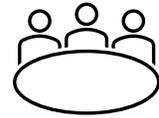




**FAIRBANKS CITY COUNCIL
REGULAR WORK SESSION AGENDA
TUESDAY, FEBRUARY 17, 2026 AT 8 A.M.**



MEETING WILL BE HELD VIA [ZOOM WEBINAR](#)
AND AT FAIRBANKS CITY COUNCIL CHAMBERS
800 CUSHMAN STREET, FAIRBANKS, ALASKA

1. Roll Call
2. Resolution No. 5201 – A Resolution Inviting Proposals from Qualified Developers Interested in Redeveloping City Property at 123 Lacey Street. [postponed to February 23]
3. Ordinance No. 6340, as Amended – An Ordinance Amending the 2026 Operating and Capital Budgets for the First Time. [advanced to February 23]
4. A Resolution Authorizing the City of Fairbanks to Apply for and Accept Funding from the Rural Health Transformation Program. [not introduced]
5. An Ordinance Amending Fairbanks General Code Section 74-40, Sales and Excise Tax Requirements Definitions; Section 74-116, Room Rental Tax Definitions; and Section 74-118, Room Rental Tax Levy and Collection to Add Marketplace Facilitator. [not introduced]
6. An Ordinance Amending Fairbanks General Code Section 74-302, Exemptions from Gasoline Excise Tax. [not introduced]
7. An Ordinance Amending Fairbanks General Code Section 2-654, Unexpended Appropriations; Intradepartmental Transfers, Requiring Council Approval of Any Transfer for \$10,000 or More. [not introduced]
8. An Ordinance Amending Fairbanks General Code Section 54-39(b), Contract Award Authority, Requiring the Council Award Any Contract for \$100,000 or More. [not introduced]
9. Discussion on City Lottery
10. Discussion on Future Use of City Property Located at 550 1st Avenue
11. Finance Committee Report
12. Mayor and Councilmember Comments
13. Next Regular Work Session – Tuesday, March 3, 2026, 8:00 a.m.
14. Adjournment

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

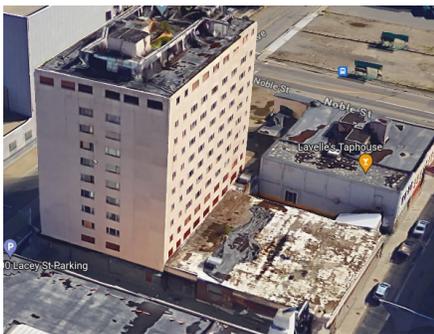
Current ownerships of the approximately 35,674 square foot on the downtown block bounded by First and Second Avenues, Lacey and Noble Streets involve 12 tax parcels comprised of:

- **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~~ 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.

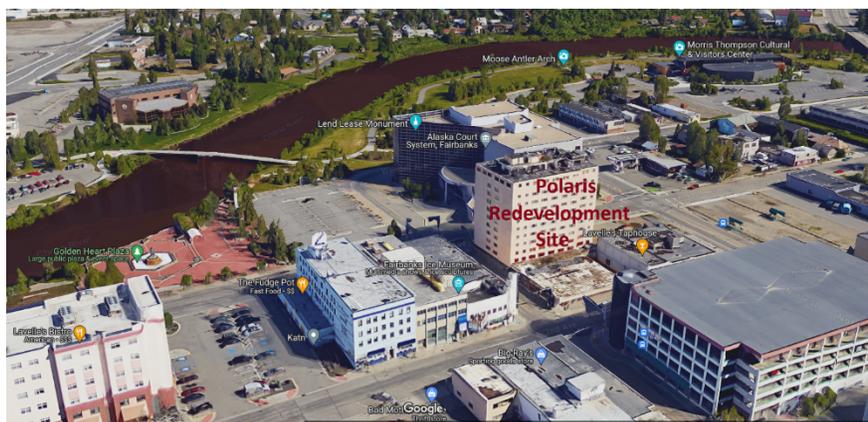
Up to three development firms/teams will be interviewed followed by preliminary selection of 1-3 proposals for further evaluation. Recommended selection of a preferred development firm (or team) will be made based on both written and oral presentations – utilizing the above noted criteria plus any additional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

- 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.

ORDINANCE NO. 6340, AS AMENDED

**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	\$ 45,052,604	\$ -	\$ 45,052,604
 <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	209,645	3,429,645
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	\$ 49,739,910	\$ 806,883	\$ 50,546,793
 <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	\$ 5,526,978	\$ (1,040,845)	\$ 4,486,133
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	(265,462)	574,210
2026 estimated unassigned fund balance	\$ 11,890,179	\$ 780,428	\$ 12,670,607

Minimum unassigned fund balance requirement is 20% of budgeted annual expenditures but not less than \$10,000,000. 20% of budgeted annual expenditures is \$ 10,109,359

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, AS AMENDED
AMENDING THE 2026 OPERATING AND CAPITAL BUDGETS
FOR THE FIRST TIME

GENERAL FUND
(\$1,040,845) Decrease in Revenue
\$806,883 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 \$292,490)

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

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING THE CITY OF FAIRBANKS TO APPLY FOR AND ACCEPT FUNDING FROM THE RURAL HEALTH TRANSFORMATION PROGRAM

WHEREAS, the Rural Health Transformation Program (RHTP) is a federally funded opportunity to improve the entire healthcare system across the country through innovative changes; and

WHEREAS, the State of Alaska anticipates receiving \$272,174,856 per year for the next five years to explore fundamental changes to the healthcare system; and

WHEREAS, the City of Fairbanks has been asked by multiple State and local partners to apply for the funds to expand the Mobile Integrated Healthcare (MIH) model to include Community Paramedics, healthcare transportation capabilities, and related wrap-around services; and

WHEREAS, the City of Fairbanks has been recognized as having the expertise, drive, and agility to meet the local RHTP goals; and

WHEREAS, the RHTP is a rapidly evolving grant opportunity with an anticipated short application window that does not require matching funds; and

WHEREAS, Fairbanks General Code Section 2-658 allows the City Council to approve application for and acceptance of a grant that does not require a match through a single resolution; and

WHEREAS, the City of Fairbanks plans to participate in the RHTP throughout the duration of the program to bring a variety of data-driven improvements to the local healthcare system.

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

SECTION 1. The Mayor or Mayor's designee is authorized to execute all documents required for the Rural Health Transformation Program application and acceptance of funding.

SECTION 2. The effective date of this resolution is six days after adoption.

Mindy O'Neall, Mayor

AYES:
NAYS:
ABSENT:
ADOPTED:

ATTEST:

APPROVED AS TO FORM:

D. Danyielle Snider, MMC, City Clerk

Thomas A. Chard II, City Attorney

Introduced By: _____
Date: _____

ORDINANCE NO. _____

AN ORDINANCE AMENDING FAIRBANKS GENERAL CODE SECTION 74-40, SALES AND EXCISE TAX REQUIREMENTS DEFINITIONS, SECTION 74-116, ROOM RENTAL TAX DEFINITIONS, AND SECTION 74-118, ROOM RENTAL TAX LEVY AND COLLECTION TO ADD MARKETPLACE FACILITATOR

WHEREAS, there are multiple operators using marketplace facilitators to conduct short-term rental businesses within the city; and

WHEREAS, the Council would like to establish the responsibilities of marketplace facilitators to collect room rental taxes on behalf of an operator or as the seller.

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. Fairbanks General Code Section 74-40, Sales and Excise Tax Requirements Definitions, is hereby amended to read as follows [new text in **bold** font; deleted text in ~~font~~]:

* * * * *

Estimated tax means the tax determined under section 74-45.

Marketplace facilitator means a person or entity, including transportation network companies and hosting platforms, that contracts with sellers to facilitate for consideration, regardless of whether deducted as fees from the transaction, the sale or rental of the seller's property, product, or services through a physical or electronic marketplace operated by the person.

Nontaxable sales mean any sale made within the city that is exempt from levied taxes.

* * * * *

SECTION 2. Fairbanks General Code Section 74-116, Room Rental Tax Definitions, is hereby amended to read as follows [new text in **bold** font; deleted text in ~~font~~]:

* * * * *

Guest or renter means an individual, firm, partnership, joint venture, club, fraternal organization, association, corporation, estate, trust, receiver, or any other entity or group who pays rent for a room for 30 consecutive days or less.

Marketplace facilitator means a person or entity, including transportation network companies and hosting platforms, that contracts with sellers to facilitate for consideration, regardless of whether deducted as fees from the transaction, the sale or rental of the seller's property, product, or services through a physical or electronic marketplace operated by the person.

Permanent resident means any natural person who has or will have the right of occupancy of any room or rooms for more than 30 consecutive days.

* * * * *

SECTION 3. Fairbanks General Code Section 74-118, Room Rental Tax Levy and Collection, is hereby amended to read as follows [new text in **underlined bold** font; deleted text in ~~strikethrough~~ font]:

- (a) There is levied and imposed upon the use and privilege of renting a room within the city a tax equal to eight percent on the daily rate charged for each such room rented for each 24-hour period or any portion of such period. This tax is imposed upon all room rentals unless the rental is specifically exempted herein or by other applicable law. The tax will not be levied and imposed upon a permanent resident of a room.
- (b) The ultimate incident of and liability for payment of the tax will be borne by the person who occupies the room, and such person is referred to as a guest or renter.
- (c) The tax levied in this section is paid in addition to any and all other taxes and charges. It is the duty of the seller providing rentals taxable under this article to act as trustee for and on account of the city and to secure the tax from the guest or renter of the room and remit the tax as provided in this article.
- (d) Every seller **or marketplace facilitator** required to collect the tax levied by this article must secure the tax from the guest or renter at the time of rental payment for the room. Upon the invoice, receipt, or other statement or memorandum of the rent given to the guest or renter at the time of payment, the amount due under the tax provided in this article must be stated separately on the documents.
- (e) Accurate records of all taxes levied and collected must be maintained by the person required to collect the tax levied by this article.
- (f) Any seller seeking an exemption under section 74-119(4) or 74-119(5) must keep on file, available for inspection, a lease, contract, or other document detailing the terms of the occupancy.

SECTION 4. 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

Sponsored by: _____
Date: _____

ORDINANCE NO. _____

**AN ORDINANCE AMENDING FAIRBANKS GENERAL CODE
SECTION 74-302, EXEMPTIONS FROM GASOLINE EXCISE TAX**

WHEREAS, in 2020, the City Council adopted Ordinance No. 6137 to implement an excise tax on gasoline sold within the city limits; and

WHEREAS, Fairbanks General Code Section 74-300 defines a distributor as a person who (1) brings gasoline, or has gasoline brought, or causes gasoline to be brought, into the city and who sells or distributes gasoline to others for resale in the city; (2) ships or transports gasoline to a retailer in the city for sale by the retailer; and (3) includes qualified dealer; and

WHEREAS, the City Council would like to amend the exemptions to apply the tax on the distributor as defined in Fairbanks General Code Section 74-300.

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. Fairbanks General Code Section 74-302, Exemption from gasoline excise tax is hereby amended to read as follows [new text in **underlined bold** font; deleted text in ~~font~~]:

The following transactions are exempt from the tax levied by section 74-301:

- ~~(1) Gasoline that is sold or transferred between distributors;~~
- (12)** Gasoline that is sold or transferred to a person obtaining gasoline with a valid certificate of use;
- (23)** Gasoline that is exported outside city limits;
- (34)** Gasoline that is purchased for use by federal, state, or local government agencies, unless the gasoline is purchased for the purpose of resale; and
- (45)** Loss of volume of gasoline that occurs during handling, transportation, and storage, including loss of volume due to temperature changes of gasoline

* * * * *

SECTION 2. 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

ORDINANCE NO. _____

**AN ORDINANCE AMENDING FAIRBANKS GENERAL CODE
SECTION 2-654, UNEXPENDED APPROPRIATIONS;
INTRADEPARTMENTAL TRANSFERS, REQUIRING COUNCIL
APPROVAL OF ANY TRANSFER OF \$10,000 OR MORE**

WHEREAS, Section 5.5 of the City Charter charges the Council with the responsibility of appropriating public funds; and

WHEREAS, the Mayor and City Council spend considerable time and effort each year developing an annual budget that provides for general and capital expenses with available revenue; and

WHEREAS, it is imperative that the Council understand the fiscal needs of each department so it can allocate available resources accordingly.

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

Section 1. Fairbanks General Code Section 2-654 Unexpended Appropriations; Intradepartmental Transfers, is hereby amended as follows [new text in **bold/underline** font; deleted text in ~~striketrough~~ font]:

Sec. 2-654. – Unexpended appropriations; intradepartmental transfers.

- (a) All appropriations covered by the budget lapse at the end of the budget year to the extent they have not been expended or lawfully encumbered.
- (b) The mayor may approve intradepartmental transfers **of less than \$10,000** of appropriated funds ~~except for the~~.
- (c) The** following **intradepartmental** transfers ~~which~~ require a budget amendment:
 - (1) Capital funds.
 - (2) Non-wage accounts used for wages/benefits.
 - (3) Transfers of \$10,000 or more.**
- (d)** All interdepartmental transfers of appropriated funds shall be by ordinance of the city council.

Section 2. The effective date of this ordinance is six days after adoption.

Mindy O'Neall, City Mayor

AYES:
NAYS:
ABSENT:
ADOPTED:

ATTEST:

APPROVED AS TO FORM:

D. Danyielle Snider, MMC, City Clerk

Thomas A. Chard II, City Attorney

ORDINANCE NO. _____

**AN ORDINANCE AMENDING FAIRBANKS GENERAL CODE
SECTION 54-39(b), CONTRACT AWARD AUTHORITY, REQUIRING
THE COUNCIL AWARD ANY CONTRACT FOR \$100,000 OR MORE**

WHEREAS, Section 5.5 of the City Charter charges the Council with the responsibility of appropriating public funds; and

WHEREAS, Chapter 54 of the Fairbanks General Code (FGC) provides guidance and requirements for the procurement of goods and services by the City; and

WHEREAS, FGC Section 54-39 provides contract award authority to the Purchasing Agent, Mayor, and City Council based on the dollar value of the contract.

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

Section 1. Fairbanks General Code Section 54-39(b) is hereby amended as follows [new text in **bold/underline** font; deleted text in ~~strike through~~ font]:

Sec. 54-39. - Contract Award Authority.

- (a) The purchasing agent may award contracts funded with identifiable appropriations made by the city council when the amount is \$50,000.00 or less, provided the purchasing agent notifies the city council when competitive bidding is not deemed to be possible and recite the reasons and findings. The purchasing agent may award the sale, trade, or disposal of all personal property which has become surplus, obsolete, or unusable.
- (b) The mayor may award contracts funded with identifiable appropriations made by the city council when the contract amount is ~~\$250,000.00~~ **\$100,000.00** or less.
- (c) The city council may award all other contracts. When competitive bidding is not deemed to be possible, the city council shall, in the resolution for award, recite the reasons why.

Section 2. The effective date of this ordinance is six days after adoption.

Mindy O'Neall, City 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 - LOTTERY REVIEW

Name	Fairbanks Lottery
Type	Lottery
Concept	Sell lottery tickets online for a monthly draw.
Requirements	<p style="text-align: center;"> Permit Bank Account Monthly Filings Annual Filing (Certified) Code Change - Disolution Clause Personnel Time Software & Equipment Advertisements Prizes </p>
Resources	
Equipment	Yes
Software	Yes
Personnel	PT
Operator	No
Printing	No
Marketing	Yes
Location	1
Timing	All Year
Prizes	Annual Maximum \$2,000,000