



FAIRBANKS CITY COUNCIL
AGENDA NO. 2026-03
REGULAR MEETING – FEBRUARY 9, 2026
MEETING WILL BE HELD VIA [ZOOM WEBINAR](#) AND AT
FAIRBANKS CITY COUNCIL CHAMBERS
800 CUSHMAN STREET, FAIRBANKS, ALASKA

REGULAR MEETING

6:30 p.m.

1. ROLL CALL

2. LAND ACKNOWLEDGEMENT: We respectfully acknowledge the Dena people upon whose traditional lands we reside. We honor the Dena who have been the stewards of Interior lands and waters for centuries, the Elders who lived here before, the Dena people of today, and future generations to come. We also recognize that Alaskan Native people would traditionally gather here and harvest Native foods.

3. INVOCATION

4. FLAG SALUTATION

5. CEREMONIAL MATTERS (Proclamations, Introductions, Recognitions, Awards)

6. CITIZENS' COMMENTS (oral communications to the City Council on items pertaining to City business that are not up for public hearing). The total comment period is up to one hour, and testimony is limited to three minutes. Any person wishing to speak needs to sign up on the list located in the hallway or must have signed up in advance using the procedures for providing online testimony found at the City's website. Respectful standards of decorum and courtesy should be observed by all speakers. Remarks should be directed to the City Council as a body rather than to any particular Councilmember or member of the staff. In consideration of others, please silence all cell phones and electronic devices.

7. APPROVAL OF AGENDA AND CONSENT AGENDA

Consent agenda items are indicated by asterisks (*). Consent agenda items are considered together unless a councilmember requests that the item be returned to the general agenda. Ordinances on the approved consent agenda are automatically advanced to the next regular meeting for second reading and public hearing. All other items on the approved consent agenda are passed as final.

8. APPROVAL OF MINUTES OF PREVIOUS MEETINGS

- *a) Regular Meeting Minutes of January 26, 2026

9. SPECIAL ORDERS

- a) The Fairbanks City Council will hear interested citizens concerned with the following alcohol license application for renewal. Public testimony will be taken and limited to three minutes.

Lic. #	DBA	License Type	Licensee	Address
4232	The Spur	Beverage Dispensary	JNJ, Inc.	537 Gaffney Road
3969	Tony's Sports Bar	Beverage Dispensary	JNJ, Inc.	537 Gaffney Road, Suite 1
703	Gavora's Fine Wine	Package Store	Market Basket, Inc.	250 3rd Street
1134	Thrifty Liquors	Package Store	Market Basket, Inc.	1410 Cushman Street

10. REPORT FROM FAIRBANKS AK NATIVE ORGANIZATIONS (every other month)

11. MAYOR'S COMMENTS AND REPORT

- a) Special Reports

12. COUNCILMEMBERS' COMMENTS

13. UNFINISHED BUSINESS

- a) Ordinance No. 6338, as Amended – An Ordinance Amending Fairbanks General Code Sec. 2-86 Setting Council Member Compensation. Sponsored by Mayor O’Neill. SECOND READING AND PUBLIC HEARING.

14. NEW BUSINESS

- *a) Resolution No. 5200 – A Resolution Urging the State Legislature to Reject Proposals for a Statewide Sales Tax. Sponsored by Councilmembers Cleworth and Therrien.

- *b) Resolution No. 5201 – A Resolution Inviting Proposals from Qualified Developers Interested in Redeveloping City Property at 123 Lacey Street. Sponsored by Councilmember Cleworth.
- *c) Resolution No. 5202 – A Resolution Authorizing the City of Fairbanks to Apply for Funds from the United States Department of Transportation for the FFY2026 Better Utilizing Investments to Leverage Development (BUILD) Grant Program for Island Homes Subdivision Reconstruction. Introduced by Mayor O’Neill.
- *d) Ordinance No. 6340 – An Ordinance Amending the 2026 Operating and Capital Budgets for the First Time. Sponsored by Mayor O’Neill.

15. WRITTEN COMMUNICATIONS TO THE CITY COUNCIL

- *a) Permanent Fund Review Board Meeting Minutes of October 29, 2025
- *b) Discretionary Fund Committee Meeting Minutes of November 12, 2025
- *c) Discretionary Fund Committee Meeting Minutes of December 2, 2025
- *d) Discretionary Fund Committee Meeting Minutes of December 3, 2025
- *e) Clay Street Cemetery Commission Meeting Minutes of January 7, 2026

16. COMMITTEE REPORTS AND COUNCILMEMBERS’ COMMENTS

17. CITY CLERK’S REPORT

18. CITY ATTORNEY’S REPORT

19. EXECUTIVE SESSION

- a) IBEW/COF Labor Negotiations Guidance from Council [permissible under State law, including the provision at AS 44.62.310(c)(1)]
- b) *Chapman v. City of Fairbanks* [permissible under State law, including the provision at AS 44.62.310(c)(3)]

20. ADJOURNMENT



FAIRBANKS CITY COUNCIL
REGULAR MEETING MINUTES, JANUARY 26, 2026
FAIRBANKS CITY COUNCIL CHAMBERS
800 CUSHMAN STREET, FAIRBANKS, ALASKA

The City Council convened at 6:30 p.m. on the above date, following a 5:30 p.m. Work Session on Permanent Fund Review Board Annual Report, to conduct a Regular Meeting of the Fairbanks City Council via Zoom webinar and in the City Council Chambers at 800 Cushman Street, Fairbanks, Alaska, with Mayor Mindy O’Neill presiding and the following Councilmembers in attendance:

Councilmembers Present: Jerry Cleworth, Seat A
Valerie Therrien, Seat B (remotely)
Sue Sprinkle, Seat C
Crystal Tidwell, Seat D
Lonny Marney, Seat E
John Ringstad, Seat F

Absent: None

Also Present: D. Danyielle Snider, City Clerk
Thomas Chard, City Attorney
Michael Sanders, Chief of Staff
Margarita Bell, Chief Financial Officer
Andrew Coccaro, Fire Chief
Richard Sweet, Deputy Police Chief
Jeremiah Cotter, Public Works Director
Robert Pristash, City Engineer
Jake Merritt, Human Resources Director (remotely)
Brenda McFarlane, Crisis Now Coordinator

LAND ACKNOWLEDGEMENT

At the request of Mayor O’Neill, **Ms. Therrien** read the land acknowledgement.

INVOCATION

The invocation was given by City Clerk Danyielle Snider.

FLAG SALUTATION

At the request of Mayor O’Neill, City Attorney Thomas Chard led the flag salutation.

CITIZENS’ COMMENTS

Keith Thompson – K. Thompson spoke against the proposed increases in compensation for the Mayor and City Council [Ordinance Nos. 6338 and 6339] and the practice of voting to approve one’s own raise. He acknowledged the work of elected officials and advocated for an incremental approach rather than a large jump in compensation.

June Rogers – J. Rogers expressed opposition to Ordinance No. 6338 and read a letter outlining her views on the public service that elected officials perform for the community. She suggested that a discussion on compensation for the Mayor deserves careful consideration but should be separate from the issue of Councilmember pay, focusing on the specifics of the position at the City of Fairbanks rather than comparing it to the salary of mayors for other Alaskan municipalities.

Stephanie Thibedeau – S. Thibedeau spoke against increases in compensation for elected officials and discussed the many people in the community struggling with the cost of basic needs and low wages. She asserted that the proposed increase to the Mayor's salary was not simply a cost-of-living adjustment but rather the equivalent of an entire additional worker's annual wages. She suggested that leadership should include a shared sense of sacrifice and urged the Council to reject the associated ordinances and focus on efforts to uplift community members.

Brian Beal – B. Beal shared that he had been concerned about past increases to the salaries of State legislators and the Governor but suggested that such increases could be warranted after the needs of all other staff and administrative members were met first.

Charity Gadapee, Director of Visitor and Community Engagement for Explore Fairbanks – C. Gadapee gave a report on the following items:

- visitation to the Morris Thompson Cultural & Visitors Center for the last quarter of 2025;
- the Golden Heart Giving campaign which supported four local food security programs;
- a career exploration event for high school students; and
- the Interior Tourism Conference.

David van den Berg, Executive Director of Downtown Association of Fairbanks (DTA) – D. van den Berg shared details about an upcoming ordinance being considered by the Fairbanks North Star Borough (FNSB) Assembly regarding incentives for housing development. He discussed key differences in zoning between the Borough's proposed ordinance and the one recently passed. He encouraged collaboration between the bodies to provide a greater opportunity for success.

Mr. Cleworth asked D. van den Berg if he would be testifying before the Assembly on the issue. D. van den Berg confirmed that he was planning to.

Mayor O'Neill asked D. van den Berg for clarification on certain aspects of the ordinance. D. van den Berg provided additional details regarding the zoning language and stated that his organization hopes that the downtown area would benefit from the program as much as possible.

Dustin Wiggins – D. Wiggins spoke of the proposed increase in compensation for the City Council and Mayor from the perspective of a business owner having endured good and bad years. He expressed appreciation for the work of elected officials and acknowledged the need to regularly review salaries and make modest adjustments but suggested that the proposed raise for the Mayor was excessive. He expressed concern over the high percentage increases and setting a precedent.

Melissa Charlie, Executive Director of Fairbanks Native Association (FNA) – M. Charlie spoke on Ordinance No. 6334 and stated that FNA supports the effort to have meaningful dialogue with the City Council to build trust and greater success. She gave a brief history of FNA and the services it provides to the entire community. She affirmed that FNA would continue to meet with the Mayor and other staff on a regular basis regardless of the outcome of the ordinance.

Mayor O’Neill, hearing no more requests for comment, declared Citizens’ Comments closed.

APPROVAL OF AGENDA AND CONSENT AGENDA

Mr. Ringstad, seconded by **Ms. Sprinkle**, moved to APPROVE the agenda and consent agenda.

Mr. Cleworth pulled the following from the consent agenda:

- Item 13(c), Ordinance No. 6338
- Item 13(d), Ordinance No. 6339
- Memorandum Regarding Use of Council Travel Funds

Mayor O’Neill called for objection to the APPROVAL of the agenda and the consent agenda, as amended, and hearing none, so ORDERED.

Clerk Snider read the consent agenda, as amended, into the record.

SPECIAL ORDERS

- a) The Fairbanks City Council held a public hearing and considered the following alcohol license application for renewal:

Lic.	DBA	License Type	Licensee	Address
4156	Circle K	Package Store	Holiday Alaska, LLC	2300 S. Cushman Street

Mayor O’Neill called for testimony.

Mary Muradyants (via Zoom) – M. Muradyants shared that she was available to answer questions as a representative of Circle K.

Ms. Sprinkle asked if there would be any change of plans with the renewal of the license and whether the existing license allowed for the sale of hard liquor. M. Muradyants indicated that no change in business was anticipated and that their license did allow for hard liquor sales.

Mr. Marney noted that the licensee’s location had been demolished and a new building was being constructed. He recounted that in the past, the store accounted for more law enforcement response calls than any other license holder within the City. He asked if there were any plans to address the high call volume when the new facility opened. M. Muradyants stated that she had no report on the issue but that the concern was noted. **Mr. Marney** asked if they had upgraded their security. M. Muradyants indicated that she also did not have any information on this but could report back.

Amy Miller – A. Miller stated that she had worked at multiple stores with Holiday Alaska (former name) over the last few years and had never been in a situation where she felt unsafe. **Mr. Marney** asked if she was aware of the lengthy call reports. A. Miller indicated that she believed him.

Mr. Ringstad asked if the majority of calls were for situations outside of the store rather than for incidents taking place within. A. Miller reported that she only recalls one instance when they had

to call law enforcement for an in-store issue. **Mr. Ringstad** questioned whether the Council could require Circle K to provide its own security as a way to reduce the law enforcement burden.

Keith Thompson – K. Thompson pointed out that the local Walmart store contracts security services to help with its own significant challenges.

There being no more comments, **Mayor O’Neill** closed the public hearing.

Mr. Ringstad, seconded by **Ms. Tidwell**, moved to WAIVE PROTEST on the alcohol license application for renewal.

Mayor O’Neill asked Deputy Police Chief Richard Sweet to provide a report on the location.

DC Sweet explained that the majority of calls to the location may not pertain to issues involving the business itself but may only be tied to the address as a reference due to the coding process that dispatchers use when someone calls 911. He stated that each call on a report would need to be reviewed individually to determine whether or not the incident was directly associated with the business. He recounted that in the uncommon occurrences when officers needed to respond to something inside it was typically due to food theft in the convenience store.

Ms. Sprinkle discussed the overall traffic in the area of the store. DC Sweet noted that it was a busy intersection in town and that, to his understanding, the store was one of the highest grossing locations per capita in the company. **Ms. Sprinkle** asked if he had any concerns with the renewal application. DC Sweet reiterated that few calls for the area related to the business itself.

Mr. Marney asked if there had been a drop in calls while the new store was being constructed. DC Sweet indicated that there had been a modest reduction, likely attributed to the reduced traffic. **Mr. Marney** stated that he hopes the company will invest in better security and make an overall effort to reduce the amount of local law enforcement burden to the area.

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO WAIVE PROTEST ON THE ALCOHOL LICENSE APPLICATION FOR RENEWAL AS FOLLOWS:

YEAS: Cleworth, Ringstad, Therrien, Tidwell

NAYS: Marney, Sprinkle

Mayor O’Neill declared the MOTION CARRIED.

APPROVAL OF MINUTES OF PREVIOUS MEETINGS

a) Regular Meeting Minutes of December 15, 2025

APPROVED on the CONSENT AGENDA

b) Regular Meeting Minutes of January 12, 2026

APPROVED on the CONSENT AGENDA

MAYOR'S COMMENTS AND REPORT

Mayor O'Neall highlighted select items from the written report she had provided to the Council and department heads, including:

- a newly promoted Captain at the Fairbanks Fire Department;
- fire response statistics during the recent extreme cold snap;
- the expansion of the Storefront Improvement Program; and
- her intent to develop a community outreach program to shape the development of the request for proposal (RFP) for the Starter Block at Lacey Street.

Mayor O'Neall noted that the quilts that were previously hanging on the walls of Council Chambers had been relocated to a new location on the upper level of City Hall. She shared that going forward, Chambers would display local art coordinated with "First Friday" events.

Ms. Tidwell asked for additional information on the soon-to-be vacant City-owned log cabin on First Avenue and whether the opportunity to lease the property would go out for bid. Chief of Staff Sanders stated that he did not believe an RFP was needed and that the Council could approve a new tenant. **Ms. Sprinkle** expressed disagreement. **Mayor O'Neall** shared that discussions were taking place on the best approach to activate the space. **Ms. Tidwell** asked if it was currently advertised or just being spread via word of mouth. City Attorney Chard clarified that the appropriate process would be for the Council to provide direction as to whether to create an RFP, pursue a lease, or sell the property and that staff would implement the Council's plan. He added that the process would require an ordinance to allow for public comment. **Ms. Tidwell** suggested that the topic be included as a discussion item at the next work session. **Ms. Therrien** concurred.

COUNCILMEMBERS' COMMENTS

Mr. Cleworth thanked Chief Financial Officer Bell for the work of the Permanent Fund Review Board and its annual report. He discussed the history of the Fund and the financial benefits the City had enjoyed since its inception. He spoke of the Circle K alcohol license renewal and indicated that he sympathizes with those who voted against it. He acknowledged the problems in the area and the challenge in identifying what issues could be attributed to the area versus the licensee. He suggested that clearer data be available for consideration of future license renewals, when prudent. He asked if there was an investigation underway to determine the cause of the recent fire at the Army National Guard armory. Fire Chief Andrew Cocco stated that the Fire Marshal was investigating the incident, that they did not suspect foul play, and would have a report soon.

Ms. Therrien recounted past conversations about licensees such as Fred Meyer where most entries on the police call log are unrelated to the alcohol license. She stated that now that the Council had received the annual report for the Permanent Fund, the committee would like direction as to whether they should increase their risk for fund investments. **Mayor O'Neall** indicated that they could discuss the topic at a work session once it had been appropriately noticed to the public.

UNFINISHED BUSINESS

- a) Ordinance No. 6334 – An Ordinance Amending Fairbanks General Code Section 2-119(a), Order of Business, Adding a Set Time During the Second Council Meeting of Each Month for Receiving a Report from Leadership in Our Community, Including Denakkanaaga,

Fairbanks Native Association, Tanana Chiefs Conference, Doyon, or Other Designated Groups. Sponsored by Councilmembers Sprinkle, Cleworth, and Therrien. Postponed from the Regular Meeting of January 12; a public hearing was held at that time.

Note: Ordinance No. 6334 was introduced at the Regular Meeting of December 15, 2025 and ADVANCED to the Regular Meeting of January 12, 2026, at which time a motion to ADOPT was made and a public hearing held. The ordinance was then POSTPONED. The motion to ADOPT remained on the floor.

Ms. Sprinkle, seconded by **Mr. Cleworth**, moved to AMEND Ordinance No. 6334 by changing Sec. 2-119(a)(10) to read: “Report from Fairbanks Native organizations every other month.”

Ms. Sprinkle explained that this would give breathing room and time for thoughtful preparation.

Mayor O’Neill called for objection on the motion to AMEND Ordinance No. 6334 by changing Sec. 2-119(a)(10) to read: “Report from Fairbanks Native organizations every other month” and hearing none, declared the MOTION CARRIED.

Clerk Snider confirmed the title of the ordinance would also be updated to reflect the amendment.

Ms. Sprinkle, seconded by **Mr. Marney**, moved to AMEND Ordinance No. 6334, as Amended, by adding the word “Alaska” between “Fairbanks” and “Native” in Sec. 2-119(a)(10).

Mayor O’Neill called for objection on the motion to AMEND Ordinance No. 6334, as Amended, by adding the word “Alaska” between “Fairbanks” and “Native” in Sec. 2-119(a)(10) and, hearing none, declared the MOTION CARRIED.

Mr. Cleworth, seconded by **Ms. Sprinkle**, moved to AMEND Ordinance No. 6334, as Amended by striking “or other designated groups” from the title.

Mr. Cleworth explained that the ordinance is very specific yet the final phrase creates a vagueness and obligation to entertain other, potentially unknown entities, which may be outside of the intent. He shared that the City Attorney had also expressed concern about the language, which prompted the amendment. Attorney Chard confirmed that the title and “whereas” statements are used to convey the intent of the Council. He noted that “Fairbanks Alaska Native organizations” is broad and that the amendment clarifies the Council’s intent is to hear from only the entities in the title.

Mayor O’Neill called for objection on the motion to AMEND Ordinance No. 6334, as Amended, by striking “or other designated groups” from the title and, hearing none, declared the MOTION CARRIED.

There was no additional discussion on the main motion.

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO ADOPT ORDINANCE NO. 6334, AS AMENDED, AS FOLLOWS:

YEAS: Ringstad, Tidwell, Therrien, Sprinkle, Marney, Cleworth

NAYS: None

Mayor O'Neall declared the MOTION CARRIED and Ordinance No. 6334, as Amended, ADOPTED.

- b) Ordinance No. 6335 – An Ordinance Amending Fairbanks General Code Section 2-653, City Council Approval of Excess Expenditures. Sponsored by Councilmember Cleworth. SECOND READING AND PUBLIC HEARING.

Mayor O'Neall called for testimony and hearing none, declared Public Testimony closed.

Ms. Sprinkle, seconded by **Mr. Cleworth**, moved to ADOPT Ordinance No. 6335.

Ms. Tidwell asked for clarification on the changes in the ordinance. **Mr. Cleworth** explained that some of the updates were to clean up language based on guidance from the City Attorney but that others were to ensure that when a monetary change to the budget occurs, it will go through the appropriate process and include two hearings. He noted that once in a while a resolution slips through, sometimes without a fiscal note, and that such should require an ordinance. He clarified that the change would not inhibit certain processes such as those involving grant opportunities.

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO ADOPT ORDINANCE NO. 6335 AS FOLLOWS:

YEAS: Sprinkle, Cleworth, Ringstad, Marney, Tidwell, Therrien

NAYS: None

Mayor O'Neall declared the MOTION CARRIED and Ordinance No. 6335 ADOPTED.

- c) Ordinance No. 6336 – An Ordinance Amending Fairbanks General Code Section 74-117, Room Rental Tax Purpose and Limitation, by Removing Term Limits for Discretionary Fund Committee Members. Sponsored by Councilmember Marney. SECOND READING AND PUBLIC HEARING.

Mayor O'Neall called for testimony and hearing none, declared Public Testimony closed.

Mr. Marney, seconded by **Mr. Ringstad**, moved to ADOPT Ordinance No. 6336. There was no discussion.

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO ADOPT ORDINANCE NO. 6335 AS FOLLOWS:

YEAS: Marney, Cleworth, Therrien, Sprinkle, Ringstad, Tidwell

NAYS: None

Mayor O'Neall declared the MOTION CARRIED and Ordinance No. 6336 ADOPTED.

- d) Ordinance No. 6337 – An Ordinance Authorizing Public Works to Provide Services Outside the City Benefitting Tanana Valley State Fair Association in Exchange for a Snow

Storage Site. Sponsored by Mayor O’Neill. SECOND READING AND PUBLIC HEARING.

Mayor O’Neill called for testimony and hearing none, declared Public Testimony closed.

Ms. Tidwell, seconded by **Ms. Sprinkle**, moved to ADOPT Ordinance No. 6337.

Ms. Sprinkle asked if the snow being placed in the storage area could be recycled for World ICE Art Championships activities. Chief of Staff Sanders explained that the plowed snow may include rocks, garbage, and other debris and any use of the snow would be discouraged for safety purposes.

Mr. Cleworth stated that the ordinance is an example of the kind of working relationships that can and do exist between the City and other entities. He stated that snow dump sites are some of the most precious properties the City owns, given the complex and costly operation of snow removal. He noted that the storage site saves time and money and is a great benefit.

Mr. Ringstad pointed out that the first “whereas” statement mentions the Aurora and Johnson subdivisions and asked to confirm that there was nothing that would tie the City’s hands from using the space to store snow from other areas, if needed. Attorney Chard confirmed that the actual agreement between the City and Association clarifies that no such restriction would be in place.

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO ADOPT ORDINANCE NO. 6337 AS FOLLOWS:

YEAS: Tidwell, Cleworth, Ringstad, Marney, Sprinkle, Therrien
NAYS: None
Mayor O’Neill declared the MOTION CARRIED and Ordinance No. 6337 ADOPTED.

NEW BUSINESS

- a) Resolution No. 5198 – A Resolution Awarding a Contract to 911 Rapid Response to Provide a Brush Truck in the Amount of \$326,000. Sponsored by Mayor O’Neill.

APPROVED on the CONSENT AGENDA

- b) Resolution No. 5199 – A Resolution Urging the Legislature to Approve a Supplemental Appropriation to Meet the State Match Commitment for Federal Transportation Funding for FFY2026. Sponsored by Councilmembers Sprinkle and Tidwell and Mayor O’Neill.

APPROVED on the CONSENT AGENDA

- c) Ordinance No. 6338 – An Ordinance Amending Fairbanks General Code Sec. 2-86 Setting Council Member Compensation. Sponsored by Mayor O’Neill.

Ms. Sprinkle, seconded by **Ms. Tidwell**, moved to ADVANCE Ordinance No. 6338.

Mr. Ringstad stated the Council passed the 2026 budget recently and that this should have been discussed then. **Mayor O’Neill** clarified that the changes would not be effective until 2027.

Mr. Cleworth expressed opposition to an increase in Council compensation and ethical concern with the proposal. He thanked former Councilmembers Shoshanna Kun and June Rogers for publicly voicing similar stances. He stated that the \$500 Councilmembers receive each month adequately covers the work they do and that a 100% increase was too much. He stated that he cringes each time he hears about federal legislators voting to give themselves a raise and that at the very least, he would prefer to see such changes only apply for the Council’s successors. **Mr. Cleworth** noted that several current Councilmembers had served together for several years and the issue had not been raised until now, in tandem with a separate proposal to increase the Mayor’s salary, which raised questions for him. He stated that service on the Council was an honor—not a job—and that he would run again even for only a \$1 stipend. He acknowledged that there are demands on Councilmembers’ time but that the non-monetary rewards for being part of the decision-making process were far greater. He spoke against advancement and recounted that many years prior the Council also received full medical insurance and that he personally heard individuals occasionally discuss running for office primarily for the benefits. He suggested that they should want people to serve because they want to help the community and reiterated that if the ordinance passes, he hopes it would only apply for those who succeed current members.

Ms. Therrien, seconded by **Ms. Sprinkle**, moved to AMEND Ordinance No. 6338 by reducing the proposed salary for Councilmembers from \$1,000 to \$750.

Ms. Therrien explained that she proposed an increase some years ago, and she believes it is an important way to encourage younger people to run for office. She discussed the difference in public service for those who are self-employed or retired and stated that the stipend is important. She suggested that \$1,000 seemed extreme and less might be easier for residents to accept.

Ms. Sprinkle agreed that she would serve for free but that the stipend is helpful, especially as a self-employed individual. She shared that she willingly spends at least 10 hours a week on Council-related work and that while she wants Councilmembers to be invested in their positions, she hopes to see the City invest in them in return.

Ms. Tidwell acknowledged that it was uncomfortable for members to discuss raising their own compensation but pointed out that approving a change that would only apply to their successors would be challenging given the different end dates of their respective terms. She noted that the stipend had been unchanged since 2007 and that while members’ time is valuable, no one would run for office for the money. She asserted that an increase was appropriate after nearly 20 years.

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO AMEND ORDINANCE NO. 6338 BY REDUCING THE PROPOSED SALARY FOR COUNCILMEMBERS FROM \$1,000 TO \$750 AS FOLLOWS:

YEAS: Sprinkle, Tidwell, Ringstad, Therrien

NAYS: Cleworth, Marney

Mayor O’Neill declared the MOTION CARRIED.

There was no additional discussion on the main motion.

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO ADVANCE ORDINANCE NO. 6338, AS AMENDED, AS FOLLOWS:

YEAS: Therrien, Tidwell, Ringstad, Sprinkle

NAYS: Marney, Cleworth

Mayor O'Neall declared the MOTION CARRIED.

- d) Ordinance No. 6339 – An Ordinance Regarding the Mayor's Compensation. Sponsored by Councilmember Tidwell.

Ms. Tidwell, seconded by **Ms. Sprinkle**, moved to ADVANCE Ordinance No. 6339.

Ms. Tidwell stated that the Mayor's salary is significantly below an appropriate level and that the discussion is important for the Council. She noted she is open to a different amount but views the Mayor's compensation as separate from Councilmember pay, given the expectation that the Mayor works full-time, which has not always been the case with past mayors. She added that if the role is treated as a full-time job, the salary should reflect that.

Ms. Therrien, seconded by **Ms. Sprinkle**, moved to AMEND Ordinance No. 6339 by reducing the proposed salary from \$136,000 to \$112,800.

Ms. Therrien explained that the amendment would equate to an increase of \$25,000 rather than \$48,200. **Ms. Sprinkle** asked if the new amount was based on a certain percentage or was just arbitrarily chosen. **Ms. Therrien** indicated that she had heard the negative community response and had chosen a lower amount as a compromise but would be open to an adjustment.

Mr. Cleworth agreed that the ordinance was not being received well by community members, including former Councilmembers. He reviewed the current compensation and benefits package of the position and noted that it is unlike any other employee at the City, with no requirement other than being elected by the voters. He pointed out that the Council has no say whether a mayor shows up to work one hour a week or 80. He recounted that the mayor's salary is public information and had never stopped people from running for office. He added that it should not be compared to other administrative positions which may require professional experience, degrees, or other training. He noted that the two candidates who ran in last year's race knew what the job paid and that neither suggested during their campaigns that the compensation would be insufficient, which made the proposal for an increase, only months after the election, concerning. **Mr. Cleworth** discussed his own term as mayor and acknowledged the financial sacrifice, which he found to be well worth the experience. He suggested that the Council pursue other changes to the mayoral compensation package, such as annual increases based on the Consumer Price Index (CPI), similar to other positions at the City. He reviewed a significant problem with the pension package, which requires five years to become vested, so only mayors who serve two terms will realize the benefit. He pointed out that regardless of whether a mayor chooses to run for a second term or runs but is not elected, they will never see a dime of the pension they and the City contributed to. He shared that four recent mayors, including himself, experienced this and that language within the contract provided a window of opportunity to remedy the problem. He suggested the Council adopt a resolution to this nature and seek mutual agreement between the parties.

Ms. Sprinkle acknowledged Mr. Cleworth's concerns. She expressed her desire to step back and do more homework on the issue so that a comprehensive review could be completed with prudent adjustments implemented rather than a lump sum raise.

Mr. Marney concurred that he had received much feedback on the proposal with no one in support of the increase. He stated that such a proposal should have been discussed with the annual budget.

Ms. Sprinkle asked what should be done with Ordinance No. 6339 if the Council wanted to pursue other options such as a change to the pension. **Mayor O'Neall** indicated that there were several options, such as voting the ordinance down, requesting the Finance Committee review the subject of mayoral compensation, or drafting a different ordinance.

Ms. Therrien asserted that the fact that nothing is refunded for unvested mayors was reason enough to warrant an increase to the position's salary. She suggested that the negative community response was likely due to the amount of the increase and that the Council should advance the ordinance with a reduced increase as proposed by the amendment.

Ms. Sprinkle spoke to Mr. Cleworth's comment that the salary had not prevented anyone from running in the past and suggested that there is no way of confirming the validity of that claim.

Mr. Cleworth asked what the overall compensation package price would be with the proposed amendment. Chief Financial Officer Bell reported that the package would equate to \$150,270.

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO AMEND ORDINANCE NO. 6339 BY REDUCING THE PROPOSED SALARY FROM \$136,000 TO \$112,800 AS FOLLOWS:

YEAS: Sprinkle, Tidwell, Therrien

NAYS: Ringstad, Cleworth, Marney

Clerk Note: Due to a conflict of interest, the Mayor did not vote on the matter.

Mayor O'Neall declared the motion FAILED.

Ms. Tidwell acknowledged that she did not see the ordinance advancing and expressed hope that the Council could work together to find other ways to bring the mayor's compensation package to a more appropriate level. She expressed her belief that the issue prevents individuals from running for office and that even if the compensation was increased based on the CPI, more would need to be done since the salary was stagnant for so many years.

Mr. Cleworth asserted that the current \$87,800 salary is a decent wage in the private sector, especially when paired with medical benefits: an overall package rate of \$124,920. He expressed agreement with community members who believe that the position is already well-compensated.

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO ADVANCE ORDINANCE NO. 6339 AS FOLLOWS:

YEAS: Therrien

NAYS: Ringstad, Cleworth, Marney, Sprinkle, Tidwell

Mayor O'Neall declared the MOTION FAILED.

WRITTEN COMMUNICATIONS TO THE CITY COUNCIL

a) Memorandum Regarding Use of Council Travel Funds

Mr. Cleworth shared his perspective of both the positive and negative aspects of the Alaska Municipal League (AML). He suggested that if the Council expanded the use of budgeted funds for a member to attend an AML conference, it should come with the caveat requiring that the Councilmember only discuss matters on which the Council had taken an official stance.

Ms. Sprinkle, seconded by **Ms. Tidwell**, moved to ACCEPT the Memorandum Regarding Use of Council Travel Funds.

Ms. Therrien shared her reasoning for wishing to attend the AML Winter Legislative Conference in February. She confirmed that she would not speak on the Council's behalf for anything that was not authorized but noted there were other items she wanted the Council to consider before then.

Mr. Marney pointed out that Mr. Ringstad was also a member of the City's Legislative Committee and that he and Ms. Therrien traveled to Juneau in 2025 for similar purposes. He asked if Mr. Ringstad would also be allowed to travel. **Mayor O'Neall** reviewed the adopted budget parameters for Council travel and clarified that the memorandum would authorize the use of the funds for one Councilmember to attend the conference, which had not been included in the original narrative. She noted that, if accepted, a budget amendment would come later. She suggested that this would be the opportunity to consider funding for a second Councilmember to make a similar trip.

Ms. Tidwell noted that there was no one to send to AML's "Newly Elected Official" training after the last election and asked if that meant there were funds available in the travel account. Attorney Chard clarified that any savings would have been in the previous budget year. **Mayor O'Neall** asked for a summary of the 2025 travel account's ending balance. CFO Bell reported that she believes the line item may have been slightly over budget but if not, it would have only had a small balance remaining. **Ms. Tidwell** suggested that the Council may not be budgeting enough for two trips for two members. She spoke in favor of the memorandum and sending Ms. Therrien to advocate for the City. She stated that funding for Mr. Ringstad should also be provided, whether to go on the same trip or separately, at another time. **Ms. Sprinkle** concurred.

Mr. Ringstad stated that he and Ms. Therrien had discussed traveling to Juneau but at a later date. He indicated that he was open to going at separate times if the Council preferred. He explained that going later in the year allows a greater focus on Fairbanks' specific needs while the AML conference focuses on AML-specific topics.

Mr. Cleworth expressed support for Ms. Therrien attending the conference but only if done within the established budget. He spoke against increasing the Council travel budget.

Attorney Chard clarified that if the memorandum was approved, it would update the budget narrative and require the Council to either accept an increase to its travel budget or agree that the proposed trip would replace another previously anticipated trip for one Councilmember. He recounted that the Council had approved Ms. Therrien and Ms. Sprinkle attending the AML Conference in December 2025 when it was determined that there would be no newly elected officials. Clerk Snider confirmed that the Council had increased its travel budget in 2025 by \$250

but did not dip into the increased amount. She pointed out that since Mr. Marney was ineligible to run for another term, there would be at least one new Councilmembers after the 2026 election.

Mayor O’Neill asked if approving the memo would automatically adjust the Council travel budget. Attorney Chard confirmed that it would not but that such would likely be incorporated into the upcoming budget amendment ordinance for the Council to consider.

Mr. Cleworth acknowledged the options outlined by Attorney Chard. He asked if Ms. Therrien was amenable to having the trip take the place of the other trip planned for later in the year. **Ms. Therrien** stated that if she had to choose, it would be more important for her and Mr. Ringstad to travel to Juneau at a later time. She indicated that she would still attend and report to the Council on the AML Legislative Committee meetings. She acknowledged that the dates of the February AML conference would make it impossible to have an approved budget amendment before travel.

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO ACCEPT THE MEMORANDUM REGARDING USE OF COUNCIL TRAVEL FUNDS AS FOLLOWS:

YEAS: Therrien, Tidwell
NAYS: Marney, Sprinkle, Cleworth, Ringstad
Mayor O’Neill declared the MOTION FAILED.

Ms. Sprinkle asked if this meant that Ms. Therrien would not be able to attend the conference. **Mayor O’Neill** clarified that she would not be able to use the Council travel budget for the trip.

b) Fourth Quarter Sole Source Purchasing Report

ACCEPTED on the CONSENT AGENDA

COMMITTEE REPORTS AND COUNCILMEMBERS’ COMMENTS

Mr. Cleworth spoke against the Governor’s recent state sales tax proposal and recounted the stance the Council had taken in the past against the issue. He stated that he intended to introduce a resolution at the next meeting to convey the Council’s opposition to the proposed tax plan.

Ms. Sprinkle congratulated the Mayor on being selected for a Fellowship hosted by the Harvard Graduate School of Design, in cooperation with the Mayors’ Institute of City Design. She reported that she would be attending her first meeting of the Economic Development Commission and that Senator Dan Sullivan would be presenting at the next meeting of the Chamber of Commerce.

Mr. Ringstad expressed his belief that sales taxes are typically meant to be a local government matter and that it would behoove the Council to discuss the issue and take an official stance on the matter, or agree to take no stance, before he and Ms. Therrien made a trip to Juneau.

Mr. Marney expressed appreciation for the Mayor’s written report. He shared that he and Mr. Ringstad attended a luncheon and were asked about the status of the RFP for the Starter Block at Lacey Street and that they had to admit they had nothing to offer. He referenced a schedule that was previously provided which showed an RFP close date of March 13, 2026. He admitted that he did not know if the schedule was still in effect but stated that if it was, time was short.

Ms. Tidwell reported on the recent Fairbanks Area Surface Transportation (FAST) Planning meeting which included new presentations involving websites with highly interactive dashboards. She shared that the Finance Committee would meet later in the week and congratulated the Mayor on being selected as one of eight mayors nationwide for the Harvard Fellowship. **Mr. Cleworth** asked Ms. Tidwell to share with the Council any updates to the Transportation Improvement Program (TIP) she learns of through FAST Planning. **Ms. Tidwell** indicated that she would.

Ms. Therrien reported on the recent Legislative Committee meeting and reviewed the various issues and legislation that had been discussed. She shared potential dates suggested by the City's lobbyist for the best time for her and Mr. Ringstad to travel to the Juneau. She also congratulated the Mayor on being selected for the Fellowship. **Mr. Cleworth** asked Ms. Therrien if she could get an update on the State's legacy debt and share it with him. **Ms. Therrien** agreed to do so.

Mayor O'Neall congratulated the firefighters of the Fairbanks area for winning the annual "Guns & Hoses" hockey match against local law enforcement. She reported that she participated in a Fairbanks Music Summit panel which focused on music's role in local economic development. She shared that the application period for the 2026 Citizens' Engagement Academy was open.

CITY CLERK'S REPORT

Clerk Snider provided additional details for the upcoming Citizens' Engagement Academy.

CITY ATTORNEY'S REPORT

Attorney Chard shared information about his and the Deputy City Attorney's involvement with the annual Martin Luther King Day Free Legal Help event. He discussed how the event was a great example of people in Fairbanks stepping up to help others in the community.

ADJOURNMENT

Ms. Tidwell, seconded by **Mr. Marney** moved to ADJOURN the meeting.

Mayor O'Neall called for objection and, hearing none, so ORDERED.

Mayor O'Neall declared the meeting adjourned at 8:40 p.m.

MINDY O'NEALL, MAYOR

ATTEST:

D. DANYIELLE SNIDER, MMC, CITY CLERK

Transcribed by: CC



800 Cushman Street
Fairbanks, AK 99701

Telephone (907) 459-6702
Fax (907) 459-6710

MEMORANDUM

TO: Mayor O'Neill and City Council Members

FROM: D. Danyielle Snider, City Clerk



SUBJECT: Alcohol License Renewal Applications

DATE: February 4, 2026

Notice has been received from the State Alcohol & Marijuana Control Office (AMCO) for the following alcohol license renewal applications:

Lic. #	DBA	License Type	Licensee	Address
4232	The Spur	Beverage Dispensary	JNJ, Inc.	537 Gaffney Road
3969	Tony's Sports Bar	Beverage Dispensary	JNJ, Inc.	537 Gaffney Road, Suite 1
703	Gavora's Fine Wine	Package Store	Market Basket, Inc.	250 3rd Street
1134	Thrifty Liquors	Package Store	Market Basket, Inc.	1410 Cushman Street

Pursuant to FGC Sec. 14-178 the Council may determine whether to protest alcohol license renewal applications after holding a public hearing. As required by FGC Sec. 14-167(b), I have sent written notice of the public hearing to the above-listed licensees.

These renewal applications were considered by the ABC Board on February 3, 2026. The City's 60-day response deadline to AMCO is February 27, 2026.

There are no department-recommended protests for these alcohol license renewal applications.

ORDINANCE NO. 6338, AS AMENDED

**AN ORDINANCE AMENDING FAIRBANKS GENERAL CODE
SEC. 2-86 SETTING COUNCIL MEMBER COMPENSATION**

WHEREAS, the following chart shows the history of the stipend received by City Council members; and

Ordinance	Year	Action
Ordinance No. 1113	1961	Councilmember salary of \$15/meeting enacted
Ordinance No. 1260	1964	Councilmember salary increased to \$150/month
Ordinance No. 3366	1975	Councilmember salary increased to \$350/month, with an expense allowance of \$150/month
Ordinance No. 3618	1977	Councilmember salary decreased to \$200/month; the expense allowance of \$150/month remained
Ordinance No. 4003	1981	Councilmember salary increased to \$500/month, and the \$150/month expense allowance was removed
Ordinance No. 4464	1985	Councilmember salary decreased to \$400/month (effective February 1, 1986)
Ordinance No. 5721	2007	Councilmember salary increased to \$500/month through a budget ordinance , effective in the 2008 City budget (codified April 2, 2022)

WHEREAS, stipends provided to councilmembers and assemblymembers with similar duties in other municipalities are significantly higher.

NOW, THEREFORE, BE IT ENACTED BY THE CITY COUNCIL OF THE CITY OF FAIRBANKS, ALASKA, as follows:

Section 1. Fairbanks General Code Sec. 2-86, Term; salary, subsection (b), is hereby amended as follows [new text in **bold/underline** font; deleted text in ~~strike through~~ font]:

Sec. 2-86. Term; salary.

* * * * *

(b) The salary of councilmembers ~~will~~ shall be **\$750.00** ~~\$500.00~~ per month.

Section 2. The effective date of this ordinance is six days after adoption; however, pursuant to Charter Sec. 2.3, the increase to the council stipend will not take effect until one year after the adoption of this ordinance.

Mindy L. O’Neill, Mayor

AYES:
NAYS:
ABSENT:
ADOPTED:

ATTEST:

APPROVED AS TO FORM:

D. Danyielle Snider, MMC, City Clerk

Thomas A. Chard II, City Attorney

CITY OF FAIRBANKS
FISCAL NOTE

I. REQUEST:

Ordinance or Resolution No: 6338

Abbreviated Title: ORDINANCE AMENDING FGC COUNCIL MEMBER COMPENSATION

Department(s): CLERKS

Does the adoption of this ordinance or resolution authorize:

- 1) additional costs beyond the current adopted budget? Yes x No
- 2) additional support or maintenance costs? Yes No x
 If yes, what is the estimate? see below
- 3) additional positions beyond the current adopted budget? Yes No x
 If yes, how many positions?
 If yes, type of positions? (F - Full Time, P - Part Time, T - Temporary)

II. FINANCIAL DETAIL:

PROJECTS:	TOTAL
COUNCIL	\$ 18,000
COUNCIL (FICA)	\$ 1,380
TOTAL	\$ 19,380

FUNDING SOURCE:	TOTAL
GENERAL FUND (OFFICE OF THE CITY CLERK)	\$ 19,380
TOTAL	\$ 19,380

Effective February 2027, Council members will receive \$750 per month, an increase of \$250 per month. This fiscal note reflects the annual increase in the budget.

Prepared by Finance Department: Initial mb Date 1/27/2026

Council/Assembly Member

A council or assembly member is an elected official who represents local residents, makes decisions on municipal policies, budgets, and services, and helps shape the development and governance of the community.

Municipality Population	Specific Job Title	Number of Employees	Lowest Compensation	Highest Compensation
City of Chignik 56	Council Member	7	\$0	\$0
City of Port Alexander 63	Councilmember	6	\$0	\$0
City of Craig 67	Council Member	6	salary- \$4 per meeting for council member	salary- \$4 per meeting for council member
City of Pelican 98	Council Member	6	\$0	\$0
City of Adak 100	Council Member	7	\$0	\$0
City of Holy Cross 165	Council Member	7	\$100 per regular meeting	\$120 per special meeting
City of Anderson 200	council member	5	\$0	\$0
City of Upper Kalskag 204	Council Member	7	\$50	\$100
City of Seldovia 254	Council Member	6	\$0	\$0
City of Whittier 272	Assembly Member		\$0	\$0
City of McGrath 290	Council Member	6	\$0	\$0
City of Huslia 323	council member	7	\$0	\$20
Koyuk 324	Council Member	6	\$250.00 Sp. Mtg	\$300.00 RMM
City of Eek 333	Council Member	6	100 per meeting	
City of Elim 341	Council member		\$100	\$200
City of Aniak 426	City Council Member	7	\$50	\$100

Council/Assembly Member

A council or assembly member is an elected official who represents local residents, makes decisions on municipal policies, budgets, and services, and helps shape the development and governance of the community.

Municipality Population	Specific Job Title	Number of Employees	Lowest Compensation	Highest Compensation
City of Russian Mission 430	City Council Member	7	\$100.00/Month.	\$200.00/Annual Meeting.
City of Saint Michael 471	Vice-Mayor	1		\$23
City and Borough of Yakutat 605	Assembly Member		\$0	\$0
City of Gustavus 655	Council Member	7	\$0	\$0
City of Kachemak 674	Council Member	7	\$0	\$0
City of Quinhagak 800	City Council	7	\$27	\$162
City of New Stuyahok 900	council members	7	187.00 salary	187.00 salary
City Of Chevak 919	City of Chevak Councilmembers	7	\$300	\$150
City of Hooper Bay 1,298	council member	7	\$100	\$200
Denali Borough 1,619	Assembly Member	7	\$200/Month	\$250/Month
Haines Borough 1,781	Assembly Member	6	\$0	\$175
City of Houston 2,214	Council Member	7	\$25.00 Special Meeting	\$75.00 Regular meeting and Special Meeting held contiguously.
City of Dillingham 2,249	Council Member	6	\$0	\$0
City of Cordova 2,316	Council Members	7	\$0	\$0
City of Dillingham 2,500	Council Member	6	\$0	\$0
City of North Pole 2,500	Council Member	6	\$500/Monthly	

Council/Assembly Member

A council or assembly member is an elected official who represents local residents, makes decisions on municipal policies, budgets, and services, and helps shape the development and governance of the community.

Municipality Population	Specific Job Title	Number of Employees	Lowest Compensation	Highest Compensation
City of Seward 2,800	Council Member	6	4,800/year	
Petersburg Borough 3,200	Assembly Member	6	150/regular meeting	\$150
Aleutians East Borough 3,538	Assembly Member	8	\$300 per meeting attended	
City of Nome 3,699	Council Member	6		\$50.00/month
City of Valdez 3,793	City Council Members	6	50 per meeting	50 per meeting
City of Utqiagvik 4,927	Council Member	6	\$50	\$50
City of Palmer 5,908	Council Member	6	\$50.00 Special Meeting	\$100.00 Regular Meeting (twice month)
City of Bethel 6,270	Council Member	7	\$0	\$0
City of Homer 6,300	Council Member	6	\$0	\$0
City of Kenai 7,746	Council Member		\$0	\$0
City of Ketchikan 8,079	City Council Member	7	\$15/hr	\$15/hr
City and Borough of Sitka 8,387	Assembly Member	6	\$250.00 per meeting	
City of Wasilla 10,501	Council Member	6	\$0	\$0
Kodiak Island Borough 13,000	Assembly Member	7	stipend	stipend
Ketchikan Gateway Borough 13,430	Assembly Member	7	\$350/mo + \$150/mtg	
City and Borough of Juneau 31,572	Assembly Member	8	\$9,000 annually	

Council/Assembly Member

A council or assembly member is an elected official who represents local residents, makes decisions on municipal policies, budgets, and services, and helps shape the development and governance of the community.

Municipality Population	Specific Job Title	Number of Employees	Lowest Compensation	Highest Compensation
Kenai Peninsula Borough 61,350	Assembly Member	9	\$400/mo - Member	\$500/mo - President
Fairbanks North Star Borough 95,655	Assembly Members	9	13,200/yr	13,200/yr
Matanuska Susitna Borough 116,313	Assembly Member	7	511.54/Bi-Weekly	
Municipality of Anchorage 290,761	Assembly Member	11	\$29	\$29

Sponsored by: Councilmember Cleworth
Councilmember Therrien
Date: February 9, 2026

RESOLUTION NO. 5200

A RESOLUTION URGING THE STATE LEGISLATURE TO REJECT PROPOSALS FOR A STATEWIDE SALES TAX

WHEREAS, the State has reserved for itself the right to impose a tax on income, thereby, leaving a sales tax as one of the revenue sources available for local governments to fund the needs of their communities; and

WHEREAS, studies have shown that sales taxes are extremely regressive; and

WHEREAS, the State government would withhold the ability for local government to determine exemptions from the sales tax collections, including such items as food, and would not provide for senior exemptions; and

WHEREAS, a statewide sales tax would be in addition to existing municipal sales taxes, significantly adding to our cost of living; and

WHEREAS, retail outlets on military bases and some internet sales would be exempt from State sales taxes and, unfortunately, would receive a benefit at the expense of local retailers; and

WHEREAS, addressing problems with exemptions, limits, auditing, and collection would require a very complicated and controversial piece of legislation; and

WHEREAS, the State plans to collect all the sales tax revenue, hiring an estimated 65 employees, bypassing local authorities who already have a collection process in effect and would be more able to determine those in default; and

WHEREAS, the Governor intends to sunset the law after ten years but wants to require that the State continue to collect sales taxes for local governments and charge for this collection effort; and

WHEREAS, the State of Alaska has failed to timely provide local governments with their portion of community assistance in the past and may also fail to provide the sales tax revenue to local governments in a timely manner.

NOW, THEREFORE BE IT RESOLVED that the Fairbanks City Council respectfully requests that the Alaska Legislature reject any proposals for a statewide sales tax; and

BE IT FURTHER RESOLVED that this resolution shall take effect upon adoption by the Fairbanks City Council and that the City Clerk is hereby directed to send a copy of this resolution to Governor Dunleavy, members of the Interior Delegation, and the Alaska Municipal League.

Mindy O’Neill, Mayor

AYES:
NAYS:
ABSENT:
ADOPTED:

ATTEST:

APPROVED AS TO FORM:

D. Danyielle Snider, MMC, City Clerk

Thomas A. Chard II, City Attorney

RESOLUTION NO. 5201

**A RESOLUTION INVITING PROPOSALS FROM QUALIFIED DEVELOPERS
INTERESTED IN REDEVELOPING CITY PROPERTY AT 123 LACEY STREET**

WHEREAS, the Polaris Building was once an iconic location with landmark dining and commerce in the heart of downtown; and

WHEREAS, the Polaris building eventually deteriorated into a blighted condition and had to be razed; and

WHEREAS, public interest in what will replace the Polaris Building at 123 Lacey Street has grown; and

WHEREAS, the City of Fairbanks sees the redevelopment of 123 Lacey Street as a cornerstone of downtown revitalization; and

WHEREAS, the former Polaris Building site redevelopment is specifically mentioned in the Downtown Fairbanks 2040 Plan; and

WHEREAS, any increased commercial activity and/or energy efficient market rate housing would be welcomed in downtown Fairbanks; and

WHEREAS, the City of Fairbanks is inviting qualified developers to provide project proposals for the City property at 123 Lacey Street.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF FAIRBANKS, ALASKA, as follows:

SECTION 1. The City of Fairbanks would prefer redevelopment that meets the following goals for downtown:

- Is financially sustainable without government assistance
- Is aesthetically pleasing
- Draws local community members to downtown
- Possibly incorporates the Lavery Transportation Center into proposal
- Is an economic anchor site in conjunction with the Downtown 2040 Plan.

SECTION 2. The City of Fairbanks will evaluate redevelopment proposals based on the following criteria:

- Amount of improvement to downtown
- Similar project history
- Financial backing and plan
- Capacity to complete the project
- Long-term financial sustainability of project.

SECTION 3. The effective date of this resolution is six days after adoption.

Mindy O’Neill, Mayor

AYES:
NAYS:
ABSENT:
ADOPTED:

ATTEST:

APPROVED AS TO FORM:

D. Danyielle Snider, MMC, City Clerk

Thomas A. Chard II, City Attorney

FAIRBANKS POLARIS SITE REDEVELOPMENT RFP

PLANNED ISSUANCE NLT DECEMBER 31, 2025 (DRAFT-10/29/25)

The City of Fairbanks is issuing this **Request for Proposals (RFP)** to secure private sector redevelopment of what is known as the recently removed and now vacant Polaris building site in downtown Fairbanks, Alaska. Qualified real estate development firms (or teams) are invited to submit proposals no later than the **end of March 31, 2026**. At its discretion, the City may select one or more proposals as a basis for exclusive negotiations leading to a development agreement with the most responsive firm.

RFP Contents

- ✓ Site Overview
- ✓ RFP Structure
- ✓ Redevelopment Goal
- ✓ Submittal Requirements
- ✓ Proposal Evaluation
- ✓ Selection & Negotiation
- ✓ Further Information
- ✓ City Council Resolution

SITE OVERVIEW

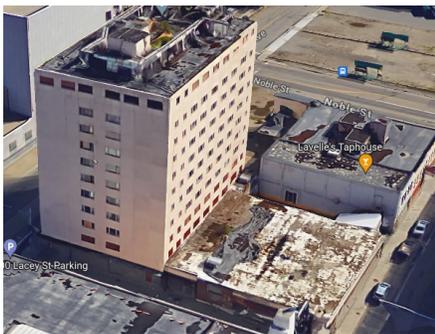
Current ownerships of the approximately 35,674 square foot on the downtown block bounded by First and Second Avenues, Lacey and Noble Streets involve 12 tax parcels comprised of:

- **City owned** parcels totaling 20,898 square feet – the former Polaris building site noted as including **City West** (13,614 square feet) and **City East** parking area (7,284 square feet).
- **Privately owned** parcels with two owners totaling 14,776 square feet situated mid-block.

The block south of the Polaris site is a City owned 377-space, 5-story parking garage with spaces that may be allocated for use by redevelopment site business and residential occupants. ~~The City of Fairbanks prefers a mixed-use development – with residential, ground floor retail/dining, office, and/or lodging use that encompasses the whole Polaris site block. Proposals for partial or whole block redevelopment will be considered.~~ The City will not be acquiring privately owned parcels. The developer will be responsible for securing any as-needed added properties.

Commented [MO1]: I don't think we need to say this as the rest of the block is owned by private owners.

Polaris Building @ Fairbanks' Tallest



Source: Google – as seen prior to demolition.

Polaris Redevelopment Site Area



Source: FNSB GIS.

I. RFP STRUCTURE

By way of introduction, this redevelopment Request for Proposal (RFP) begins by outlining document contents and supplemental materials available as background information.

RFP TOPICS

This RFP document is organized to cover the following topics:

- **Redevelopment Goal** – predicated on market/financial feasibility as preferred outcomes for the City of Fairbanks and project developer as a public-private partnership (PPP).
- **Submittal Requirements** – distinguishing between initial submittals from all Proposer(s) with follow-up responses from development firms or teams selected for further review.
- **Proposal Evaluation** – addressing Proposer conformance with threshold project requirements together with supplemental evaluation criteria.
- **Developer Selection** – as recommended by an evaluation team with City Council concurrence for either a single firm or more than one proposal to be further evaluated.
- **Exclusive Negotiations** – preferably with one development firm or team with clear benchmarks for developer deliverables leading to a final PPP development agreement.
- **Further Information** – outlining resources that prospective development firms or teams may contact or utilize in preparing proposal submittals.
- **Appendix: City Council Resolution** – as an expression of City and regional support for successful redevelopment meeting City and private sector investment objectives.

SUPPLEMENTAL MATERIALS

Being circulated in conjunction with this RFP is a summary **project prospectus** which describes this **remarkable** investment opportunity for Fairbanks as the 2nd largest city and metro region in Alaska – situated at the center of the vast Interior Alaska extending to the North Slope of the Arctic. The prospectus briefly reviews market demographics for downtown Fairbanks, the entire city, the Fairbanks North Star borough (i.e., metro area) and entire state.

Commented [M02]: editorial

Also summarized by the prospectus is an employment -profile, prospective uses with site redevelopment, preliminary development interest based on a 2024 stakeholder interview process, and development incentives potentially available to qualified projects. More detailed market data and analysis ~~is~~ for key potential uses is provided by a June 2024 **Polaris Site Redevelopment: Phase 1 Market Assessment**. This more detailed information can be provided on request per the **Further Information** section of this RFP.

Commented [M03]: Are there 2 additional materials? the Project prospectus and the Phase 1 Market Analysis?

~~Downtown demographics today are considerably different than those for the rest of the city, region and state. Whether these demographics continue or change favorably will be affected by the scope and scale of redevelopment investment in the years ahead.~~

Commented [M04R3]: Add Downtown Plan 2040

II. REDEVELOPMENT GOAL

The #1 goal for Polaris site redevelopment is to re-invigorate downtown’s residential, visitor and working population – as a catalyst for City- and borough-wide economic development.

MARKET CONTEXT

Whether and to what extent market demographics continue or change favorably going forward will be affected by the scope and scale of downtown redevelopment investment – starting with renewed private and public reinvestment in the Polaris site.

For Fairbanks and Interior Alaska, new construction coupled with subsequent operating costs often exceed what residential and commercial rents and sales values will readily support. **A pivotal challenge for reuse of the Polaris site is likely to be construction of a project that can prove out as financially viable short- and long-term. The City is supportive of innovative approaches to quality design coupled with value engineering and supportive financing.**

~~A full block mixed-use redevelopment is preferred as shown to be market and financially feasible.~~ Key “take-aways” from market data and stakeholder contacts for site reuse suggest:

- Market rate **residential** ~~can be targeted to~~ affluent seniors and working professionals ~~has been identified as a need.~~
- Downtown **retail** is enhanced with ground-floor store fronts and maybe top floor dining.
- **Office space** demand is uncertain but with opportunity for greater downtown presence.
- There may be opportunity for limited but leading-edge **event and office-lodging** product.
- The adjacent **public garage** can provide parking as needed to support site re-occupancy.

Contributed as well as occupant derived revenue will be pivotal for financial feasibility. The City of Fairbanks is **committed to support local, state and federal incentives** that will improve development feasibility without requiring direct local taxpayer funding support.

PREFERRED OUTCOMES

While not required, the following outcomes will enhance opportunity for developer **selection**:

- ~~A multi-story development with at least three of the above noted uses accommodated on-site or adjoining.~~
- ~~Full block redevelopment if adjoining private uses are acquired by the project’s private developer and combined for joint development with the City-owned parcels.~~
- Availability of low or no-cost parking in the adjoining public parking garage as needed to support 100% of on-site parking needs.

Commented [MS5]: I’m pretty sure the Council requested these in previous work sessions, but they don’t seem to want them now.

- Consideration of a below market land or site value transaction with future payback when identified financial performance benchmarks are achieved.

Commented [MS6]: This probably isn't preferred, but could be an incentive

III. SUBMITTAL REQUIREMENTS

Submittal requirements address both initial submittal and possible follow-up responses from firms selected – either as preferred developer or invited for additional consideration.

INITIAL SUBMITTALS

Interested development firms and/or project teams are invited to submit proposals encompassing the following materials. All proposals should be compiled and submitted as a single PFD electronic file document, transmitted by email to msanders@fairbanks.gov and received no later than 5 pm (AKDT) on **March 31, 2026**.

Commented [MS7]: This should go to the City Clerks

A. Cover Letter – briefly describing in no more than two pages the nature and location of the proposed project, organizational structure of the proposing firm(s), estimated project investment, incentive funding proposed, and team experience as applicable to Polaris site redevelopment. The letter should be signed by individual(s) authorized to make a binding proposal for a period of not less than 120 days from date of submittal.

B. Development Team Qualifications – should include the following information:

- 1) Name of lead firm or entity with overall authority and responsibility to undertake and complete the project being proposed, including contact information for project manager together with location of firm, website, phone and email information.
- 2) Identification of participant entities in addition to lead entity which may include (to the extent known) lead contractor and key sub-contractors, anticipated project ownership structure, entities proposed as sources of equity and debt financing, architectural design and legal counsel and other individuals or entities with significant project responsibilities.
- 3) Disclosure of the existing ownership interests in the project site and/or immediate downtown area currently and prospectively (if different) – with the proportion of ownership interests identified – together with delineation of active versus passive (or limited) partnership roles.
- 4) Lead firm and team history describing at least three similar completed projects including scale of development, single- or mixed-use occupancy, and project performance in terms of timeliness of construction, occupancy and space absorption, debt repayment, and return to project investors.

C. Site Control – with map showing proposed site location and site area in square feet (by phase if appropriate), identification of current and proposed or in-process site ownership arrangements, demonstrating planned site control for all parcels as proposed for development.

D. Project Overview – with exterior building rendering and/or massing diagram plus site plan illustrating planned building placement and key design features accompanied by narrative description of major design features on-site and in relationship to neighboring uses, together

with current and anticipated transportation access. *Note:* More detailed architectural and design plans will be reviewed if submitted, but are not required by this RFP for initial proposal submittals.

E. Detailed Project Description – addressing the following items:

- Estimated square footage and number of levels of building area by use component, ~~as outlined for mixed use development.~~
 - 1) Preliminary estimate or range of development cost – itemized to cover all relevant cost categories including site acquisition, site/infrastructure, building construction, and indirect/soft costs.
 - 2) Anticipated phasing of development if project is to be built in two or more phases, including square footage and development cost associated with each phase.
- Parking ~~spaces planned with the proposed development – detailed by building use, including potential use of existing nearby available parking plus added spaces anticipated plan~~ as consistent with recognized parking standards.
 - 3) Development intensity with floor area ratio (FAR) calculations (defined as gross building area divided by site area) for portion(s) of site to be built – by phase.
 - 4) Existing site or neighboring uses that may be displaced – directly in conjunction with project construction and occupancy with completed development including conditions and timing of the planned displacement and provisions for replacement or mitigation.

F. Preliminary Market & Financial Feasibility – assessment is requested to be submitted with all project proposals addressing:

- 1) Summary of marketing program planned for tenant leasing and/or condominium sales including identification of generalized target markets for each distinct use category.
- 2) Preliminary listing of projected distinct sources and uses of capital as with anticipated equity (including private and contributed non-profit or public funds) during phased construction coupled with on-site revenue projected by normalized occupancy post-construction – identifying likely remaining gaps in project financing as needed to be addressed for feasibility going forward.
- 3) Estimated capitalized valuation on end-use occupancy based on construction cost, operating income/expense and capitalization rates as applicable to comparable commercial and mixed-use properties for the Fairbanks and wider Alaska market.*
- 4) Proposer submitted arrangement for submittals of financial information requested to be held as proprietary and confidential with initial proposal submittals – to be reviewed only by City designees as agreed to with proposer and City and subject to legal review (in advance). If Proposer declines to submit F (1-4) requested items, the City at its discretion may choose to exclude the Proposer’s Proposal from further consideration.**

- 5) Other conditions and/or contingencies with potential to materially affect the ability to proceed with the project as proposed, including proposed changes to stipulations of this RFP for which the City is under no obligation to accept in whole or part.**

G. Follow-up Clarifications & Verifications – may be requested for one or more proposals selected by the City for further review prior to or in conjunction with developer selection – with additional information expected to cover any or some combination of the following items:

- 1) Clarification and/or provision of further information requested by the City as follow-up to review of initial proposal submittals.
- 2) Verification of anticipated availability of debt and equity financing including letters of interest or preliminary commitment from potential sources of financing including statement of sources of equity (including private and contributed no-profit or public funds) – allocated by ownership interest.
- 3) Revised and refined listing of detailed sources and uses of project funding through to normalized occupancy.
- 4) Provision of CPA-prepared or audited financial statements including balance sheet, income/expense statement, and cash flow for all identified or relevant individual, joint and corporate ownership interests and/or federal tax returns as submitted for the past two years (with determination of specific documents to be reviewed as agreed to by Proposer and City in advance).
- 5) For any project proposal recommended as being selected for exclusive negotiations, submittal of items G (1-4) may be required subject to provisions related to confidentiality and/or public release by the parties – including City review as appropriate in executive session and/or via independent 3rd party review. For item G (4), Proposer(s) should describe what information would be publicly disclosed versus withheld as part of its initial submittal. Some form of negotiated public disclosure is anticipated to be required prior to execution of a final development agreement.**

ADDITIONAL FOLLOW-UP RESPONSES & REVIEW

Following the project evaluation review (described in the next section of this RFP), the City will have the option of selecting a single preferred developer or may, at ~~may~~ its discretion, identify added Proposers for further consideration. For firms selected as preferred developer or for further consideration, yet additional supplemental materials may be requested either to provide clarification with regard to initial submittals and/or to obtain added information viewed by the City as pertinent to selecting a preferred development team.

The City will work with the affected Proposer(s) with the goal of reaching agreement on supplemental materials to be submitted. In the event that agreement cannot be reached within a time frame set by the City, the Proposer may at City discretion be disqualified from further consideration without any further obligation to the Proposer.

IV. PROPOSAL EVALUATION

Proposals received will be reviewed and evaluated by a City-designated evaluation committee of individuals having no identified conflict of interest with any of the Proposers from whom development proposals have been received. As described below, all identified threshold project requirements must be met or the proposal may be disregarded at the sole discretion of the City.

THRESHOLD PROJECT REQUIREMENTS

The following are threshold (or minimum) requirements which must be met for a project proposal to be considered:

- Commitment to complete redevelopment of the City West publicly owned Polaris site.
- ~~A minimum level of mixed use (with at least two of the uses as specified in discussion of Market Context) including ground floor publicly accessible occupancies.~~
- ~~A minimum 1.5 floor area ratio (or FAR defined as building square footage divided by site square footage) to assure at least two floors of building development with developer discretion as to how building space is allocated on each floor of proposed building area.~~
- Waiver of building and developer fees (as currently available) possibly in conjunction with waiver of other fees (which currently are not being generated at this site) but as may be demonstrated necessary to achieve a financially feasible project.
- No permanent use of the City-owned West ~~or East sites~~ for at-grade surface parking.
- If not developed concurrent with the Polaris (City West) site, provision for public parking on the City East site for added parking as may be needed on an interim basis terminating at time of City East site redevelopment.
- Requiring construction to commence within 12 months of developer selection unless the selected developer can propose an alternative timeline with rationale for modification.
- Identification of development incentives important to project feasibility (excluding any direct outlays of local taxpayer funding) – including documentation of agency contacts with responsibility for considering incentives deemed as potentially pivotal to project feasibility.**

Commented [MS8]: We wouldn't require mix use if there was an unique commercial opportunity (Target, Trader Joe, etc)

Commented [M09]: This section was worded a bit oddly to me. I wasn't sure if the city was offering to waive fees or pointing out that it was a possibility if the applicant requests.

While compliance with these threshold criteria is required for a proposal to be considered further, these commitments alone will not assure any Proposer of being selected. Supplemental criteria as outlined below will also be taken into consideration at the sole discretion of the City.

SUPPLEMENTAL EVALUATION CRITERIA

Supplemental criteria include both objective and subjective determinations to be made at the discretion of the City's Project Evaluation Committee. These criteria will involve evaluations as to whether and to what extent the Proposers submittal can be expected to:

- Meet applicable legal requirements of City code, state statute and federal law including findings that the project funding is for a valid public use and/or purpose – as determined by the City attorney and/or other legal reviewers such as bond counsel acting on behalf of the City.**
- Be consistent with adopted public policy including applicable provisions of the FNSB Comprehensive Plan, Zoning Code and Downtown Fairbanks 2040 Plan.
- Meet community criteria for market need, competitive advantage, public benefit, plan consistency, stimulation of added investment, and/or enhanced community image.
- Successful project history (with experience in Alaska and/or elsewhere on the west coast of the U.S. and Canada).
- Stipulations of City engineer related to qualifications of firm, project manager and staff, quality and value of design, scheduling and overall conformance to RFP.
- Financial backing and plan (covering refined anticipated sources and uses of funding).
- Conformance to availability of realistically available incentive funding with and no impact to the City's General Fund tax-based resources.
- Capacity to complete the project (including contingency and backstop funding sources in event that full project funding does not occur as initially proposed).
- Long-term financial sustainability of project with end-use capitalized valuation at least equal to all-in cost with supporting operating pro forma at normalized occupancy – also with adjustments if necessary to account for significant changes in expected income and/or expense beyond initial normalized occupancy extending over up to a 20-year net present value (NPV) period at a discount rate consistent with risk-adjusted capitalization rates typical for similar projects locally and statewide.*

Commented [MO10]: add as supplemental materials

PRELIMINARY & FOLLOW-UP REVIEWS

The City of Fairbanks Project Evaluation Committee will review all proposals received for conformance to threshold project requirements and consistency with supplemental evaluation criteria, subject to City Council review and approval.

Up to three development firms/teams will be interviewed followed by preliminary selection of 1-3 proposals for further evaluation. Recommended selection of a preferred development firm (or team) will be made based on both written and oral presentations – utilizing the above noted criteria plus any additional factors determined as appropriate and consistent with this RFP.

V. SELECTION & NEGOTIATION

Selection of a preferred development team will be made based on review of formal RFP responses ~~(assuming interest from two or more parties) or more informally (if interest is forthcoming only from a single qualified party)~~. Developer deliverables over the term of an exclusive negotiation period are expected to:

Commented [MO11]: Even if only one proposer, it should be reviewed by an identified team.

- Further detail proposed uses for redevelopment of City-identified available Polaris site (including site and floor plans, and perspective rendering(s).
- Confirm responsibilities of lead developer and other firms/individuals as participants with the full development team.
- Provide current and recent financial statements (P&L, balance sheet) for the lead firm (maintaining confidentiality as mutually determined).**
- Provide a refined line-item preliminary development budget (covering land/site acquisition, hard construction and soft costs).
- Provide estimates for anticipated sources of funds (including incentive offsets, if any) and backstop financing in the event that anticipated sources do not fully materialize.
- Provide confidential year-by-year operating pro forma projections from project opening to normalized end-use occupancy.**
- Provide a refined end-use capitalized valuation and/or 20-year NPV calculation subject to independent third-party review demonstrating valuation exceeding all-in project costs.**
- Outline anticipated timeline from planning/design to construction and occupancy – including performance targets as conditions for project planning and completion.
- Make a good faith deposit with cashiers check, certified check or letter of credit.***
- Identify other terms and conditions associated with a purchase and sale agreement (or related transaction) together with determination of items subject to public disclosure or confidentiality with the City – as appropriate prior to start of construction.**

Assuming satisfactory compliance with developer deliverables, the selected development team(s) would proceed pursuant to a **refined development agreement** (or term sheet) to prepare detailed plans and submittals as mutually agreed which the City will review as a basis for subsequent plan and agreement finalization. The result should be a **final PPP development agreement** between the City and selected Proposer.**



VI. FURTHER INFORMATION

For further information or questions regarding any aspect of this development RFP and associated development prospectus, please contact:

Michael Sanders
Chief of Staff
City of Fairbanks

Phone: 907-459-6760
Mobile: 907-687- 2362
Email: msanders@fairbanks.gov

Or

Eric Hovee
Redevelopment Consultant
E. D. Hovee & Company, LLC

Phone: 360-921-6430
Email: ehovee@edhovee.com

Notes Applicable to All Proposals:

- * Information on commercial, residential and mixed-use sales pricing, rents and expenses is typically available from local real estate brokerage sources. Capitalization (cap) rate data is not widely available for properties outside Anchorage. The 2024 Phase 1 market assessment assumed cap rates of about 7.00% for residential and 8.00% for commercial development. Per Copilot AI inquiry of September, 2025, multi-family residential cap rates for the Fairbanks area range from about 5.0%- 6.4% depending on asset class with the lowest rate (of down to 4.74%) for some Class A properties. These reflect a slight compression trend in 2025, albeit with investor interest remaining strong despite higher financing costs. Cap rates for retail properties range from about 7.60% to 8.43% depending on location, tenant mix and asset quality (inferred from retail and multifamily data in the area). Specific rates are less frequently published but Copilot indicates office and special purpose properties are trending higher (at 8.5-9.6%) due to vacancy and valuation pressures. Cap rates applied by project Proposers for proposal valuation estimates should be justified as consistent with current local and regional practice as well as changing national conditions to the extent reasonable and possible.
- ** City Council executive session(s) or independent 3rd party review may serve to resolve proprietary or disclosure questions – as mutually agreed by the parties. If a selected Proposer declines to submit City requested items, the City at its discretion may choose to exclude the Proposer’s Proposal from further consideration and have the optional right to select a runner-up for exclusive negotiations or re-start a developer RFP process at a time of the City’s exclusive determination without any further obligation to disqualified Proposer(s).
- *** Good faith deposit by preferred or selected developer is planned to be in the amount of at least \$50,000 or otherwise be mutually determined. If the project proceeds, the deposit may be credited to developer incurred project costs. If the project is terminated through no fault of the developer, the deposit may be returned in full (or as otherwise agreed).

Commented [MO12]: Is there an actual source we can attribute this to, other than AI?

Add Design Criteria which raises quality of design concepts and alignment with public space goals.

Add weighted community/design scoring to encourage holistic proposals.

Highlight design wishes and humanize language to attract design-driven respondents.

Consider a two-stage submittal process to broaden applicant pool, and allow for smaller local teams. Current process requires heavy upfront asks that may discourage proposals.

Provide references to specific incentives in a clear, itemized list to reduce perceived risk, show mutual buy-in. Add the potential of free parking in the parking garage.

Consider adding to the evaluation criteria to further incentivize a higher Floor Area Ratio (FAR).

Add in FNSBC 8.08 and 8.12 to broaden out investment prospectus/incentive and include the FNSB mayor's desired revamp of the housing exemption that sunset under 8.12.045.

For zoning, parking or subdivision questions, include Kellen Spillman, FNSB Community Planning Director as a contact.

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APPENDIX. CITY COUNCIL RESOLUTION

Recommended is inclusion of a 1-2 page City Council resolution inviting proposals from qualified developers with knowledge of the statewide and interior Alaska market including the Fairbanks FNSB or metro area. State the importance of the project as a catalyst for downtown redevelopment – as a good place to live, shop, work and enjoy. Include reference to key incentives most viable for consideration – both those of City and other public/private partners.

Councilmember Sprinkle DRAFT

FAIRBANKS POLARIS SITE REDEVELOPMENT RFP PLANNED ISSUANCE NLT DECEMBER 31, 2025 (DRAFT-11/21/25)

The City of Fairbanks is issuing this **Request for Proposals (RFP)** to secure private sector redevelopment of what is known as the recently removed and now vacant Polaris building site in downtown Fairbanks, Alaska. Qualified real estate development firms (or teams) are invited to submit proposals.

SITE OVERVIEW

Current ownerships of the approximately 35,674 square foot on the downtown block bounded by First and Second Avenues, Lacey and Noble Streets involve 12 tax parcels comprised of:

- **City owned** parcels totaling 20,898 square feet – the former Polaris building site noted as including **City West** (13,614 square feet) and **City East** parking area (7,284 square feet).
- **Privately owned** parcels with two owners totaling 14,776 square feet situated mid-block.

The block south of the Polaris site is a City owned 377-space, 5-story parking garage with spaces that may be allocated for use by redevelopment site business and residential occupants. The City of Fairbanks prefers a mixed-use development – with residential, ground floor retail/dining, office, and/or lodging. Proposals for partial or whole block redevelopment will be considered.

Polaris Building @ Fairbanks' Tallest



Source: Google – as seen prior to demolition.

Polaris Redevelopment Site Area



Source: FNSB GIS.

I. RFP STRUCTURE

By way of introduction, this redevelopment Request for Proposal (RFP) begins by outlining document contents and supplemental materials available as background information.

RFP TOPICS

This RFP document is organized to cover the following topics:

- **Redevelopment Goal** – a catalyst for economic development.
- **Submittal Requirements** – distinguishing between initial submittals from all Proposer(s) with follow-up responses from development firms or teams selected for further review.
- **Proposal Evaluation** – addressing Proposer conformance with threshold project requirements together with supplemental evaluation criteria.
- **Developer Selection** – as recommended by an evaluation team with City Council concurrence for either a single firm or more than one proposal to be further evaluated.
- **Exclusive Negotiations** – preferably with one development firm or team with clear benchmarks for developer deliverables to a final agreement.
- **Further Information** – outlining resources that prospective development firms or teams may contact or utilize in preparing proposal submittals.
- **Appendix: City Council Resolution** – as an expression of City and regional support for successful redevelopment meeting City and private sector investment objectives.

SUPPLEMENTAL MATERIALS

Redevelopment: Phase 1 Market Assessment is attached.

Attached is a plot plan (a digital file is available upon request).

CITY-PROVIDED INCENTIVES

- Sale of indicated property for \$1.00 at substantial completion.
- Ground lease for \$1.00 for up to 3 years during development.
- 15-year City property tax abatement
- Waiver of all City Building Department fees
- Waiver of Right-of-Way permits.
- If not complete by December 2028, these incentives will be available.

II. REDEVELOPMENT GOAL

The #1 goal for Polaris site redevelopment is to re-invigorate downtown’s residential, visitor and working population – as a catalyst for City- and borough-wide economic development.

MARKET CONTEXT

General Scope; community demand for residential and ground floor retail and potential restaurant spaces.

For Fairbanks and Interior Alaska, new construction coupled with subsequent operating costs often exceed what residential and commercial rents and sales values will readily support. **A pivotal challenge for reuse of the Polaris site is likely to be construction of a project that can prove out as financially viable short- and long-term. The City is supportive of innovative approaches to quality design coupled with value engineering and supportive financing.**

A full-block **mixed-use redevelopment** is suggested as to be beneficial to the community. Key “take-aways” from market data and stakeholder contacts for site reuse suggest:

- Market rate **residential** can be targeted to affluent seniors and working professionals.
- Downtown **retail** is enhanced with ground-floor store fronts.
- Food and dining establishments — with a potential for a top floor restaurant.
- **Office space** demand is uncertain but with opportunity for greater downtown presence.
- The adjacent **public garage** can provide parking as needed to support site re-occupancy.

Contributed as well as occupant derived revenue will be pivotal for financial feasibility. The City of Fairbanks will provide incentives that improved development feasibility. The City is also committed to support local, state, and federal incentives.

PREFERRED OUTCOMES

While not required, the following outcomes will enhance opportunity for developer selection:

- A multi-story development with uses noted above.
- Availability of low or no-cost use of parking in the adjoining public parking garage as needed to support of on-site parking needs. Minimus use of at grade parking on site.
- A clear sale of the lot with no City involvement after development is completed.
- Active use of property for people — no uses like warehousing or parking lots.

III. SUBMITTAL REQUIREMENTS

Submittal requirements address both initial submittal and possible follow-up responses from firms selected – either as preferred developer or invited for additional consideration.

INITIAL SUBMITTALS

Interested development firms and/or project teams are invited to submit proposals encompassing the following materials. All proposals should be compiled and submitted as a single PFD electronic file document, transmitted by email to msanders@fairbanks.gov and received no later than 5 pm (AKDT) on ~~March 31, 2026~~. February 17, 2026.

A. Cover Letter – briefly describing in no more than two pages the nature and location of the proposed project, organizational structure of the proposing firm(s), estimated project investment and team experience as applicable to Polaris site redevelopment. The letter should be signed by individual(s) authorized to negotiate with the City.

B. Development Team Qualifications – should include the following information:

- 1) Name of lead firm or entity with overall authority and responsibility to undertake and complete the project being proposed, including contact information for project manager together with location of firm, website, phone and email information.
- 2) Identification of participant entities in addition to lead entity which may include (to the extent known) lead contractor and key sub-contractors, anticipated project ownership structure, entities proposed as sources of equity and debt financing, architectural design and legal counsel and other individuals or entities with significant project responsibilities.
- 3) Lead firm and team history describing at least three similar completed projects including scale of development, single- or mixed-use occupancy, and project performance in terms of timeliness of construction, and occupancy.

C. Site – with map showing proposed site location and site area in square feet (by phase if appropriate), identification of current and proposed or in-process site ownership arrangements, demonstrating planned site control for all parcels as proposed for development.

D. Exterior Elevation – with exterior building rendering and/or massing diagram showing general concept of development.

E. Detailed Project Description – addressing the following items:

- 1) Estimated square footage and number of levels of building area by use.
- 2) Preliminary estimate or range of development cost.
- 3) Anticipated schedule and phasing of development if project is to be built in two or more phases, including square footage and development cost associated with each phase.

- 4) Parking spaces planned with the proposed development – including use of existing nearby available parking.
- 5) Existing infrastructure or adjacent private property that would be impacted by the project.

F. Preliminary Market & Financial Feasibility – assessment is requested to be submitted with all project proposals addressing:

- 1) Preliminary listing of projected sources of capital and financing with anticipated equity. Identifying likely remaining gaps in project financing as needed to be addressed for feasibility going forward.
- 2) Preliminary list of local, State, Federal, and private incentives that may be used for this project.

ADDITIONAL FOLLOW-UP RESPONSES & REVIEW

Follow-up Clarifications & Verifications – may be requested for one or more proposals selected by the City for further review:

- 1) Verification of anticipated availability of debt and equity financing including letters of interest or preliminary commitment from potential sources of financing including statement of sources of equity.

IV. PROPOSAL EVALUATION

Proposals received will be reviewed and evaluated by a City-designated evaluation committee of individuals having no identified conflict of interest with any of the Proposers from whom development proposals have been received. As described below, all identified threshold project requirements must be met or the proposal may be disregarded at the sole discretion of the City.

THRESHOLD PROJECT REQUIREMENTS

The following are threshold (or minimum) requirements which must be met for a project proposal to be considered:

- An active use available to the general public
- At least 50% of site should be built structure.
- Parking not in excess of one space per 1,000 square feet of building.
- Requiring construction to be completed by end of December 2028.
- At least \$3M investment.
- Provide a development bond.

While compliance with these threshold criteria is required for a proposal to be considered further, these commitments alone will not assure any Proposer of being selected.

SUPPLEMENTAL EVALUATION CRITERIA

Supplemental criteria include both objective and subjective determinations to be made at the discretion of the City's Project Evaluation Committee. These criteria will involve evaluations as to whether and to what extent the Proposers submittal can be expected to:

- Meet community criteria for market need, public benefit, stimulation of added investment, and/or enhanced community image.
- We are evaluating the project as to whether or not it's consistent with public policy.
- Successful project history (with experience in Alaska and/or elsewhere on the west coast of the U.S. and Canada).
- Reviewing qualifications of firm, project manager and staff, quality and value of design, and scheduling.
- Financial backing and plan.
- Use of City incentives

PRELIMINARY & FOLLOW-UP REVIEWS

The City of Fairbanks Project Evaluation Committee will review all proposals received for conformance to threshold project requirements and consistency with supplemental evaluation criteria, subject to City Council review and approval.

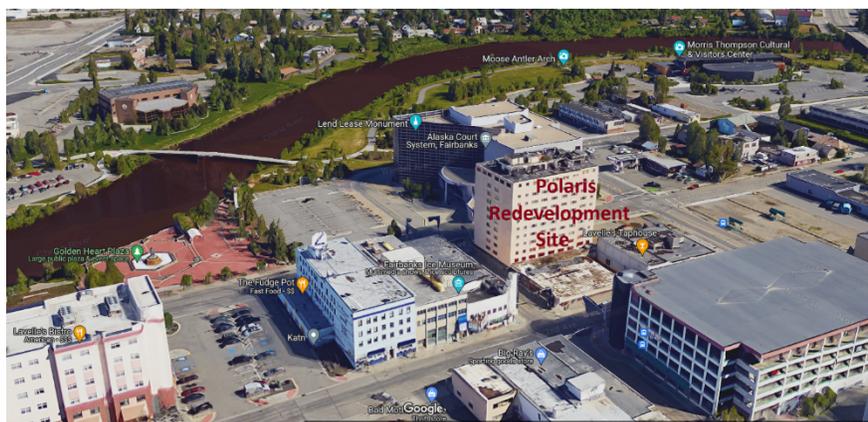
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V. SELECTION & NEGOTIATION

Selection of a preferred development team will be made based on review of formal RFP responses (assuming interest from two or more parties) or more informally (if interest is forthcoming only from a single qualified party). Developer deliverables over the term of an **exclusive negotiation period** are expected to:

- Further detail proposed uses for redevelopment of City-identified available Polaris site (including site and floor plans, and perspective rendering(s).
- Confirm responsibilities of lead developer and other firms/individuals as participants with the full development team.
- Provide current and recent financial statements (P&L, balance sheet) for the lead firm (maintaining confidentiality as mutually determined).**
- Provide a refined line-item preliminary development budget (covering land/site acquisition, hard construction and soft costs).
- Provide estimates for anticipated sources of funds (including incentive offsets, if any) and backstop financing in the event that anticipated sources do not fully materialize.
- Provide confidential year-by-year operating pro forma projections from project opening to normalized end-use occupancy.**
- Provide a refined end-use capitalized valuation and/or 20-year NPV calculation subject to independent third-party review demonstrating valuation exceeding all-in project costs.**
- Outline anticipated timeline from planning/design to construction and occupancy – including performance targets as conditions for project planning and completion.
- Make a good faith deposit with cashiers check, certified check or letter of credit.***
- Identify other terms and conditions associated with a purchase and sale agreement (or related transaction) together with determination of items subject to public disclosure or confidentiality with the City – as appropriate prior to start of construction.**

Assuming satisfactory compliance with developer deliverables, the selected development team(s) would proceed pursuant to a **refined development agreement** (or term sheet) to prepare detailed plans and submittals as mutually agreed which the City will review as a basis for subsequent plan and agreement finalization. The result should be a **final agreement** between the City and selected Proposer.**



VI. FURTHER INFORMATION

For further information or questions regarding any aspect of this development RFP and associated development prospectus, please contact:

Michael Sanders
Chief of Staff
City of Fairbanks

Phone: 907-459-6760
Mobile: 907-687- 2362
Email: msanders@fairbanks.gov

Or

Eric Hovee
Redevelopment Consultant
E. D. Hovee & Company, LLC

Phone: 360-921-6430
Email: ehovee@edhovee.com

APPENDIX. CITY COUNCIL RESOLUTION

Recommended is inclusion of a 1-2 page City Council resolution inviting proposals from qualified developers with knowledge of the statewide and interior Alaska market including the Fairbanks FNSB or metro area. State the importance of the project as a catalyst for downtown redevelopment – as a good place to live, shop, work and enjoy. Include reference to key incentives most viable for consideration – both those of City and other public/private partners.

RESOLUTION NO. 5202

A RESOLUTION AUTHORIZING THE CITY OF FAIRBANKS TO APPLY FOR FUNDS FROM THE UNITED STATES DEPARTMENT OF TRANSPORTATION FOR THE FFY2026 BETTER UTILIZING INVESTMENTS TO LEVERAGE DEVELOPMENT (BUILD) GRANT PROGRAM FOR ISLAND HOMES SUBDIVISION RECONSTRUCTION

WHEREAS, the Better Utilizing Investments to Leverage Development (BUILD) Grant program provides the United States Department of Transportation a unique opportunity to invest in projects that will have a significant local or regional impact and improve transportation infrastructure; and

WHEREAS, the City of Fairbanks plans to apply for funds to reconstruct roads, sidewalks, and improve drainage in the Island Homes subdivision; and

WHEREAS, the City of Fairbanks plans to request \$21,000,000 and a match is not required. Contingency funds are required in the amount of \$2,300,000; and

WHEREAS, the City of Fairbanks will provide contingency funds in the amount of \$1,500,000 and Golden Heart Utilities intends to provide contingency funds in the amount of \$800,000.

NOW, THEREFORE, BE IT RESOLVED by the City Council that the Mayor or her designee is authorized to execute any and all documents required for requesting funds on behalf of the City for the Better Utilizing Investments to Leverage Development (BUILD) grant.

Mindy L. O'Neall, City Mayor

AYES:
NAYS:
ABSENT:
APPROVED:

ATTEST:

APPROVED AS TO FORM:

D. Danyielle Snider, MMC, City Clerk

Thomas A. Chard II, City Attorney

CITY OF FAIRBANKS
FISCAL NOTE

I. REQUEST:

Ordinance or Resolution No: 5202

Abbreviated Title: BUILD Grant Program - Island Homes Reconstruction

Department(s): Engineering

Does the adoption of this ordinance or resolution authorize:

- 1) additional costs beyond the current adopted budget? Yes _____ No X
- 2) additional support or maintenance costs? Yes _____ No X
 If yes, what is the estimate? _____
- 3) additional positions beyond the current adopted budget? Yes _____ No X
 If yes, how many positions? _____
 If yes, type of positions? _____ (F - Full Time, P - Part Time, T - Temporary)

II. FINANCIAL DETAIL:

PROJECTS:	Total
Island Home Subdivision Reconstruction (Roads, Sidewalks, Drainage and Utilities)	\$21,000,000
Island Home Subdivision Reconstruction (Contingency Fund)	\$2,300,000
TOTAL	\$23,300,000

FUNDING SOURCE:	Total
Grant Fund (Federal)	\$21,000,000
Capital Fund	\$1,500,000
Grant Fund (GHU)	\$800,000
TOTAL	\$23,300,000

The total project cost is estimated at \$21,000,000. The City will use \$1,500,000 from the Capital Fund designated as a grant match for contingency funds, these funds are for potential cost overruns that may be experienced during the project. Golden Heart Utilities will provide \$800,000 in contingency funds for utility work included in the project.

Reviewed by Finance Department: Initial SF Date 1/7/2026

BUILD 2026 Grant – Island Homes Reconstruction

Funding

- Requesting: \$21 million
- No match required
- 10% Contingency funding required
 - City to provide \$1.5 million
 - GHU to provide \$800,000

Scope of Work

- Asphalt roadway replacement,
- Installation and replacement of sidewalk within the subdivision,
- Installation of traffic calming devices such as speed humps and speed radar signs
- Installation of new storm drain on the west side of the neighborhood that does not currently have storm drains,
- Replacement of existing steel water mains with ductile iron pipe, including replacement of water services to ROW,
- Replacement of existing wood stave sewer mains with ductile iron pipe, including replacement of sewer services to ROW,
- Installation of inlaid MMA pavement markings,
- Replacement of street light poles and luminaires, and
- Installation of wayfinding elements such as neighborhood gateway signage





January 8, 2026

Margarita Bell, Chief Financial Officer *(via electronic transmittal)*
City of Fairbanks
Finance Department
800 Cushman St.
Fairbanks AK 99701

Re: Golden Heart Utilities, Inc. Contingency Commitment, City of Fairbanks 2026 BUILD Grant Program Application – Island Home Reconstruction Project.

Dear Ms. Bell:

I write on behalf of Golden Heart Utilities, Inc. (GHU) to affirm GHU's conditional commitment to make available \$800,000 to back up potential cost overrun contingency expenses that may arise in connection with the 2026 Island Home Reconstruction Project, the subject of that grant application being made by the City of Fairbanks under the Infrastructure Investment and Jobs Act (Pub. L. 117-58, Nov. 15, 2021 "Bipartisan Infrastructure Law," or "BIL").

It is GHU's understanding that the City of Fairbanks has included the relocation of water and wastewater infrastructure within the project area as necessary to the project and part of the project cost, and that the estimated cost of that work is \$8 million USD.

If the City's 2026 application is approved, and the water and wastewater relocation components are funded as part of the grant, then GHU will make available funds in the amount of 10% of the grant funds allocated for the construction of those components, up to \$800,000, to pay for cost overruns connected with those services on that project.

We look forward to participating in this exciting project.

Regards,

Oran Paul
President

CC: Bob Pristash
Kirsten Loaiza
Sarah Fuerst

ORDINANCE NO. 6340

**AN ORDINANCE AMENDING THE 2026 OPERATING
AND CAPITAL BUDGETS FOR THE FIRST TIME**

WHEREAS, this ordinance incorporates the changes outlined on the attached fiscal note to amend the 2026 operating and capital budget.

NOW, THEREFORE, BE IT ENACTED BY THE CITY COUNCIL OF THE CITY OF FAIRBANKS, ALASKA, as follows [amendments shown in **bold** font; deleted text in ~~font~~]:

SECTION 1. There is hereby appropriated to the 2026 General Fund and Capital Fund budgets the following sources of revenue and expenditures in the amounts indicated to the departments named for the purpose of conducting the business of the City of Fairbanks, Alaska, for the fiscal year commencing on January 1, 2026 and ending December 31, 2026 (see pages 2 and 3) [amendments shown in **bold** font; deleted text or amounts in ~~font~~]:

GENERAL FUND

<u>REVENUE</u>	APPROVED APPROPRIATION	INCREASE (DECREASE)	PROPOSED APPROPRIATION
Taxes (all sources)	\$ 29,686,055	\$ -	\$ 29,686,055
Charges for Services	6,895,700	-	6,895,700
Intergovernmental Revenues	3,612,630	-	3,612,630
Licenses and Permits	2,313,060	-	2,313,060
Fines and Forfeitures	526,500	-	526,500
Interest and Penalties	1,625,000	-	1,625,000
Rental and Lease Income	143,659	-	143,659
Other Revenues	250,000	-	250,000
Total revenue appropriation	<u>\$ 45,052,604</u>	<u>\$ -</u>	<u>\$ 45,052,604</u>
 <u>EXPENDITURES</u>			
Mayor Department	\$ 995,400	\$ 32,000	\$ 1,027,400
Legal Department	271,210	-	271,210
Office of the City Clerk	655,630	-	655,630
Finance Department	1,049,700	-	1,049,700
Information Technology	3,220,000	309,645	3,529,645
General Account	6,959,000	258,624	7,217,624
Police Department	8,970,500	889	8,971,389
Communications Center	3,597,570	-	3,597,570
Fire Department	11,145,310	146,860	11,292,170
Public Works Department	10,830,190	158,865	10,989,055
Engineering Department	1,210,930	-	1,210,930
Building Department	834,470	-	834,470
Total expenditure appropriation	<u>\$ 49,739,910</u>	<u>\$ 906,883</u>	<u>\$ 50,646,793</u>
 <u>OTHER FINANCING SOURCES (USES)</u>			
Transfer from Permanent Fund	\$ 5,940,486	\$ 27,028	\$ 5,967,514
Transfer to Capital/Risk Fund	(663,508)	-	(663,508)
Transfer to Capital Fund (Council)	-	(1,067,873)	(1,067,873)
Sale of capital assets	250,000	-	250,000
Total other financing appropriation	<u>\$ 5,526,978</u>	<u>\$ (1,040,845)</u>	<u>\$ 4,486,133</u>
2025 estimated unassigned fund balance	\$ 11,050,507	\$ 2,628,156	\$ 13,678,663
Prior year encumbrances	-	(514,393)	(514,393)
Transfers to other funds	-	(1,067,873)	(1,067,873)
Other changes to the budget	839,672	(365,462)	474,210
2026 estimated unassigned fund balance	<u>\$ 11,890,179</u>	<u>\$ 680,428</u>	<u>\$ 12,570,607</u>

Minimum unassigned fund balance requirement is 20% of budgeted annual expenditures but not less than \$10,000,000. 20% of budgeted annual expenditures is \$ 10,129,359

CAPITAL FUND

REVENUE	APPROVED APPROPRIATION	INCREASE (DECREASE)	PROPOSED APPROPRIATION
Property Repair & Replacement	\$ 150,000	\$ -	\$ 150,000
Public Works	300,000	-	300,000
IT	75,000	-	75,000
Police	300,000	-	300,000
Communications Center	140,000	-	140,000
Fire	250,000	-	250,000
Building	10,000	-	10,000
Total revenue appropriation	\$ 1,225,000	\$ -	\$ 1,225,000
EXPENDITURES			
Property Repair & Replacement	\$ 2,612,041	\$ 4,411,294	\$ 7,023,335
Public Works Department	286,000	953,497	1,239,497
Garbage Equipment Reserve	180,000	-	180,000
IT Department	113,300	33,011	146,311
Police Department	300,000	51,317	351,317
Communications Center	1,596,960	-	1,596,960
Fire Department	844,000	754,892	1,598,892
Engineering Department	23,000	-	23,000
Road Maintenance	1,480,000	512,725	1,992,725
Building Department	-	32,820	32,820
Total expenditure appropriation	\$ 7,435,301	\$ 6,749,556	\$ 14,184,857
OTHER FINANCING SOURCES (USES)			
Transfer from Permanent Fund	\$ 735,388	\$ 10,551	\$ 745,939
Transfer from General Fund	-	1,067,873	1,067,873
Transfer from General Fund - Ambulance	150,000	-	150,000
Transfer from General Fund - Garbage	295,200	-	295,200
Total other financing appropriation	\$ 1,180,588	\$ 1,078,424	\$ 2,259,012
2025 estimated fund balance	\$ 11,086,104	\$ 9,456,066	\$ 20,542,170
Prior year encumbrances	-	(2,414,348)	(2,414,348)
Prior year reappropriations	-	(4,305,208)	(4,305,208)
Transfers from other funds	-	1,078,424	1,078,424
Other changes to the budget	(5,029,713)	(30,000)	(5,059,713)
2026 estimated fund balance	\$ 6,056,391	\$ 3,784,934	\$ 9,841,325

Estimated uncommitted capital fund balance for projects **\$ 5,756,749**

SECTION 2. All appropriations made by this ordinance lapse at the end of the fiscal year to the extent they have not been expended or contractually committed to the departments named for the purpose of conducting the business of said departments of the City of Fairbanks, Alaska, for the fiscal year commencing on January 1, 2026 and ending December 31, 2026.

SECTION 3. The effective date of this ordinance is six days after adoption.

Mindy L. O’Neill, City Mayor

AYES:
NAYS:
ABSENT:
ADOPTED:

ATTEST:

APPROVED AS TO FORM:

D. Danyielle Snider, MMC, City Clerk

Thomas A. Chard II, City Attorney

FISCAL NOTE
ORDINANCE NO. 6340
AMENDING THE 2026 OPERATING AND CAPITAL BUDGETS
FOR THE FIRST TIME

GENERAL FUND
(\$1,040,845) Decrease in Revenue
\$906,883 Increase in Expenditures

Revenue (total -\$1,040,845)

1. Tax Revenue
2. Charges for Services
3. Intergovernmental Revenues
4. License and Permits
5. Other Revenue
6. Other Financing Sources
 - (\$1,067,873) transfer to capital fund for investment income
 - \$ 27,028 transfer from permanent fund

Encumbrance Carryforward for Open Purchase Orders (total \$514,393)

1. Information Technology¹
 - \$107,645 for encumbrance carryforward
2. General Account ²
 - \$228,624 for encumbrance carryforward
3. Police Department
 - \$889 for encumbrance carryforward
4. Fire Department³
 - \$104,860 for encumbrance carryforward
5. Public Works⁴
 - \$72,375 for encumbrance carryforward

Other Expenditures (total \$392,490)

1. Mayor
 - \$25,000 increase to community promotions to host a public safety conference
 - \$7,000 increase to community promotions for city presence and participation in public events
2. Information Technology ¹
 - \$82,000 increase to outside contracts to replace knoxboxes
 - \$100,000 increase to outside contracts to purchase public works software
 - \$20,000 increase to computer fiber services for monthly charges
3. General Account ²
 - \$10,000 increase to medical for Fire Department comprehensive blood panels
 - \$15,000 increase to professional services for consulting services
 - \$5,000 increase to contingency for sponsorships and employee engagement
4. Fire Department ³
 - \$42,000 increase to professional services for the Stryker equipment maintenance agreement
5. Public Works Department ⁴
 - \$86,490 increase to salaries (\$54,680) and benefits (\$31,810) for a permanent part-time custodian

CAPITAL FUND
\$1,078,424 Increase in Revenue
\$6,749,556 Increase in Expenditures

Revenue (total \$1,078,424)

1. Other Financing Sources
 - \$1,067,873 transfer from general fund
 - \$ 10,551 transfer from permanent fund

Encumbrance Carryforward for Open Purchase Orders (total \$2,414,348)

1. Property Repair & Replacement¹
 - \$662,328 for encumbrance carryforward
2. Public Works²
 - \$838,497 for encumbrance carryforward
3. IT Department³
 - \$3,011 for encumbrance carryforward
4. Police Department
 - \$51,317 for encumbrance carryforward
5. Fire Department
 - \$754,892 for encumbrance carryforward
6. Road Maintenance⁴
 - \$71,483 for encumbrance carryforward
7. Building Department
 - \$32,820 for encumbrance carryforward

Reappropriation of 2025 Funds for Multi-Year Projects (total \$4,305,208)

1. Property Repair & Replacement¹
 - \$3,182,959 for city hall steam replacement project (original budget \$3,000,000)
 - \$461,007 for Fire Training Center upgrades (original budget \$1,240,000)
 - \$45,000 for city hall security project (original budget \$250,000)

- \$60,000 for city hall upgrade projects including basement area, privacy room, window deadening (original budget \$170,000)
2. Public Works²
 - \$115,000 to replace one vehicle (F-007) and purchase a trackless flail arm mover (original budget balance \$160,134)
 3. Road Maintenance⁴
 - \$441,242 for Cowles Street construction match (original budget balance \$441,242)

Other Expenditures (total \$30,000)

1. Information Technology Software³
 - \$30,000 increase to continue online payment and paperless system upgrades for finance system

City of Fairbanks
Permanent Fund Review Board
Quarterly Meeting Minutes
October 29, 2025

The Permanent Fund Review Board (PFRB) convened at 1:30 p.m. in the Meeks Conference Room to conduct a quarterly meeting with Alaska Permanent Capital Management (APCM).

Board Member Present: Chair Patty Mongold
Vice Chair Bernard Gatewood
Council Member Valerie Therrien
Board Member Pamela Wentz

Board Member Absent: Board Member Dave Owen (excused)

Also Present: Mindy O’Neill, Mayor
Thomas Chard, City Attorney
Margarita Bell, Chief Financial Officer
Blake Phillips, Director of Institutional Solutions - APCM
Brandy Niclai, Chief Investment Officer – APCM

Pamela Wentz moved, and Valerie Therrien seconded to approve the minutes of the July 30, 2025, meeting. The PFRB unanimously agreed.

Margarita Bell reviewed the portfolio’s performance as of September 30, 2025:

- \$ 168,830,241 - Balance including accrued income
- \$ 2,384,408 - Dividends and interest earnings
- \$ 4,432,237 - Realized gain
- \$ 10,772,393 - Unrealized gain
- \$ (77,354) - Management and custodial fees
- \$ 17,511,684 - Earnings, net of expenses

Margarita Bell reported that the annual draw will be made in December 2025 in the amount of \$6,520,373 to the general fund (\$5,795,887) and capital fund (\$724,486). She reported that the 2026 budget reflects an increase of \$162,674 in transfers from the permanent fund. Valerie Therrien inquired about making the annual draw when the fund is high. Blake Phillips and Brandy Niclai stated that the timing of the draw does not impact the portfolio. Bernard Gatewood stated that withdrawals in prior years occurred throughout the year but changes in cash management have stabilized the timing of the annual draw.

Brandy Niclai reported that the balance of the fund was \$171,946,153 on October 28, 2025.

Brandy Niclai presented an account summary as of September 30, 2025. She stated that the APCM inception annualized account return is 6.00% and that the annualized account return as of March 2017 since the diversification beyond traditional stocks and bonds is 7.45%. Since APCM inception, the portfolio received contributions of \$110.4 million, had withdrawals of \$129.8 million, and had \$188.2 million in earnings.

Brandy Niclai reported that APCM entered the year with added exposure to assets that performed well in uncertain conditions, such as gold. APCM initiated a tactical allocation to AI (Artificial Intelligence) infrastructure to include semiconductors, digital infrastructure, and cybersecurity and trimmed exposure to European financials. With these changes, the portfolio remains within the long-term expectations for returns and volatility.

Brandy Niclai presented a portfolio review for the third quarter. The allocation effect was positive by a slight equity overweight which developed as equities moved higher. The selection effect benefited from allocations to semiconductor chips and data centers, while cybersecurity exposure lagged. Defensive alternative beta also trailed the benchmark.

The third quarter portfolio summary is as follows:

Portfolio Summary							
3rd Quarter		Year to Date		Prior Year		Inception to Date	
Account	Benchmark	Account	Benchmark	Account	Benchmark	Account	Benchmark
5.00%	5.10%	11.60%	11.20%	10.30%	10.70%	6.00%	5.90%
	0.13% ¹		0.38% ²		0.50% ³		
5.00%	5.23%	11.60%	11.58%	10.30%	11.20%	6.00%	5.90%

1 - 12.5 bps - per quarter rounded
2 - 50 bps hurdle -annual (YTD = 12.5 basis pts X # quarters)
3 - 50 bps hurdle codified in March 2009. Inception performance begins January 31, 1998.

Margarita Bell stated that Dave Owen requested a Standard & Poor’s Report with current allocation in comparison with riskier allocations. Blake Phillips stated that APCM will have the report at the next meeting.

City Attorney Tom Chard stated the City could invest in Private Equity legally; however, the PFRB will need to consider the prudent investment rule. He stated that the PFRB will need to establish rules, amend the code, and assess the risk. He stated if Private Equity requires the City to be a General Partner, his decision may change. Blake Phillips stated that the partnership is similar to a stock market. Brandy Niclai and Blake Phillips emphasized that Private Equity was a recommendation for higher returns since the portfolio size can absorb this type of investment, had a fiduciary advisor, and would remain within the risk profile. Valerie Therrien stated concerns about delays in investment earnings reports. Margarita Bell stated that the audit will need to be completed by the end of May and a four month or more delay may impact state funding. Valerie Therrien requested that further inquiries be made to determine if the delay impacts North Slope Borough funding and to seek a list of other municipalities with permanent funds.

The compliance report was presented to the PFRB with no compliance issues.

The next quarterly meeting is scheduled to be held at 4:30 p.m. on Monday, January 26, 2026, or Monday, February 9, 2026 (alternative), in the Meeks Conference Room. This meeting will be followed by a work session with City Council.

The meeting was adjourned at 3:05 p.m.



DISCRETIONARY FUND COMMITTEE
MEETING MINUTES, NOVEMBER 12, 2025, 12:00 P.M.
HELD VIA TELECONFERENCE AND AT
FAIRBANKS CITY COUNCIL CHAMBERS
800 CUSHMAN STREET, FAIRBANKS, ALASKA



The Discretionary Fund Committee convened at 12:04 p.m. on the above date to conduct a Preliminary Meeting at the City Council Chambers, 800 Cushman Street, Fairbanks, Alaska, and via teleconference with Council Member **Lonny Marney (Seat F)** presiding and with the following members in attendance:

Members Present: Karen Blackburn, Seat A (remotely)
 Thomas Alexander, Seat B
 Samantha Kirstein, Seat C
 Traci Gatewood, Seat D
 Victoria Dowling, Seat E

Also Present: Diana Hebel, Licensing Clerk / Cashier
 Sarah Fuerst, Grants Administrator

APPROVAL OF MEETING MINUTES

a) Approval of Meeting Minutes – January 8, 2025

Ms. Gatewood, seconded by **Mr. Alexander**, moved to APPROVE the meeting minutes.

There being no objection, the minutes were APPROVED.

NEW BUSINESS

a) Introduction of Committee Members

Members introduced themselves. Ms. Fuerst introduced herself at Chair Marney's request.

b) Report from Chair Marney

Chair Marney introduced himself and indicated that this would be his last year on the committee and that his last meeting will be in October of 2026.

c) Committee Policies and Procedures (tardiness, absences, presentation format, etc.)

Committee members took turns reading the Policies and Procedures aloud for understanding and consideration.

Ms. Kirstein asked for confirmation that the intent for 2026 grant expenditures by organizations is not to cover purchases made prior to 2026. The inquiry was confirmed by Ms. Fuerst.

Ms. Kirstein pointed out the need to add that clarification to the Policies and Procedures.

Ms. Dowling indicated she would not be available in person for the meetings in December, but would be attending via Zoom.

d) Financial Report by Sarah Fuerst, Grants Administrator

Ms. Fuerst followed up on notable items for a prior year awardee:

- Fairbanks Youth Soccer Association did not submit an annual report and did not submit an application for the 2025 grant [2026 distribution].

Ms. Fuerst indicated that there were 31 total applicants and a total requested amount of \$1,008,774.98, an increase of approximately \$125 from the prior year in which there were 30 applicants. She stated that this year there were 4 new applicants. She explained that 5 of the 6 applicants that had been denied the prior year reapplied for the 2026 grant. [The amount of funds requested was corrected to \$1,009,149.98 with an increase of approximately \$375 over the prior year.]

Ms. Fuerst listed application deficiencies one by one for the committee to hear and determine eligibility prior to disclosing the names of the organizations.

1. Schedule A attachments included the names and salaries of employees for 2024 and 2025 but did not include employment titles or proposed salaries for 2026.

A discussion was had regarding the numbering of the agency, and it was determined that numbering should not have been used. There was further discussion regarding the purchase of a sign that was already made by the applicant, although they were requesting 2026 funds to cover the purchase.

Committee Decision: Nay

2. The application ended on page 31 of 49 and did not include proof of use of the logo.

Committee Decision: Nay

3. It could not be determined if the proper dates were used on the financial statement. Dates used for the fiscal year end were June 30 on Schedule A, and the statement provided for the fiscal year ended July 31. A full twelve month period was presented but was unclear whether that represented the agency's fiscal year.

The committee asked for clarification on the dates provided and what the application asks for. It was clarified that the application asks for an income and expense statement for the last fiscal year, and the last fiscal year should contain the last 12 months.

Ms. Fuerst clarified that the information provided was for a fiscal year, but she was unsure if it was the agency's fiscal year.

The committee determined that since the information provided was technically what was sought in the application, it would not eliminate the application at this point.

Committee Decision: Yea

4. The current year balance sheet did not present assets, liabilities, and equity or fund balance information.

Committee Decision: Nay

5. The balance sheet provided contained income and expense information, but no assets, liabilities, equity, or fund balance. Records for deposits and expenses were provided, but the organization did not provide a profit and loss statement.

Committee Decision: Nay

6. The balance sheet included headers for assets, liabilities, and equity, but the section for liabilities and equity stated zero, leaving out financial information for that section.

Committee Decision: Nay

Ms. Fuerst revealed the names of the agencies that had been eliminated from eligibility:

- Blood Bank of Alaska
- Yukon Quest International Ltd. (Yukon Quest Alaska)
- Interior Alaska American Legion – Post 99
- World's Biggest Backpack
- Fairbanks Queer Collective

Ms. Fuerst revealed the name of the organization that had not been eliminated from eligibility:

- Fairbanks Curling Club

COMMITTEE MEMBER COMMENTS

Chair Marney requested a note be added to the discussion for next year that the committee consider whether to add a sign-up sheet for the Q&A session. He asked the committee if anyone else had discussion ideas for the following year.

Ms. Gatewood said that she would like to see the Q&A session become mandatory.

Ms. Kirstein said that she would like to set a dollar limit of \$35,000 on grant applications. **Ms. Dowling** agreed with Ms. Kirstein but stated that she would like to cap the amount at \$20,000.

Mr. Alexander said he would like to set a percentage limit based on the amount an organization received the prior year. For example, if an applicant received \$20,000, they could only request up to 10 or 15 percent more the next year.

After more discussion around the number of applicants, new applicants, and whether to use an amount or a percentage limit, it was decided that the subject be continued in the wrap-up meeting.

DATE OF NEXT MEETINGS – PRESENTATION & DISTRIBUTION MEETING DATES TO BE DETERMINED BY THE COMMITTEE

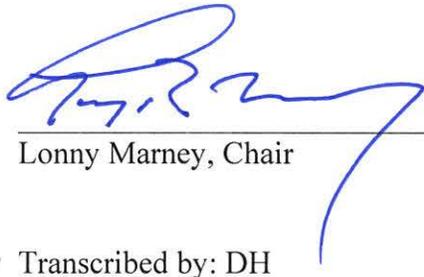
The Presentation Meeting was set for Tuesday, December 2, 2025 at 5 p.m., and the Distribution Meeting was set for Wednesday, December 3, 2025 at noon.

Ms. Fuerst clarified that scoring spreadsheets would need to be turned in by 10:00 a.m. on the day of the Distribution Meeting and asked if anyone had a conflict of interest to declare.

Ms. Gatewood stated that she has a conflict of interest with The Literacy Council's application. **Ms. Dowling** declared a conflict of interest with Golden Heart Consulting's application.

ADJOURNMENT

The meeting was declared ADJOURNED at 1:00 P.M.



Lonny Marney, Chair



Diana Hebel, Licensing Clerk / Cashier

Transcribed by: DH



DISCRETIONARY FUND COMMITTEE
MEETING MINUTES, DECEMBER 2, 2025, AT 5:00 PM
HELD VIA TELECONFERENCE AND AT
FAIRBANKS CITY COUNCIL CHAMBERS
800 CUSHMAN STREET, FAIRBANKS, ALASKA



The Discretionary Fund Committee convened at 5:01 P.M. on the above date to conduct a Presentation Meeting at the City Council Chambers, 800 Cushman Street, Fairbanks, Alaska, and via Zoom with Council Member **Lonny Marney (Seat F)** presiding and with the following members in attendance:

Members Present: Karen Blackburn, Seat A
Thomas Alexander, Seat B
Samantha Kirstein, Seat C
Traci Gatewood, Seat D
Victoria Dowling, Seat E (remotely)

Also Present: Diana Hebel, Licensing Clerk / Cashier
D. Danyielle Snider, City Clerk
Sarah Fuerst, Grants Administrator

APPROVAL OF MEETING MINUTES

a) Approval of Meeting Minutes – November 12, 2025

Mr. Alexander, seconded by **Ms. Kirstein**, moved to APPROVE the meeting minutes.

There being no objection, the minutes were APPROVED.

PRESENTATION BY APPLICANTS

Chair Marney announced that there were 31 applications totaling (approx.) \$1,900,000.00 and asked that, when organizations apply next year, they be mindful that other agencies also need funding. He then stressed that all agencies are important to the local economy.

Applicants presented in the following order:

- a) Fairbanks Litter Patrol
- b) Alaska Songbird Institute
- c) Alaska International Senior Games, Inc.
- d) Tanana Yukon Historical Society
- e) Pioneer Memorial Park, Inc. LLC dba Fairbanks Pioneer Museum
- f) World Ice Alaska Championships dba Ice Alaska
- g) Fairbanks Community Band

- h) Georgeson Botanical Garden Friends
- i) Alaska God Musers Association
- j) Nordic Ski Club of Fairbanks
- k) Cold Steel Pan Orchestra
- l) Friends of Creamer's Field
- m) Fairbanks Children's Museum
- n) Greater Fairbanks Chamber of Commerce
- o) Clay Street Cemetery (Commission)
- p) Festival Fairbanks
- q) Downtown Association of Fairbanks Community Services
- r) Literacy Council of Alaska
- s) Fairbanks Community Museum
- t) Fairbanks Curling Club
- u) Alaska Goldpanner Baseball, Inc
- v) The World Eskimo – Indian Olympics
- w) Fairbanks Arts Association
- x) UA Museum of the North
- y) Golden Heart Consulting
- z) Museums Alaska

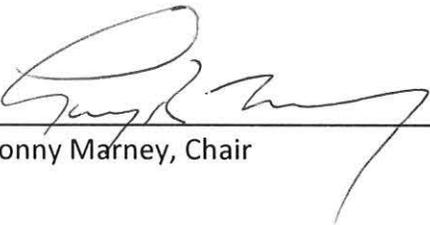
NEXT MEETING (DISTRIBUTION MEETING)

Chair Marney announced that the Distribution Meeting was scheduled for Wednesday, December 3, at 12:00 P.M.

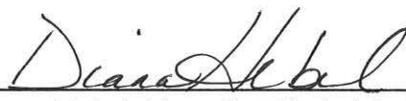
ADJOURNMENT

Ms. Kirstein, seconded by Ms. Blackburn, moved to ADJOURN.

There being no objection, the meeting ADJOURNED at 6:41 P.M.



Lonny Marney, Chair



Diana Hebel, Licensing Clerk / Cashier

Transcribed by: DH



DISCRETIONARY FUND COMMITTEE
 MEETING MINUTES, DECEMBER 3, 2025, AT 12:00 PM
 HELD VIA TELECONFERENCE AND AT
 FAIRBANKS CITY COUNCIL CHAMBERS
 800 CUSHMAN STREET, FAIRBANKS, ALASKA



The Discretionary Fund Committee convened at 11:59 A.M. on the above date to conduct a Distribution Meeting at the City Council Chambers, 800 Cushman Street, Fairbanks, Alaska, and via Zoom with Council Member **Lonny Marney (Seat F)** presiding and with the following members in attendance:

Members Present: Karen Blackburn, Seat A
 Thomas Alexander, Seat B
 Samantha Kirstein, Seat C
 Traci Gatewood, Seat D
 Victoria Dowling, Seat E (remotely)

Also Present: Diana Hebel, Licensing Clerk / Cashier
 D. Danyelle Snider, City Clerk (remotely)
 Sarah Fuerst, Grants Administrator

NEW BUSINESS

- a) Announcement of Discretionary Fund Award Recommendations for 2026 Distribution

Members read their respective recommendations into the record one at a time in the following order: Blackburn, Alexander, Gatewood, Kirstein, Dowling, and Marney.

It was verified that the award amount could not exceed the organization’s request. Since one of the award amounts required correction, there was a pause during the announcement of individual allocations so that Ms. Fuerst could recalculate the average for that organization.

Organization Name	Recommended Amount
Fairbanks Litter Patrol	\$ 13,833
Alaska Songbird Institute	9,192
Alaska International Senior Games, Inc.	15,000
Tanana Yukon Historical Society	10,340
Pioneer Memorial Park, Inc. LLC dba Fairbanks Pioneer Museum	16,000
World Ice Art Championships dba Ice Alaska	28,877
Fairbanks Community Band	11,167
Georgeson Botanical Garden Friends	13,417
Alaska Dog Mushers Association	20,167
Nordic Ski Club of Fairbanks	12,167

Cold Steel Pan Orchestra	3,067
Friends of Creamer's Field	14,750
Fairbanks Children's Museum	13,917
Greater Fairbanks Chamber of Commerce	15,417
Clay Street Cemetery (Commission)	11,876
Festival Fairbanks	24,833
Downtown Association of Fairbanks Community Services	11,048
Literacy Council of Alaska	9,481
Fairbanks Community Museum	18,667
Fairbanks Curling Club	13,500
Alaska Goldpanner Baseball, Inc	27,167
The World Eskimo – Indian Olympics	23,333
Fairbanks Arts Association	43,701
UA Museum of the North	7,288
Golden Heart Consulting	4,879
Museums Alaska	6,916
TOTAL	\$400,000

NEXT MEETING

The committee scheduled the wrap-up meeting for Friday, January 9, at 12:00 P.M.

ADJOURNMENT

Ms. Kirstein, seconded by **Mr. Alexander**, moved to ADJOURN the meeting.

Hearing no objection, **Chair Marney** declared the meeting ADJOURNED at 12:26 P.M.



 Lonny Marney, Chair



 Diana Hebel, Licensing Clerk / Cashier

Transcribed by: DH



CLAY STREET CEMETERY COMMISSION
REGULAR MEETING MINUTES – January 7, 2026
HELD VIA ZOOM WEBINAR AND
IN FAIRBANKS CITY COUNCIL CHAMBERS
800 CUSHMAN STREET, FAIRBANKS, ALASKA



The Clay Street Cemetery Commission convened at 5:01 p.m. on the above date to conduct a Regular Meeting in the City Council Chambers, 800 Cushman Street, Fairbanks, Alaska, and via teleconference, with **Chair Aldean Kilbourn** presiding and the following Commission members in attendance:

Members Present: George Dalton, Seat A
 Jessica Desmond, Seat B
 Aldean Kilbourn, Seat C
 Janet Richardson, Seat D (remotely)
 Julie Jones, Seat E (joined at 5:11 p.m.)
 Amy Stratman, Seat G (joined remotely at 5:20 p.m.)

Absent: Karen Erickson, Seat F

Also Present: Jeremiah Cotter, Public Works Director (remotely)
 Colt Chase, Deputy City Clerk

APPROVAL OF REGULAR MEETING MINUTES

a) Regular Meeting Minutes of December 3, 2025

G. Dalton, seconded by **J. Desmond**, moved to APPROVE the December 3, 2025 minutes.

Chair Kilbourn took a voice vote on the motion to APPROVE the December 3, 2025 minutes and all members voted in favor.

APPROVAL OF AGENDA

J. Desmond, seconded by **J. Cotter**, moved to APPROVE the agenda.

Chair Kilbourn took a voice vote on the motion to APPROVE the agenda and all members voted in favor.

CITIZENS' COMMENTS – None

COMMUNICATIONS TO COMMISSION

a) Ivan Đurović

J. Richardson discussed the records request that had been received from an individual named Ivan Đurović who was convinced that a relative of his was buried at the Clay Street Cemetery. She shared that after some research she determined that while the family member had in fact passed away in Fairbanks, they

were actually buried in the Evergreen Cemetery in Juneau, Alaska. She provided additional details about the information she had come across in her research and what she shared had with I. Đurović.

EVENTS & PUBLIC RELATIONS – None

FINANCIAL UPDATE

Chair Kilbourn referenced the financial report, noting that there had been no change since the previous month and that the current account balance remained at \$2,279.89. She asked for a status update on the Bed Tax Grant. **C. Chase** reported that a Resolution to approve the various award amounts was on the agenda for the next City Council meeting.

J. Richardson stated that she would like to see another small order of markers placed for the year as she already had some new names ready to go. **Chair Kilbourn** indicated that she too had a name prepared and that she believes A. Stratman may have some ready as well.

UNFINISHED BUSINESS

a) Cemetery Rack Card Redesign

Chair Kilbourn reviewed the quotes that had been provided by two local printers: Graphic North and Advanced Printing. She reported that it had been requested that any file they provide include bleed lines. **J. Desmond** explained what a “bleed” is in graphic design. She asked if the quotes were comparable to online printing options such as VistaPrint. **Chair Kilbourn** stated that they prefer to utilize a local print shop. Discussion occurred regarding which company and quantity would be most ideal.

J. Jones, seconded by **J. Desmond**, moved to APPROVE the purchase of 2,000 rack cards through Graphic North, Inc.

Chair Kilbourn took a voice vote on the motion to APPROVE the purchase of 2,000 rack cards through Graphic North, Inc. and all members voted in favor.

Chair Kilbourn and **J. Jones** suggested two final, minor edits to the design prior to printing, specifically in the area that contained the City of Fairbanks and bed tax grant recipient logos. **C. Chase** confirmed he would perform the requested changes, including bleed lines, and email Chair Kilbourn the final version.

b) Quiring Monuments Order

J. Richardson shared that J. Jones had forwarded a first round of mockups from Quiring, that errors had been identified and corrections conveyed to Quiring. **J. Jones** stated that a second round of proofs had been sent just before the meeting. **J. Richardson** confirmed that she would circulate the batch for review.

Chair Kilbourn discussed compiling a new, small order. **J. Jones** confirmed that although the City Council would not officially approve the bed tax grant awards until Monday, it would be unprecedented for anything to change at this stage and so they can consider the funds available for use. **Chair Kilbourn** indicated that she would coordinate with J. Richardson and A. Stratman to draft the order.

NEW BUSINESS

- a) New Marker for Frank Anderson

Chair Kilbourn invited Mark Wilcox, who was in attendance virtually via Zoom, to speak.

Mark and Wanda Wilcox – M. Wilcox shared that he and his wife, Wanda, who was also in attendance, live in eastern North Dakota and had recently received an email notification from A. Stratman via the Find-A-Grave website regarding his great-great-grandfather, Frank Anderson, who was buried at Clay Street Cemetery, plot # 169. He shared their extended family was very excited to learn that they could pay to have a stone placed for F. Anderson and asked how they should proceed. **Chair Kilbourn** explained that the established amount for requests of this nature was \$350 and that he should continue to communicate and coordinate with A. Stratman for further details. M. Wilcox indicated that they were happy to move forward and would mail a check soon. He shared that they had been looking for F. Anderson for a long time and were considering making a trip to Fairbanks when the monument was ready to be installed. **J. Richardson** confirmed that other families had held similar events in the past and that they are more than welcome to plan for such. She thanked them for the additional information their family had provided about F. Anderson, for the Commission's records. She stated that his name was already on the list for their next order of markers, and that they would notate at the bottom of the stone that it had been donated by the family. She noted that F. Anderson was born in Norway and asked to confirm the spelling of his last name. W. Wilcox stated that she would do some additional research to confirm if the name ended in "-sen" or "-son". She expressed appreciation for A. Stratman's work and shared that the when F. Anderson left Minnesota for Alaska in 1897 in search of gold, he left behind a wife and eight children who never heard from him again. She added that the family was not even sure if he had made it to Alaska at all. She shared that M. Wilcox's 90-year-old mother is the last remaining great-grandchild of F. Anderson and has been on top of the world since learning what happened to her great-grandpa Frank.

A. Stratman shared additional details about how she came into contact with the Wilcox family and gave them credit for posting photos of F. Anderson's siblings which ultimately led them to each other. **Chair Kilbourn** confirmed that A. Stratman would be the point of contact for the matter and that J. Richardson would coordinate details for the creation of the marker.

OPEN AGENDA – None

NEXT MEETING DATES – February 4, 2026

ADJOURNMENT

Chair Kilbourn declared the meeting ADJOURNED at 5:33 p.m.



Aldean Kilbourn, Chair



Colt Chase, CMC, Deputy City Clerk

Transcribed by: CC