at least in part, account for the increase in home on the listing. However, experts tell me that the 60-90 day range for contracting is within historic norms.

2006 appeared to be a high demand low supply real estate market indicated by existing houses selling for at or about the cost to con-

struct them new. What we seem to be seeing is a return to a more normal pricing structure. The short term impact on pricing is probably a correction to a more realistic price at both ends of the market, with the middle range remaining pretty strong. Proper pricing of a house is more important in this market where supply and demand is more in balance.

Overall, this seems to paint a picture of a housing market that is calming, which is also what AHFC's James Wiedle reported last month. (In an earlier conversation, AHFC told me that Fairbanks didn't heat up as much as Anchorage or Juneau and therefore was not cooling down as rapidly or as much as those markets.)

The underlying factors remain strong: population hasn't shrunk, loans are available to credit-worthy borrowers, and people are moving in and out of our community creating supply and demand. We haven't seen any increase in foreclosures or other indicators of this type. However, it's difficult to draw any conclusions at this point because of the winter market and other factors. You will really need to wait until spring to determine what direction the market is really taking."

Dr. Kathryn Dodge has kindly given us authorization to reproduce this for discussion on our new online blog (see opposite) —what are your thoughts, would you like to weigh in.

Quote About Westfield's Online Retail Training Courses (see opposite):

"With each session I have already improved a number of areas including presentation skills learnt in the visual merchandising segment, complimented with the very useful annual buying and in-store promotion planner. I have also been able to clarify the store concept by (better) understanding my target market and add new easier systems to analyse sales, stock and financial data.... All which flow on to improved sales.

Retail is a tough and incredibly competitive industry, particularly for the small retailer who seems to be often beaten around by major chains. In these seminars I have found that the presenter understands this and has experience and advice which is definitely useful to anyone in retail. Smaller retailers have more to offer in terms of service and uniqueness in concept. I think this workshop has a positive outcome for the operator, customer and Westfield."

Angela Danillis, GAS Southland Owner/Manager, Australia

NEW RETAIL EDGE UNVEILED

MAXIMISE YOUR POTENTIAL

Retail is one of the toughest industries to be in and local retail is even tougher. With urban sprawl and the almost insurmountable challenges that we see with large retail development occurring north of the city pulling shoppers away from our historic core, how can an 800 square foot store hope to survive until full retail revitalization has occurred? Vision Fairbanks is a long term strategy but many have asked—what about now?

How does local retail compete with the marketing dollars of a 246,000 square foot national retailer? We know we need at least 150,000 square feet of healthy retail to truly have the density required to be seen as a viable shopping alternative, but with many of our storefronts boarded up or turning to professional offices, Vision Fairbanks can't happen soon enough.

For the past 6 months, the Downtown Association has been tackling this issue and knows that the only way we stand a chance is to work together to be the best retail community in the world. We have enormous assets and we have enormous potential—let's show everyone what we can do—let's attract retailers to want to be here, let's help and nurture new retailers to keep their doors open and let's give the resources to all our retailers to be able to maximize their potential—even when time's strapped!

How?

Expand your skill set, learn from your peers and get your message out with this GREAT new comprehensive approach to all matters retail!

- **Online Retail Training Courses**
Westfield's Seed Program
Growing Retailer's Knowledge,
Growing Retail

Westfield is the largest shopping center developer in the world and recognizes that their business IS local retail—as such they have put their enormous global resources, liaised with the Retail Association of Australia and 3 universities to put together the most comprehensive online retail training courses the world has ever seen.

By quirk of fate and much groveling, we are beyond delighted to announce that *Downtown Association of Fairbanks members are the first people in the United States to access these courses.*

- Visual Merchandising
 - Buying for Retail
 - Customer Service & Selling
 - Leading a Team Effectively
 - Performance Management
 - Recruiting Effectively
 - Reference Checking
 - Conflict Management
- **Blog (Weblogging)**
www.downtownfairbanks.com/blog

YOU are gurus and we know it!

Our members represent a community that has been helping each other since Fairbanks was founded and has decades of retail knowledge in this market. We all know the power of brainstorming, what it is like to be stumped for a solution or to have that GREAT idea that just needs to be shared. Blogs have taken over the world with instant chatting and no matter how technophobic you may be, our team will show you how you can access this great tool. This is a nuts and bolts area for your thoughts. Help solve a problem—voice your ideas and get the inside scoop. Use the retail forum of our brand new online blog to ask your peers, help your peers, and ultimately make our downtown even better.

To kick this off, we asked some of our gurus, the following question: in 10 words or less, if someone were to open a business in your line of work, what pearl of wisdom would you impart?

"Prepaid psychiatric care needed"
Frank Eagle, Lavelle's Bistro

"Offer the best customer Service"
Denise Orris,
Evergreen Pacific Services
Mortgage Company

"Economy is going down—wait 3—5 years"
Mike Webb,



It's THAT time again!

MARK THE DATE
JUNE 21, 2008
Midnight Sun Festival

Logo design

Jill Marshall of Marshall Arts, a downtown graphic design company, in conjunction with board member Georjean Seeliger, of If Only... a fine store, have produced this year's Midnight Sun Festival Logo. T-shirts for this year will be a rich navy blue and red. Look for shirts to be on sale from May 15 onwards; downtown retailers can expect shirts to be delivered first week of May—wholesale orders can be taken any time from April 15 onwards.

Midnight Sun Vendors

Applications for full food, electrical, snack food, crafts and non-profit vendors are available now but only a few spots remain. Applicants may register online at our website or call us at 452-8671.

Welcoming New Staff and New Positions

Chelsey Kuester

Community Development Director

Many people will recognize Chelsey immediately from her former position as morning anchor for KTVF Channel 11. As someone who has grown to love this community and wants desperately to be a part of developing the downtown area for all to love, Chelsey couldn't have asked for a better job! Chelsey has a degree in journalism with minors in advertising & public relations.

Marisha Gardisser

Events & Marketing Coordinator

Bringing our total staff numbers up to 3.5, Marisha comes to us from the banking world with incredible organizational skills and a wonderful personality to help us with all our Downtown Association of Fairbanks Community Service programs.

We are delighted to have their enthusiasm on board and look forward to you meeting them over the coming weeks.

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Ensure the community has the means to sustain the viability of your organizations—Ask who, what, when, where and how?"

Michelle Roberts, Festival Fairbanks

"Have something that people really want, and good financing"

Joe Haynes, Ebony & Ivory Gift Shop

"Be ready to work hard"

Melissa, Cynde's Boutique

• 90 Minute Downtown Guide & Map

Where are you? How do I get there? Where can I park? What would my shopping experience be like? There are a million reasons people may have for not shopping downtown and one wonderful reason to make the effort—YOU! Our downtown shopping experiences are as varied as each store is unique— not cookie cutter national images but a mix of quirky and elegant, rustic and modern with charm galore and we want people to know that. If you had just 90 minutes downtown, what would you want to see?

In the next 2 weeks, if you are located within the core walking area of downtown and offer either an activity, shopping experience or service that is perfect for the person with just 90 minutes to see downtown, you will be receiving a form to fill in and get back to us as quickly as possible. This information will be included in a brand new fold out city guide

and map that will include:

- Historic Buildings
- Picnic Areas
- Retail
- Restaurants & Cafes
- Banks
- Art Galleries
- Parking
- Churches
- ...and more

Our goal is to have this out no later than May 15. Other programs in the works:

• Integrating Art Downtown

We all know how great our community's artistic talents are—but what practical steps are we taking to translate those talents into a visual bounty that everyone will come to view & enjoy in the downtown area? Stay tuned.

• Parking

Not everything can wait 5 years—and this topic is close to everyone's heart in downtown. Although Vision Fairbanks addresses parking long term; working with the Parking Authority, the city, businesses and more, 2008 kicks off the year by taking another look at our favorite topic—what we do well and what we can do differently?

VISION FAIRBANKS PUBLIC POLICY ADOPTION

This is it—over the next 3 months, Vision Fairbanks will be coming before the City Council and Borough Assembly for public consideration and we urge you to consider testifying in favor of our public leaders adopting this plan.

Our downtown needs our help. After 18 months of public input, the dreams of thousands have been translated by one of this nation's best urban planning teams, with over 30 years of success, into a comprehensive, economically sustainable plan with practical steps to accomplish it.

Yes, we face enormous challenges with urban sprawl and large retail development on the periphery; yes we have a long way to go and it certainly won't be easy but together, and with a strategic plan, we WILL get there.

Learn about this plan, if you have questions, queries or qualms, call us or discuss them on our blog—but this is a chance, an amazing chance for us to put a community driven plan in place—not just "let" it happen. This is the time to be a part of the process—to have a say and stand up for a public voice in our community's future. Let's leave future generations a city we can all proudly call Fairbanks, our downtown—not "anywhere USA". Visit www.downtownfairbanks.com

City Council Consideration:

March 24

Planning Commission Public Hearing:

March 25

Borough Assembly Public Hearing:

April 24