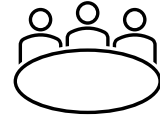




**FAIRBANKS CITY COUNCIL  
REGULAR WORK SESSION AGENDA  
TUESDAY, JUNE 2, 2026 AT 8 A.M.**  
MEETING WILL BE HELD VIA [ZOOM WEBINAR](#)  
AND AT FAIRBANKS CITY COUNCIL CHAMBERS  
800 CUSHMAN STREET, FAIRBANKS, ALASKA



- 
1. Roll Call
  2. Ordinance No. 6348 – An Ordinance Amending Various Sections of the Fairbanks General Code Dealing with Nuisances. Sponsored by Mayor O’Neill. [advanced to June 8]
  3. A Resolution Establishing the Rate of Levy of 2026 Real Property Taxes for the City of Fairbanks, Alaska. Sponsored by Mayor O’Neill. [not introduced]
  4. A Resolution Amending the City Schedule of Fees and Charges for Services by Adjusting Garbage Collection Rates. Sponsored by Mayor O’Neill. [not introduced]
  5. An Ordinance Transferring Land to the State of Alaska and Creating a Temporary Easement for the Steese/Johansen Interchange Project. Sponsored by Mayor O’Neill. [not introduced]
  6. An Ordinance Enacting Fairbanks General Code Chapter 70, Article II, Section 70-63, Requiring a Request for Proposals and Certain Procedures to Aid in the Solicitation and Selection of Long-Term Lessees of City-Owned Property. Sponsored by Councilmember Cleworth. [not introduced]
  7. Finance Committee Report
  8. Mayor and Councilmember Comments
  9. Next Regular Work Session – Tuesday, June 16, 2026, 8:00 a.m.
  10. Adjournment

**ORDINANCE NO. 6348**

**AN ORDINANCE AMENDING VARIOUS SECTIONS OF THE  
FAIRBANKS GENERAL CODE DEALING WITH NUISANCES**

**WHEREAS**, citizens have placed greater emphasis on neighborhood conditions,  
and

**WHEREAS**, the City has identified various sections of the Fairbanks General Code  
(FGC) that are inadequate for addressing public nuisances, and

**WHEREAS**, City staff have reviewed related code chapters from cities both inside  
and outside Alaska and have identified changes to the FGC that could adequately  
address public nuisances and improve neighborhood conditions.

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

**SECTION 1.** Fairbanks General Code Chapter 10, Article VII, Section 10-208  
Blighted Properties is hereby amended, as follows [new text in **bold/underlined**  
font; deleted text in ~~strike through~~ font]:

**Sec. 10-208. – Blighted Properties**

- (a) *Blighted property definition.* Any individual commercial, industrial, or  
residential structure or parcel of land that endangers the public's health,  
safety, or welfare because the property is dilapidated, or deteriorated.

Properties with two or more of the following conditions may be considered  
a blighted property:

- (1) A property upon which is located a dangerous building as defined in  
the City of Fairbanks Code for the abatement of dangerous buildings.
- (2) The property is determined to be a fire hazard by the fire chief,  
assistant fire chief, fire marshal, or deputy fire marshal for violations  
set forth in chapter 30 of the Code of Ordinances.
- (3) Property that meets the chronic nuisance property definition outlined  
in FGC section 46-211.
- (4) The presence of people staying in temporary shelter not intended for  
permanent human habitation for more than ten days, **including but  
not limited to mobile homes outside of licensed courts,  
motorhomes or similar recreational vehicles, campers, tents,  
sheds, or vehicles.**
- (5) Properties **zoned as residential** containing **two or more**  
unregistered, inoperable, ~~unrepaired,~~ uncovered, **or unscreened**  
vehicles for more than 90 days.

- (6) Properties with accumulated litter as defined in FGC sections 46-161 and 46-162.
  - (7) Presence of unsecured drug paraphernalia as defined in FGC section 46-361.
  - (8) Properties with polluted conditions as defined in FGC section 34-106.
  - (9) **Properties containing unsecured vacant buildings as defined in FGC section 10-207**~~Conditions of the property or activities on the property have materially contributed to a decline in property values of proximate properties.~~
- (b) Blighted property determination. The mayor or mayor's designee has the authority to determine if a property has met the blighted property threshold outlined in this section.
  - (c) Notification. Upon determination that a property is blighted, the City of Fairbanks will notify the owner of the property by posting a notice of the violation in a conspicuous location on the blighted property and providing the notice to the owner by hand delivery, mail, or electronically. The notification will specify violations that constitute the blight and clearly express remediation deadlines.
  - (d) Schedule. Owners have thirty business days from the notice of violation to remediate the violations. If the remediation will take longer than thirty business days, the owner must present a remediation plan to the city. The mayor or mayor's designee will determine if the plan will address the violations in a reasonable timeframe.
  - (e) Remedies. Property owners are responsible for correcting all conditions that have led to the blighted property designation. Owners failing to adequately address blighted property violations within thirty business days of the notice of violation or by an approved alternate timeline will accrue civil penalties in the amount of \$300.00 per month. After 30 days the city may address the violations at the property owner's expense. The city council may place a lien on a property for any unpaid civil penalties and/or expenses resulting from remedying the violations.
  - (f) Personal Property and Vehicles. Insofar as may be reasonably required, the city may move, remove, or discard any personal property located on the blighted property that is contributing to the blighted designation or hindering abatement of the blighted condition. A vehicle removed under this section may be impounded by the city and released to the registered owner only upon proof of ownership and payment of all applicable impound and storage fees. Vehicles not retrieved within 90 days of the impoundment may be considered abandoned and may be disposed of without further notice to the owner. If the contents of the vehicle have not been recovered before**

**such disposal, the contents may be disposed of with the vehicle. All other personal property temporarily held by the city under this section may be disposed of in accordance with section 62-31.**

- (gf) The civil remedy provided in this section is intended to address health, safety, and welfare concerns resulting from blighted properties. Any remedy included in this section is independent and separate from any other legal remedy available including injunctive relief and criminal action.
- (hg) The property owner(s) may appeal any decision regarding this section of code with the mayor or mayor's designee. The property owner may further appeal any decision regarding this section of code with the city council.
- (ih) The mayor or mayor's designee may waive any fees or penalties associated with this section of Code.

**SECTION 2.** Fairbanks General Code Chapter 10, Article XII, Section 10-381 Authorized uses outside licensed courts is hereby amended, as follows [new text in **bold/underlined** font; deleted text in ~~strikethrough~~ font]:

**Sec. 10-381. - Authorized uses outside licensed courts.**

- (a) For the purpose of this section, the term "mobile home" means any vehicle or structure designed and constructed in such a manner as will permit occupancy as sleeping quarters for one or more persons, or the conduct of any business or profession, occupation, or trade, and so designed that it is or may be mounted on wheels and used as a conveyance on highways or city streets, propelled or drawn by its own or other motive power.
- (b) The use of a mobile home for residential purposes shall not be permitted outside a licensed mobile home park except as may be authorized by law. **The city may deem the mobile home an uninhabitable structure at any time and require that it be vacated.**
- (c) **An illegally occupied mobile home on private property is subject to removal by the city.**
  - (1) **The city may post a notice on private property containing an illegally occupied mobile home stating it must be vacated within ten days of the date and time the notice is posted.**
  - (2) **Ten days after the notice is posted, the city will issue a fine of \$300 every seven days to the property owner.**
  - (3) **Any owners or lessees of property allowing illegal occupation of mobile homes to continue are creating a nuisance activity as defined in FGC section 46-211.**

- (de) A mobile home not in use for residential purposes may be stored or parked, provided no more than two such mobile homes may be parked on any lot, parcel, or tract.
- (ed) Construction firms may use a mobile home for a temporary office and/or storage at a work site during the period of construction.
- (fe) A business firm may use a mobile home for a temporary office if the business must be temporarily relocated, for a period not to exceed 90 days upon obtaining a permit from the building official.
- (gf) Mobile homes may be used in ordinary and usual ways in connection with circuses, fairs, political campaigns and similar occasions, provided they are removed not more than seven days after the end of the occasion.

**SECTION 3.** Fairbanks General Code Chapter 78, Article XI, Section 78-397 Parking of trailers is hereby amended, as follows [new text in **bold/underlined** font; deleted text in ~~strikethrough~~ font]:

**Sec. 78-397. - Parking of trailers, travel trailers, motorhomes or campers.**

- (a) No trailer shall be parked on any publicly maintained street or highway of this city for a period longer than one hour at any one time.
- (b) The city engineer may designate ~~a~~ publicly maintained streets ~~in the central business traffic district~~ city on which no trailer shall be stopped, parked or allowed to stand between the hours of 6:00 a.m. and 6:00 p.m.
- (c) **No person may park a travel trailer, mobile home, or camper upon a city street or any other city owned or controlled property for the purpose of residing therein, whether temporarily or not, except in areas that are designated for that purpose.**

**SECTION 4.** Fairbanks General Code Chapter 46, Article II, Section 46-42 Disturbing the peace is hereby amended, as follows [new text in **bold/underlined** font; deleted text in ~~strikethrough~~ font]:

**Sec. 46-42. - Disturbing the peace.**

- (a) A person commits the offense of disturbing the peace if he:
  - (1) In a public place, repeatedly or continuously shouts, blows a horn, plays a musical or recording or amplifying instrument, or otherwise generates loud sound or noise with the intent to disturb or in reckless disregard of the peace and privacy of others.
  - (2) In a private place, engages in the conduct described in subsection (a)(1) of this section, with the same intent or reckless disregard, after

having been informed by another that the conduct is disturbing the peace and privacy of others not in the same place.

- (3) Between the hours of 11:00 p.m. and 7:00 a.m., operates or uses a pile driver, pneumatic hammer, bulldozer, road grader, loader, power shovel, derrick, backhoe, power saw, manual hammer, motorcycle, snow machine or other instrument, appliance or vehicle which generates loud sounds or noise, after having been informed by another that such operation or use is disturbing the peace and privacy of others.
  - (4) Keeps any dog or other animal which is allowed to engage in frequent or prolonged barking or other loud noise-producing activity, after having been informed by another that such frequent or prolonged barking or noise-producing activity is disturbing the peace and privacy of others.
  - (5) Repeatedly or continuously sounds any horn or other sound-producing warning device on a motor vehicle when such repeated or continued sounding is not necessary to warn of any danger.
- (e) The following sound or noise is not prohibited by this section:
- (1) Noise of safety signals, warning devices and emergency pressure relief valves when used for their warning of emergency purposes.
  - (2) Noise produced by any authorized emergency vehicle when responding to an emergency call or when otherwise authorized by law or ordinance to activate its sirens or other warning devices.
  - (3) Noises necessarily produced in the course of work required to protect persons or property from imminent peril.
  - (4) Noise produced by any activity for which a permit has been issued pursuant to subsection (f) of this section.
  - (5) Snow removal equipment necessary for maintenance of property, kept in good repair and maintenance, and which equipment, when new, would not comply with the standards set forth in subsection (a)(3).**

**SECTION 5.** Fairbanks General Code Chapter 46, Article IV, Division 5 Illegal Activity Nuisance, Sections 46-211 and 46-213 are hereby amended, as follows [new text in **bold/underlined** font; deleted text in ~~strikethrough~~ font]:

### **Section 46-211. – Definitions**

The following words, terms and phrases, when used in this division, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

*Chronic nuisance property* means:

- (1) Property on which three or more nuisance activities have occurred during any 60-day period;
- (2) Property on which or within 200 feet of which any person associated with the property has engaged in three or more nuisance activity during any 60-day period; or
- (3) Property which, upon request for execution of a search warrant, has been the subject of a determination by a court that probable cause that possession, manufacture or delivery of a controlled substance or related offenses as defined in AS 11.71.010—11.71.060 have occurred within the previous 30 days.

*Control* means the ability to regulate, restrain, dominate, counteract or govern conduct that occurs on a property.

*Deputy director of public safety* includes the deputy director of public safety and his designee.

*Intimidation* means:

- (1) Tampering or interfering with property while having no right to do so nor reasonable ground to believe that the person has such right, with the intent to cause substantial inconvenience to another because of the person's perception of the other's race, color, religion, national origin or sexual orientation;
- (2) Intentionally subjecting another to offensive physical contact because of the person's perception of the other's race, color, religion, national origin or sexual orientation; or
- (3) Intentionally, because of the person's perception of race, color, religion, national origin or sexual orientation of another or of a member of the other's family, subjecting such other person to alarm by threatening to:
  - a. Inflict serious physical injury upon or to commit a felony affecting such other person, or a member of the person's family; or
  - b. Cause substantial damage to the property of the other person or of a member of the other person's family.

*Nuisance activities* means any of the following activities, behaviors or criminal conduct:

- (1) Harassment as defined in AS 11.61.120;
- (2) Intimidation as defined in this section;
- (3) Assault and reckless endangerment as defined in AS 11.41.200—11.41.230;
- (4) Disorderly conduct as defined in AS 11.61.110 or section 46-41;
- (5) Disturbing the peace as provided in F.G.C. section 46-42;

- (6) Sexual abuse, contributing to the delinquency of a minor, or sexual misconduct as provided in AS 11.51.130, AS 11.41.434—11.41.440, AS 11.41.455;
- (7) Prostitution or related offenses as provided in AS 11.66.100—11.66.130;
- (8) Alcoholic liquor violations as provided in AS 04.11.010—04.11.015;
- (9) Offensive littering as provided in AS 46.06.080 and F.G.C. **section** 46-162;
- (10) Criminal trespass as provided in AS 11.46.320—11.46.330;
- (11) Theft as provided in AS 11.46.100—11.46.200;
- (12) Arson or related offenses as provided in AS 11.46.410—11.46.430;
- (13) Possession, manufacture or delivery of a controlled substance or related offenses as provided in AS 11.71.010—11.71.060;
- (14) Illegal gambling as provided in AS 11.66.200—11.66.260;
- (15) Criminal mischief as provided in AS 11.46.480—11.46.486;
- (16) Any attempt to commit, as defined in AS 11.31.100, or conspiracy to commit, as defined in AS 11.31.120, any of the above offenses;
- (17) Fire or discharge of a firearm as provided in AS 11.61.190—11.61.220 and section 46-293;
- (18) Unlawful operation of sound producing or reproducing equipment as provided in section 46-186;
- (19) Unlawful drinking in public places as provided in section 46-80;
- (20) Curfew as provided by section 46-81; ~~and~~
- (21) Indecent exposure as provided in AS 11.41.460; ~~;~~
- (22) Illegal mobile home occupation as defined in section 10-381; and**
- (23) Continued failure to secure a vacant building, as defined in section 10-207.**

*Permit* means to suffer, allow, consent to, acquiesce by failure to prevent or expressly assent or agree to the doing of an act.

*Person* means any natural person, agent, association, firm, partnership or corporation capable of owning, occupying or using property in the city.

*Person associated with* means any person who, on the occasion of nuisance activity, has entered, patronized, visited or attempted to enter, patronize or visit, or waited to enter, patronize or visit a property or person present on a property, including without limitation any officer, director, customer, agent, employee, or any independent contractor of a property, person in charge, or owner.

*Person in charge* means any person in actual or constructive possession of a property, including but not limited to an owner or occupant of property under his dominion, ownership or control.

*Property* means any property, including land and that which is affixed, incidental or appurtenant to land, including but not limited to any business or residential premises, room, house, parking area, loading area, landscaping, building or structure or any separate part, unit or portion, or any business equipment, whether or not permanent. For property consisting of more than one unit, property is limited to the unit or the portion of the property on which any nuisance activity has occurred or is occurring, but includes areas of property used in common by all units of property, including without limitation other structures erected on the property and areas used for parking, loading and landscaping.

#### **Sec. 46-213. - Procedures.**

When the ~~deputy director of public safety~~ **Mayor's designee** receives two or more ~~police~~ reports documenting the occurrence of nuisance activity on or within 200 feet of a property within the area, the ~~deputy director of public safety~~ **Deputy Chief of Police or their designee** shall independently review such reports to determine whether they describe criminal **or nuisance** acts enumerated under this chapter. Upon such a finding, the **Mayor's designee shall** ~~may deputy director of public safety notify~~ **send a notice to** the person in charge in writing that the property is in danger of becoming chronic nuisance property. The notice shall **must** contain the following information:

- (1) The street address or a legal description sufficient for identification of the property;
- (2) A statement that the ~~deputy director of public safety~~ **city** has information that the property may be chronic nuisance property, with a concise description of the nuisance activities that may exist or that have occurred. The ~~deputy director of public safety~~ **Mayor's designee** shall offer the person in charge an opportunity to propose a course of action that the ~~deputy director of public safety~~ **Mayor** agrees will abate the nuisance activities giving rise to the violation; and
- (3) Demand that the person in charge respond to the ~~deputy director of public safety~~ **Mayor's designee** within ten days to discuss the nuisance activity.

**SECTION 6.** Fairbanks General Code Chapter 46, Division 6 Fees for Excessive Police Responses, is hereby amended, as follows [new text in **bold/underlined** font; deleted text in ~~strikethrough~~ font]:

#### **Sec. 46-230. - Definitions.**

The following words, terms, and phrases, when used in this division, have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

*Commercial property* means an individual parcel, tract, or lot shown on the most recent plan of record that is not a residential property.

*Commercial unit* means an area within a commercial property that is readily identifiable by visual inspection as an area used by a single business or commercial enterprise.

*Dwelling unit* means a structure or portion thereof providing independent and complete cooking, living, sleeping, and toilet facilities for a person or group of persons living as a single housekeeping unit.

*Excessive police response* means each police response in excess of the limit set in section 46-231.

*Lessee* shall include a month-to-month tenant.

*Mobile home* means any vehicle or structure designed and constructed in such a manner as will permit occupancy as sleeping quarters for one or more persons, or the conduct of any business or profession, occupation, or trade, and so designed that it is or may be mounted on wheels and used as a conveyance on highways or city streets, propelled or drawn by its own or other motive power.

*Owner* means the record owner of the property as shown in the real property tax records of the Fairbanks North Star Borough.

*Permit* means to allow, consent to, acquiesce by failure to prevent, or expressly assent or agree to the doing of an act.

*Person* means any natural person, agent, association, firm, partnership, or corporation capable of owning, occupying, or using property in the city.

*Police chief* or *chief* means the Chief of the Fairbanks Police Department or designee assigned to carry out the duties of the police chief under this article.

*Police response* means that one or more police officers goes to a property in response to a call for assistance, a complaint, an emergency, a potential emergency, or a reasonable suspicion of unlawful activity witnessed by a police officer, and any response determined by a sergeant or higher ranking police officer to be related to activities on the property and reasonably preventable; however, the term "police response" does not include a response to:

- (1) Receipt of false information, unless the false information was provided by an occupant or owner of the property;
- (2) A false alarm, unless the false alarm was caused, permitted, or allowed by an occupant or owner of the property;
- (3) A call involving potential child neglect, potential domestic violence as defined in AS 18.66.990, or potential stalking under AS 11.41.260 or 11.41.270;
- (4) A report of a sexual assault or abuse as defined in AS 11.41.410—455, unless an occupant or owner of the property is a suspect in the

crime or allowed the offense to occur and the victim does not reside in the dwelling unit;

- (5) An emergency for a serious medical or psychological condition, serious bodily injury, or death.
- (6) A call from the lessee or owner of commercial property used as a retail store for police assistance with theft or attempted theft from the retailer.
- (7) A call from the lessee or owner of commercial property used as a licensed premise under authorization of the alcohol and marijuana control office for police assistance with:
  - a. An underage person seeking admittance or service;
  - b. An impaired person seeking admittance or service;
  - c. An impaired person preparing to operate a motor vehicle.
- (8) A call referred to the emergency service patrol.

*Property* means any real estate, residential or commercial.

*Residential property* means an individual parcel, tract, or lot shown on the most recent plan of record containing one or more dwelling units, or a mobile home.

**Sec. 46-231. - Excessive police responses prohibited.**

- (a) Any police response in excess of the following is an excessive police response subject to the fees set in subsection 46-232(a):
  - (1) Dwelling unit: Five in a calendar year; or
  - (2) Commercial unit: ~~45~~ **50** in a calendar year.
- (b) The owner of any property within the city is responsible for the excessive police responses to that property and is liable for the penalties imposed by this division. The lessee of a unit located on any property within the city is responsible for excessive police responses to that unit and is liable for the penalties imposed by this division.
- (c) Each excessive police response will constitute, except where otherwise provided, a separate violation for which a separate fee may be assessed.

**Sec. 46-232. - Fee for excessive police responses.**

- (a) Subject to subsection (b), the owner of property and the lessee of a unit thereon shall jointly pay the city a fee of \$500.00 per excessive police response to the dwelling unit or commercial unit, **as set forth in the city schedule of fees and charges.**
- (b) A person is exempt from liability for the fee established by subsection (a) if:

- (1) The owner is a federal or local government agency;
  - (2) The property responded to is used exclusively for nonprofit, religious, charitable, cemetery, hospital, or educational purposes;
  - (3) The city has not provided notice to the owner or lessee as provided for in section 46-233; or
  - (4) Any person has taken appropriate corrective action under section 46-234.
- (c) If a property has more than one owner, all owners of the property shall be jointly liable for any fee imposed under this section. If a unit has more than one lessee, all lessees of the unit shall be jointly liable for any fee imposed under this section.
- (d) If the property requiring excessive police responses is a mobile home located in a mobile home park, the fee will be imposed on the owner of the mobile home and not on the owner or operator of the mobile home park, unless the mobile home park owner's or operator's conduct required the excessive police response.
- (e) **For residential property owned as a condominium, the fee based on excessive police responses to a single dwelling unit will be assessed against the owner of the dwelling unit, jointly with the tenant.**
- (f) **If the police chief or their designee determines appropriate corrective action was taken with respect to a specific property, the count of police responses to the property will be reset to zero, effective the date of the determination. After resetting, all provisions in this division referring to a calendar year shall mean remainder of the calendar year beginning from the date previous corrective action was taken.**
- (g) **The Police Chief or their designee will provide a courtesy notice in writing to the owner or tenant of a commercial property or commercial unit when the total number of police responses exceeds 50 in a calendar year. Notice may be by mail. Failure to provide notice under this subsection will not prevent the assessment of fees under this chapter.**

**Sec. 46-233. - Notice to liable persons for excessive police responses.**

- (a) When it has been determined by the city that a violation of section 46-231 has occurred, the city shall notify the owner and lessee in writing of the violation. The notice of violation will contain the following information:
- (1) The name of the owner and lessee, street address, or a legal description sufficient for identification of the property;

- (2) A statement that the number of police responses to the property exceeds the number allowed in section 46-231, along with a listing of the police responses to the property that have occurred within the calendar year, that there has been a violation under this division, and that the failure to take appropriate corrective action may result in the imposition of a fee;
  - (3) A statement that the owner and lessee are liable for a fee for each excessive police response to the property during the calendar year unless, within 30 days of the date notice is accomplished, the owner or lessee takes appropriate corrective action as outlined in section 46-234;
  - (4) The amount of the fee per excessive police response; and,
  - (5) The name and telephone number of a city representative to contact concerning the notice.
- (b) Service of notice of violation must be made either personally or by first class mail, postage prepaid, return receipt requested, addressed to the owner of the property and lessee at the address listed in the real property tax records of the borough, or by electronic means if such method gives the owner and lessee actual notice of the violation. If the mailed notice is returned without the owner's or lessee's signature, actual notice shall be conclusively presumed on the date the mailed notice is returned to the city.
  - (c) The failure of any person to receive notice of violation will not invalidate or otherwise affect the proceedings under this division.

**Sec. 46-234. - Corrective action.**

- (a) An owner of property will have 30 days from the date notice is accomplished, as required under section 46-233, to consult with the police chief or their designee and propose appropriate corrective action. Appropriate corrective action is action reasonably expected to correct the cause of the police responses to the property. The police chief or their designee is authorized to determine whether corrective action is appropriate under the circumstances and to set a time extension no shorter than ten days for the property owner to implement appropriate corrective action.
- (b) Any owner or lessee who takes appropriate corrective action may not be assessed fees for additional police responses to the property that occur during the time periods described in subsection (a).

**Sec. 46-235. – Collection of excessive police response fees; ~~lien on property.~~**

- ~~(a) A fee imposed under section 46-232 is a lien on the property to which there have been an excessive number of police responses.~~

~~(b) The lien becomes effective upon the recording of a notice of the lien.~~

~~(c) When a notice of the lien has been recorded under subsection (b), the lien has priority over all other liens except:~~

~~(1) Liens for property taxes, special assessments, and sales and use taxes;~~

~~(2) Liens perfected before the recording of the lien under this section; and~~

~~(3) Mechanics' and materialmen's liens for which claims of lien under AS 34.35.070 or notices of right to lien under AS 34.35.064 have been recorded before the recording of the lien under this section.~~

~~(d) Excessive police response fees may be collected in any lawful manner, including bringing an action in court for a personal judgment against any person liable for the fee under this division.~~

**Sec. 46-236. - Appeal rights.**

Any owner determined liable for fees for excessive police responses under this division may, within 30 days of service of notice of violation, apply for a hearing on the determination. The application must be in writing and filed with the mayor's office. The hearing will be held before the mayor or designee within 15 business days of receiving a timely application. The hearing will be limited to the issue of whether the person is liable for each fee imposed under this division, as found by the police chief or their designee. Within 30 days of the written decision of the mayor or designee, a person aggrieved by the decision may appeal to the superior court of the Fourth Judicial District in Fairbanks in accordance with the Alaska Rules of Appellate Procedure.

**SECTION 7.** 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

**A Resolution Establishing  
the Rate of Levy of 2026  
Real Property Taxes for the  
City of Fairbanks, Alaska**

Printed copies will be hand-  
carried and available the  
morning of the Work Session

**RESOLUTION NO.**

**A RESOLUTION AMENDING THE CITY SCHEDULE OF FEES  
AND CHARGES FOR SERVICES BY ADJUSTING GARBAGE  
COLLECTION RATES**

**WHEREAS**, Section 66-22 of Fairbanks General Code provides that garbage collection rates be adjusted each year to reflect the annual change in the Anchorage Consumer Price Index (CPI) as well as changes in tipping fees charged by the Fairbanks North Star Borough landfill; and

**WHEREAS**, the change in the annual CPI was 2.1 percent for 2025; and

**WHEREAS**, the Fairbanks North Star Borough landfill tipping fees increased by \$3.00/ton in July 2025, and the Borough approved an increase of \$3.00/ton in July 2026.

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

**SECTION 1.** The Fairbanks City Council approves the attached version of the *City Schedule of Fees and Charges for Services* amending garbage collection rates.

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

**PASSED and APPROVED this 8th day of June 2026.**

\_\_\_\_\_  
**Mindy L. O'Neall, Mayor**

AYES:  
NAYS:  
ABSENT:  
APPROVED:

ATTEST:

APPROVED AS TO FORM:

\_\_\_\_\_  
D. Danyielle Snider, MMC, City Clerk

\_\_\_\_\_  
Thomas A. Chard II, City Attorney

**FISCAL NOTE RESOLUTION NO. #####**

**Garbage Collection Fee Adjustment - 2026/2027**

Fairbanks General Code does not allow inclusion of postage, mailing supplies, and mailing services.

Category	Current-Deferred Rate Per Quarter	Anchorage Annual CPI	CPI Adjusted Rate	Tipping Fees Increase, (see detail below)	Total	Increased Rate Per QTR (rounded)
Garbage Collection	\$ 99.00	102.10%	\$ 101.08	\$ 0.74	\$ 101.82	\$ 102.00

Tipping Fee Increase Detail						
Jul to Dec Tons & Jan to Jun Tons	Units	AVG Tons/Unit	\$ Increase Per Ton	\$ Per Year	\$ Per QTR	Increased Rate Per QTR (rounded)
2592	5,207	49.78%	3.00	\$ 1.49	\$ 0.37	\$ 0.37
2572	5,207	49.40%	3.00	\$ 1.48	\$ 0.37	\$ 0.37

The current rate is \$145 per ton. On July 1, 2026, the rate will increase to \$148 per ton.

Amount of Increase	<u>\$ 3.00</u>
Quarterly Increase	<u>\$ 15,621.00</u>
Semi-Annual Increase	<u>\$ 31,242.00</u>

## City of Fairbanks Schedule of Fees and Charges for Services

**Resolution No. #### - Effective July 1, 2026**

Category	Code Sec.	Topic	Current Fee	Proposed Fee	Unit Description
<b>Garbage Collection</b>	66-22	Single Family Dwelling	\$ 99.00	\$ <b>102.00</b>	Per quarter (rounded)
		Duplex	\$ 198.00	\$ <b>204.00</b>	
		Triplex	\$ 297.00	\$ <b>306.00</b>	
		Fourplex	\$ 396.00	\$ <b>408.00</b>	
	66-23	Senior Rate (75% of single family dwelling)	\$ 74.00	\$ <b>77.00</b>	Per quarter (rounded)

**ORDINANCE NO. \_\_\_\_\_**

**AN ORDINANCE TRANSFERRING LAND TO THE STATE OF ALASKA  
AND CREATING A TEMPORARY EASEMENT FOR THE  
STEESE/JOHANSEN INTERCHANGE PROJECT**

**WHEREAS**, the State of Alaska, Department of Transportation and Public Facilities (DOT&PF) is planning to construct a new interchange at the intersection of the Steese and Johansen Expressways; and

**WHEREAS**, the State's project requires a permanent transfer of 4,364 square feet of property owned by the City of Fairbanks as well as an additional 2,069 square feet for a Temporary Construction Easement (TCE), both located near Lazelle Road (see Attachment No. 1); and

**WHEREAS**, the value of the property has been appraised at \$6,699 and the value of the temporary easement has been appraised at \$500 (see Attachment No. 2); and

**WHEREAS**, DOT&PF has offered the City \$7,200 in total compensation for the permanent transfer of the property and the TCE, both described above; and

**WHEREAS**, Alaska Statute § 29.35.090, along with City of Fairbanks Charter, § 8.3, and Fairbanks General Code, § 70-42(b), provide that the disposition of any City interest in real property requires the approval of the City Council by ordinance; and

**WHEREAS**, Fairbanks General Code §§ 70-42(b) and 70-56 requires further that no action to dispose of interest in real property by the City will be final until the ordinance providing the authority to do so has been on file in the City Clerk's Office for 30 days to allow the time for a potential referendum on the ordinance to expire.

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

**SECTION 1.** The Mayor is authorized to execute any and all instruments, approved as to form by the City Attorney, necessary to execute this transfer and temporary easement.

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

**SECTION 3.** No action taken to transfer property or provide a temporary construction easement under the authority granted by this ordinance will take final effect until the adopted ordinance has been on file with the City Clerk for 30 days.

\_\_\_\_\_  
**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

**CITY OF FAIRBANKS**  
**FISCAL NOTE**

**I. REQUEST:**

Ordinance or Resolution No: \_\_\_\_\_

Abbreviated Title: ORDINANCE TRANSFERRING LAND TO STATE OF ALASKA

Department(s): GENERAL

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? 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)

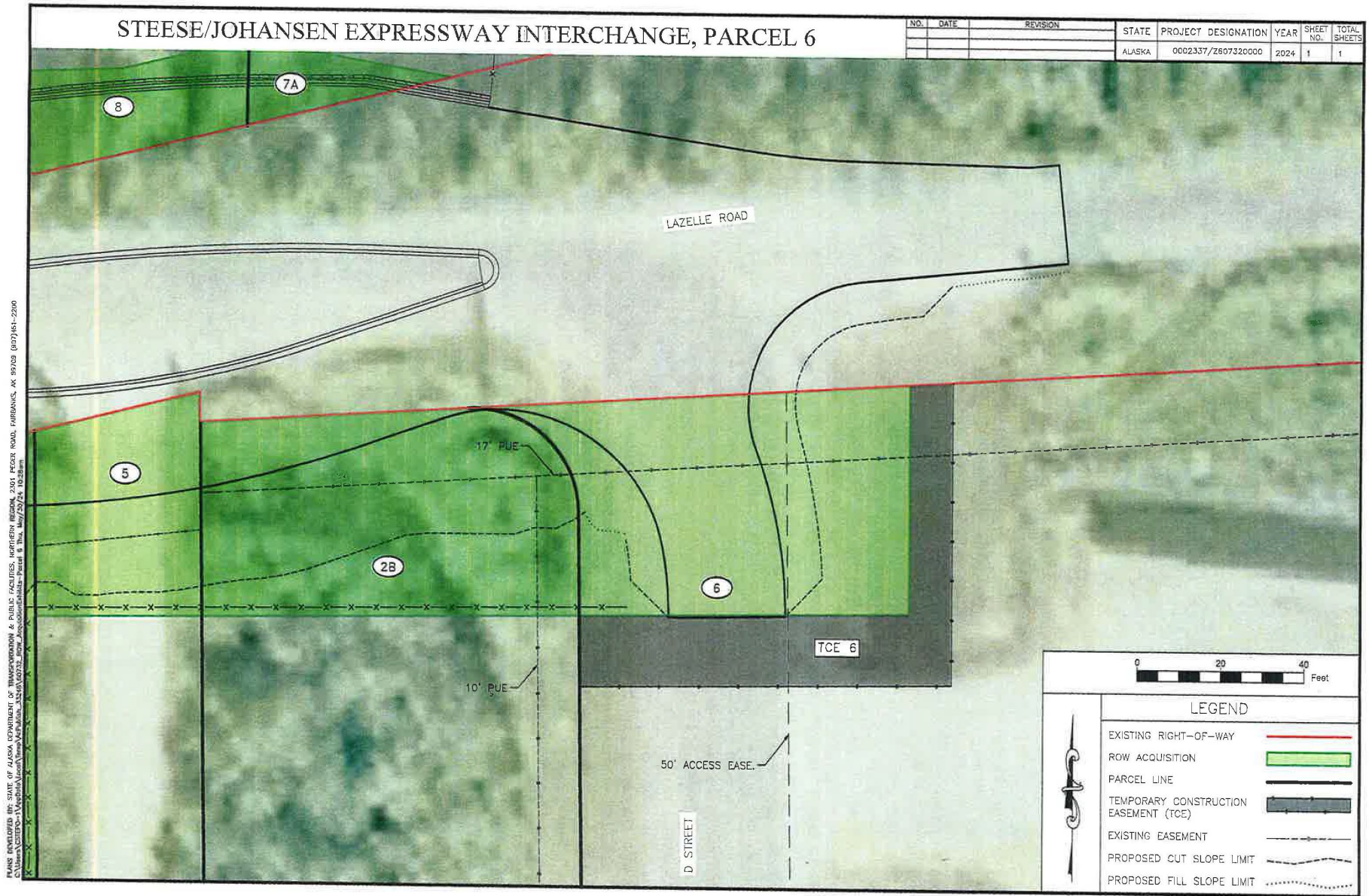
**II. FINANCIAL DETAIL:**

EXPENDITURES:	ANNUAL
<b>TOTAL</b>	<b>\$ -</b>

FUNDING SOURCE:	ANNUAL
PERMANENT FUND	\$ 6,700
GENERAL FUND	\$ 500
<b>TOTAL</b>	<b>\$ 7,200</b>

The City of Fairbanks will permanently transfer 4,364 square feet of property and provide 2,069 square feet for a temporary easement near Lazelle Road for a new interchange at the intersection of the Steese and Johansen Expressways. The City will receive \$6,700 for the property and \$500 for the temporary easement.

Prepared by Finance Department: Initial mb Date 5/22/2026



Ordinance No. \_\_\_\_ Attachment No. 1 showing the portion of COF lot 6 the AK DOT&PF is interested in acquiring as well as the Temporary Construction Easement (TCE) the State needs for the project.

Ordinance No. \_\_\_\_ - Attachment No. 1



STATE OF ALASKA  
DEPARTMENT OF TRANSPORTATION  
AND PUBLIC FACILITIES

REVIEW APPRAISER'S  
RECOMMENDATION OF  
JUST COMPENSATION

PROJECT NAME: Steese Expressway/Johansen  
Expressway Interchange

STATE PROJECT #: Z607320000

FEDERAL-AID PROJECT #: 0002337

PARCEL 6 AND TCE 6

X Revised

Appraiser: Value Estimate Effective Date Appraisal Report Date:

Chris Guinn, MAI & 5/10/2023 4/2/2024 X Approved  
Connie Horton

Owner: City of Fairbanks  
Access to Remainder: Adequate

Uneconomic Remnant? X No  Yes

This Recommendation of Just Compensation is based upon my review of the recent appraisal report of the above-referenced parcel, which complies with DOT&PF appraisal guidelines in the Alaska Right-of-Way Manual and is considered reasonable given the data and analysis presented in the appraisal report. This Recommendation of Just Compensation was prepared in conformity with 49 CFR Part 24, *Uniform Standards of Professional Practice*, and DOT&PF's Appraisal Review Guidelines (see Chapters 4 and 5 of the *Alaska Right-of-Way Manual*). It is the result of my independent, personal, unbiased, professional analysis, opinions, and conclusions based upon a technical review of the appraisal and other factual data without significant professional assistance or direction. The data and statements of facts presented in the appraisal report have not been verified by this office and are assumed to be true and correct. All of the assumptions and limiting conditions contained in the original appraisal report are also conditions of this review, unless otherwise stated. The signed "Certification of Appraisal Review" is attached.

I did make a physical inspection of the subject and comparable properties in February of 2024.

Recommended Just Compensation for the property being acquired is allocated as follows:			
Fee Simple	4,364 SF		\$ 1,199
Site Improvements	Paving		\$ 5,500
TCE	2,069 SF		\$ 500*
Cost to Cure	None		\$
Existing ROWs/PLOs (Underlying Fee)	None		\$
Damages	None		\$
Special Benefits	None		\$
<b>Total \$ 7,200 (Rd)</b>			
<b>Federal Participation: \$ 7,200</b>		<b>State Funds: \$</b>	

Review Appraiser's Signature: Mark Kasberg Date: 2/7/2025  
Review Appraiser (print or type name): Mark Kasberg AK Appraiser Cert#: APRG24

It is understood that this Recommendation of Just Compensation is to be used in conjunction with a Federal-Aid or State project. To ensure statewide consistency the Review Appraiser administratively valued the existing ROW at 10% of the fee simple value (if applicable). \*DOT/PF minimum for temporary acquisitions.

**CERTIFICATION OF APPRAISAL REVIEW**

**For the Appraisal Review identified on page 1 of the Review Appraiser's Recommendation of Just Compensation, I certify that to the best of my knowledge and belief:**

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- I have no direct, indirect, present, or prospective interest in the property that is the subject of the work under review and no personal interest with respect to the parties involved.
- I have no bias with respect to the property that is the subject of the work under review or to the parties involved in the assignment.
- I have performed no services in any capacity (appraisal or otherwise) regarding the property that is the subject of the work under review within the three-year period immediately preceding my acceptance of this assignment.
- My engagement in this assignment was not contingent upon developing or reporting predetermined results.
- My compensation is not contingent on an action or event resulting from the analyses, opinions, or conclusions in this review or from its use.
- My compensation for completing this assignment is not contingent upon the development or reporting of predetermined assignment results, or assignment results that favors the cause of the client, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal review.
- My analyses, opinions, and conclusions were developed, and this review report was prepared in conformity with the *Uniform Standards of Professional Appraisal Practice (USPAP)*.
- I have made a personal inspection of the subject of the work under review.
- No one provided significant appraisal or appraisal review assistance to the person signing this certification.
- All Assumptions and Limiting Conditions included in the original appraisal report referenced on page 1 are conditions of this review assignment.
- Client: State of Alaska, Department of Transportation and Public Facilities
- Intended Users: AK DOT&PF and contractual assigns and Federal funding partners where applicable.
- Intended Use: To assist AK DOT/PPF in determining just compensation for acquisition related to a public transportation project.
- Purpose of the Appraisal Review: To conduct a technical review of the appraisal report referenced on page 1 for compliance with the USPAP and DOT&PF standards.
- Scope of the Review: In preparing this appraisal review, I have completed a technical review of the appraisal report referenced on page 1. I have adhered to criteria in Chapters 4 and 5 of the Alaska Right-of-Way Manual and utilized this form to communicate this review assignment. Supporting documentation is retained in the work file as appropriate. I have checked the report for proper appraisal methodology, analytical consistency, internal logic, accuracy of mathematical calculations, and compliance with USPAP.
- Property Rights Appraised: (fee simple, leased fee, etc.) Fee simple

Review Appraiser's Signature: Mark Kasberg

Date: 2/7/2025

Review Appraiser (print or type name): Mark Kasberg

AK Appraiser Cert#: APRG24



C23-0226F

Parcel Number 6, TCE6

0002337/Z607320000

STEESE EXPRESSWAY/JOHANSEN EXPRESSWAY INTERCHANGE

**APPRAISAL REPORT  
PARCEL NO 6 and TCE 6**

**0002337/Z60732000**

**STEESE EXPRESSWAY/JOHANSEN EXPRESSWAY INTERCHANGE  
APPRAISAL**

**For:**

**STATE OF ALASKA**

**DEPARTMENT OF TRANSPORTATION & PUBLIC FACILITIES**



Effective Date: 5/10/2023

File No. C23-0226F

***Chris Guinn Appraisers***

***chrisguinn@ak.net***

***Phone: 907.479.7603***

***Fax: 907.479.8237***

C23-0226F

Parcel Number 6, TCE6

0002337/Z607320000

STEESE EXPRESSWAY/JOHANSEN EXPRESSWAY INTERCHANGE



*Chris Guinn Appraisals*

*3724 Swenson Avenue*

*Fairbanks, Alaska 99709*

*Ph:907.479.7603 Fax:907.479.8237 e-mail: chrisguinn@ak.net*

April 2, 2024

State of Alaska, DOT&PF  
Crystal Haman, ROW Agent  
2301 Peger Road  
Fairbanks, AK 99701

Re: Appraisal of Parcel No. 6 and TCE 6  
STEESE EXPRESSWAY/JOHANSEN EXPRESSWAY INTERCHANGE  
APPRAISALS  
Our report No.: C23-0226F

Dear Ms. Haman:

At your request we have completed the investigation and analysis necessary to form an opinion of market value for Parcel No. 6 & TCE 6 for the Steese Expressway/ Johansen Expressway Interchange project.

The accompanying report is an Appraisal Report which is in conformance with the Uniform Standards of Professional Appraisal Practice (USPAP). All three approaches to value were considered, and the sales approach method was utilized to arrive at market value. The report contains the most pertinent data gathered, the techniques used, and the reasoning leading to my opinion of value.

The purpose of this assignment is to estimate the market value of the subject Parcel No. 6 & TCE 6 to be acquired. The function of this appraisal is to aid the Department of Transportation in the acquisition of these parcels for the project.

To the best of my ability, this appraisal has been made in conformance with and subject to the Code of Professional Ethics of the Appraisal Institute. The attached reports identify the properties and set forth the assumptions, limiting conditions, special assumptions, data, and analyses upon which the opinions of value are based. No personal property is included in my estimate of value.

C23-0226F

Parcel Number 6, TCE6  
0002337/Z607320000

STEESE EXPRESSWAY/JOHANSEN EXPRESSWAY INTERCHANGE

The appraisal report that accompanies this letter of transmittal includes the documentation for the research and analysis that was required in the process of estimating the market value for the subject property.

It is my opinion that the total Market Value of the Acquisitions effective 5/10/2023 for Parcel No.6 & TCE6 is \$6,962.85. If you have any questions regarding these reports or would like to discuss some aspect, please call. Thank you for this opportunity to be of service.

Respectfully submitted,



---

Chris Guinn, MAI, SRA, SR/WA  
Street, Guinn Appraisers



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Connie Horton, General Appraiser  
Senior Appraiser

**PARCEL NO. 6 & TCE6**

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## APPRAISAL SUMMARY

### PROJECT & OWNER INFORMATION

<b>Name of Owner:</b>	City of Fairbanks
<b>Address:</b>	800 Cushman Street
<b>Parcel Location:</b>	NHN Lazelle Road, Fairbanks, AK
<b>ROW Map Date</b>	2/3/2023
<b>Legal Description</b>	Tract A-1 Lazelle Estates Northern
<b>Zoning:</b>	TF
<b>Highest and Best Use</b>	Multi-family/residential
<b>Rights Appraised:</b>	Fee Simple Estate: "Absolute ownership unencumbered by any other interest or estate; subject only to the limitations of eminent domain, escheat, police power, and taxation."
<b>Inspection Date:</b>	5/10/2023
<b>Date of Value:</b>	5/10/2023

### PARCEL DESCRIPTION SUMMARY

<b>Parcel 6 Existing/ "Before" size:</b>	<b>543,803sf</b>	<b>12.484 ac</b>
	<b>-34,366sf (access easement)</b>	
	<b>509,437sf (unencumbered)</b>	
<b>Net Acquisition:</b>	<b>1,595sf</b>	
<b>Access Easement:</b>	<b>2,769sf</b>	
<b>Total Acquisition size</b>	<b>4,364sf</b>	
<b>Remainder</b>	<b>539,439sf</b>	<b>12.384 ac</b>
<b>Parcel TCE-6 Temporary Construction Easement</b>	<b>2,069sf</b>	

**ACQUISITION SUMMARY**

**Market Value of the Whole Parcel** \$328,239.10

**Market Value of Acquisition**

**Acquisition** \$1,198.02

**Acquisition (Temporary Construction Easement)** \$264.83

**Damage** -0-  
**Special Benefits** -0-  
**Improvement** \$5,500.00

**Total Market of the Acquisition** \$6,962.85

**Market Value of Remainder**

The final estimate of land value of the remainder remains the same at \$0.64/sf.

**CERTIFICATION**Name of Appraiser Chris Guinn and Connie Horton

We CERTIFY THAT:

Connie Horton personally inspected the property appraised in this report on 5/10/2023.

We personally verified the facts, prices, terms, and conditions of sales used as comparable data with the parties to each transaction except to the extent otherwise indicated in my report.

A personal field inspection of any comparable properties referred to in the report was made. The narrative analysis and conclusions contained within this appraisal report are our own. The names of assistants who provided support are as stated in the report. We have limited their services to photography, basic research, and general data gathering.

We have afforded each property owner the opportunity to accompany me at the time of my inspection of the property.

To the best of our knowledge and belief, the statements contained in this appraisal report are true and correct, and the information upon which our opinions are based is accurate, subject only to the assumptions and limiting conditions set out in the report.

Our appraisal report is intended to be used by the State of Alaska in connection with an acquisition for the above-referenced project to be constructed with the assistance of federal funds.

This appraisal report has been made in conformity with applicable federal standards, State of Alaska statutes, regulations, policies, and procedures and with accepted industry practices applicable to valuation of lands for such purposes. To the best of our knowledge, all values that we have assigned to the property are compensable under the established law of the State of Alaska. Values assigned do not reflect a decrease or increase due to the proposed project.

We have performed no services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.


Neither our employment nor our compensation for making this appraisal report are in any way contingent upon the reporting of a predetermined value that favors the cause of the client, the attainment of a stipulated result, or the occurrence of a subsequent event.

We have no direct, indirect, present, or prospective interest in the subject property; and we have no personal interest or bias with respect to the parties involved, nor will we benefit in any way from the acquisition of this property.

We have not revealed the findings and results of this report to anyone other than the proper officials of the Alaska Department of Transportation and Public Facilities, the Federal Highway Administration, or the Federal Aviation Administration, and we will not do so until so authorized by proper officials, or until we are required to do so by due process of law, or until we are released from this obligation by having publicly testified as to such findings.

Based upon our independent, unbiased research and analysis, our professional opinion of market value is \$6,962.85 as of 5/10/2023.

Neither Connie Horton nor Chris Guinn have performed any services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.

Date 4/02/2024 Appraiser's Signature   
Chris Guinn, MAI, SRA, SR/WA  
General Real Estate Appraiser (Cert. # 40)

Date 4/02/2024 Appraiser's Signature   
Connie Horton  
General Real Estate Appraiser (Cert. # 383)

## ASSUMPTIONS AND LIMITING CONDITIONS

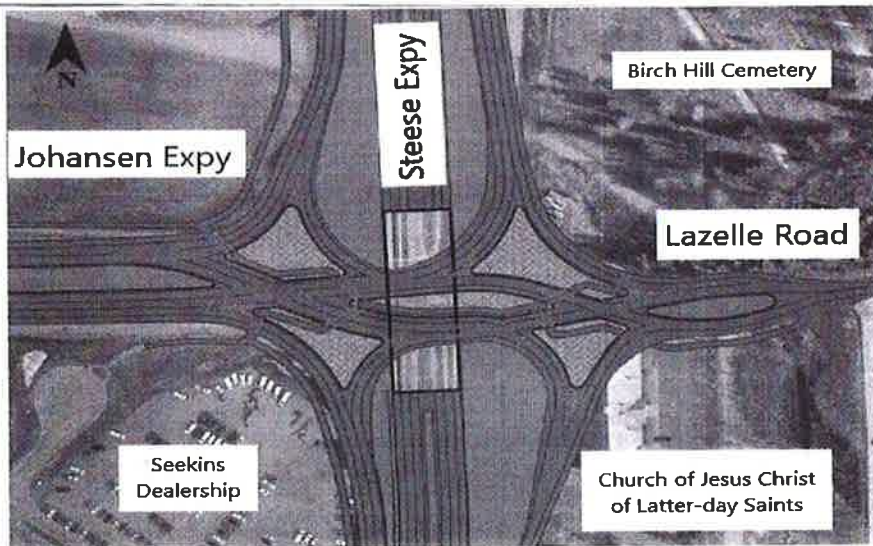
It is expressly understood that the method of appraisal and conclusion of opinion, together with the analysis of pertinent data and information are subject to, contingent upon and limited to the following conditions:

1. The title to the property appraised is good and marketable.
2. The property under consideration is appraised as fee simple.
3. All information furnished by the State of Alaska, Department of Transportation and Public Facilities, in the form of maps, plans, comparable sales and documents is correct.
4. The data, information, estimates, statistics, legal descriptions and opinions furnished by others and contained herein are reliable and correct, and no responsibility for their accuracy is assumed by the appraiser. If any errors or omissions are subsequently found, the appraiser reserves the right to modify or correct any conclusions, or opinions as may be directly affected.
5. Where valuation of the land and the improvements thereon are shown or itemized separately, the value of each is segregated only to serve as an aid to better estimate the values of the whole ownership and what each contributes to the market value of the entire property. The itemized amounts of each individual component part are not intended for use by themselves as they may or may not be their correct market value as separate entities.
6. The methods, procedures and techniques employed in making this appraisal are in accordance with the Standard Operating Procedures of the State of Alaska, Department of Transportation and Public Facilities, and with recognized standards of appraisal practice.
7. Plot plans including those showing improvements are for illustrative purposes only and may or may not be drawn to scale.
8. The appraiser assumes there are no hidden or in apparent conditions of the property, subsoil or structures, which would render it more or less valuable.

9. The unit values on the comparable sales have been rounded to the nearest significant dollar amount.
10. In the event of any future required court appearance or testimony of any kind, in connection with this appraisal, this appraiser reserves the right to make any alterations, changes or corrections, as may be deemed necessary to recognize possible changes in market conditions or project construction which may arise between the date of appraisal and the date of acquisition.
11. Other factors and certifications are included in the Certificate of Appraiser.
12. Valuation of the property does not include an environmental assessment for hazardous or toxic waste products or asbestos which may be present on the property and which may adversely affect the property's value. Appraisers are not generally qualified to make such an assessment.

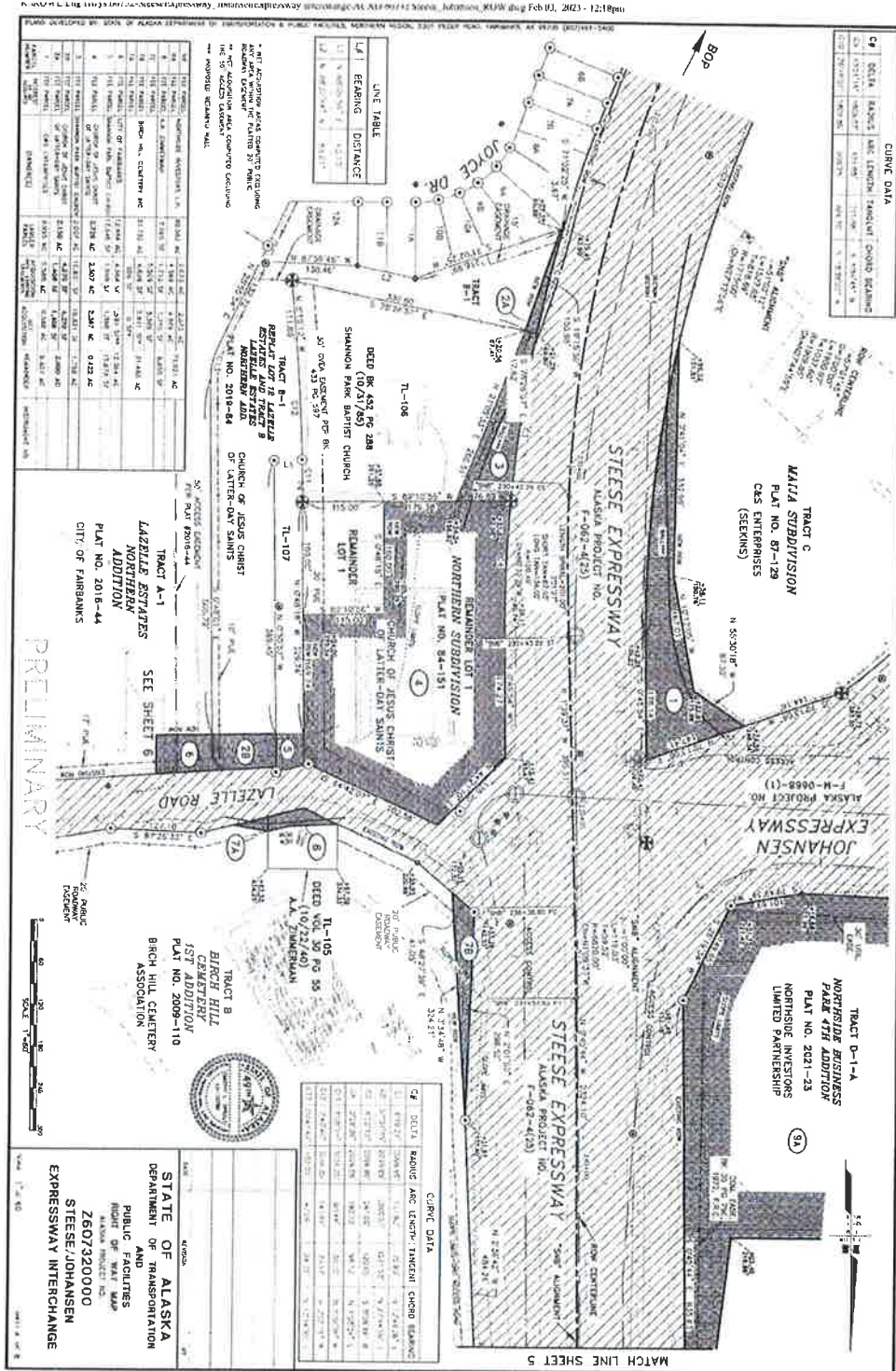
**DESCRIPTION OF PROJECT: INTRODUCTION/HISTORY**

The Steese Expressway/Johansen Expressway (Steese-Jo) intersection has seen sustained growth due to rapid growth in the area over the last 20 years. Large tracts of property within and adjacent to the Bentley Trust commercial property have experienced a rapid increase in commercial and residential development. Multiple large and small retail stores, as well as service-oriented businesses and a residential neighborhood, have developed in this area dramatically increasing traffic volumes. Average annual traffic growth rates in this area vary, but in some cases are as high as 5.2 percent per year over the past 20 years. Future development plans will likely consist of business and residential land uses like those currently in the area. Although development may not continue at the pace experienced in the early 2000s, there is continued growth expected and traffic volumes are expected to continue to increase. (Design Study Report)



**Design Study Report page 5**

STEESE EXPRESSWAY/JOHANSEN EXPRESSWAY INTERCHANGE



## PURPOSE AND FUNCTION OF THE APPRAISAL

The purpose of the appraisal is to estimate the market value of the property owner's rights before the acquisition, estimate the market value of the part acquired and estimate the value after the acquisition, estimate any cost-to-cure, damages, and/or special benefits if any to the remainder.

The function of this appraisal is to estimate the market value of a partial acquisition of ADOT from the property owner for the proposed project.

The Uniform Act and 49 C.F.R. refer to "fair market value," while the Appraisal Foundation refers to market value. Fair market value is defined in the "Uniform Standards of Professional Appraisal Practice" (2001 Edition) as:

"The most probable price which a property should bring in a competitive and open market under all condition's requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby: (1) buyer and seller are typically motivated; (2) both parties are well informed or well advised, and acting in what they consider their own best interests; (3) a reasonable time is allowed for exposure in the open market; (4) payment is made in terms of cash in United States dollars or in terms of financial arrangements comparable thereto; and (5) the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale."

The Alaska Supreme Court has defined fair market value as “the price in (terms of) money that the property could be sold for on the open market under fair conditions between an owner willing to sell and a purchaser willing to buy, with a reasonable time allowed to find a purchaser. The highest and most profitable use for which the property is adaptable is to be considered, to the extent that the prospect of demand for such use affects the market value while the property is privately held.” [State v. 7.026 Acres, Sup. Ct. Op. No. 601. 466 P2d 364, 365 (1970)]. Fair market value is based on a property’s fee simple value.

### **EXTRAORDINARY ASSUMPTIONS**

It is assumed the property is free and clear from any hazardous materials or contamination that would affect its marketability.

### **INTENDED USE AND USERS OF THE APPRAISAL**

The appraiser understands that the function of the appraisal report is to provide a market value estimate for compensating the property owner for the acquisition of the property rights acquired according to the Alaska Constitution, Article 1, Section 18, Eminent Domain that reads in part, “Private property shall not be taken or damaged for public use without just compensation.” The appraisal will be used to acquire property for the Steese Expressway/Johansen Expressway Interchange project for the State of Alaska, Department of Transportation and Public Facilities (AK/DOT&PF), the client and federal funding aid partners.

C23-0226F

Parcel Number 6, TCE6

0002337/Z607320000

STEESE EXPRESSWAY/JOHANSEN EXPRESSWAY INTERCHANGE

### SUMMARY OF THE APPRAISAL PROBLEM

Larger Parcel:	543,803sf or 12.484 acres  A 50' wide access easement encumbers approximately 34,366sf along western side. 509,437sf unencumbered.
Nature of the Acquisition	Partial acquisition of the larger parcel for proposed highway improvement project.
Effective Date of Value	5/10/2023 date of inspection

<b>PART TO BE ACQUIRED:</b>	
Net Acquisition Area (fee)	1,595sf
Area encumbered with Access Easement	<u>2,769sf</u>
Total Acquisition	4,364sf
Temporary Construction Easement	2,069sf
Shape	Irregular
Site Improvements	Estimated 25' by 55'=1,375sf of pavement

## SCOPE OF THE APPRAISAL

Right of Way Parcel Plats were provided by Alaska Department of Transportation and Public Facilities and analyzed for purposes of valuing the subject. The owner representative was offered the opportunity to accompany the appraiser during the inspection of the subject on, 5/10/2023. The property owner representative declined to accompany the appraiser.

Along with the inspection and analysis of the subject, we conducted independent research relative to estimating its highest and best use, multi-family/residential. Current market sales pertinent to the subject occurring in the Fairbanks area are listed in the addenda. We interviewed grantors, grantees, or real estate agents involved with particular market data, or private fee appraisers.

The appraisal is for a partial acquisition of the larger parcel. The sales comparison approach will be used to determine the market value of the fee simple value of the land to be acquired. The income approach and cost approach will not be used to determine the value of the area to be acquired.

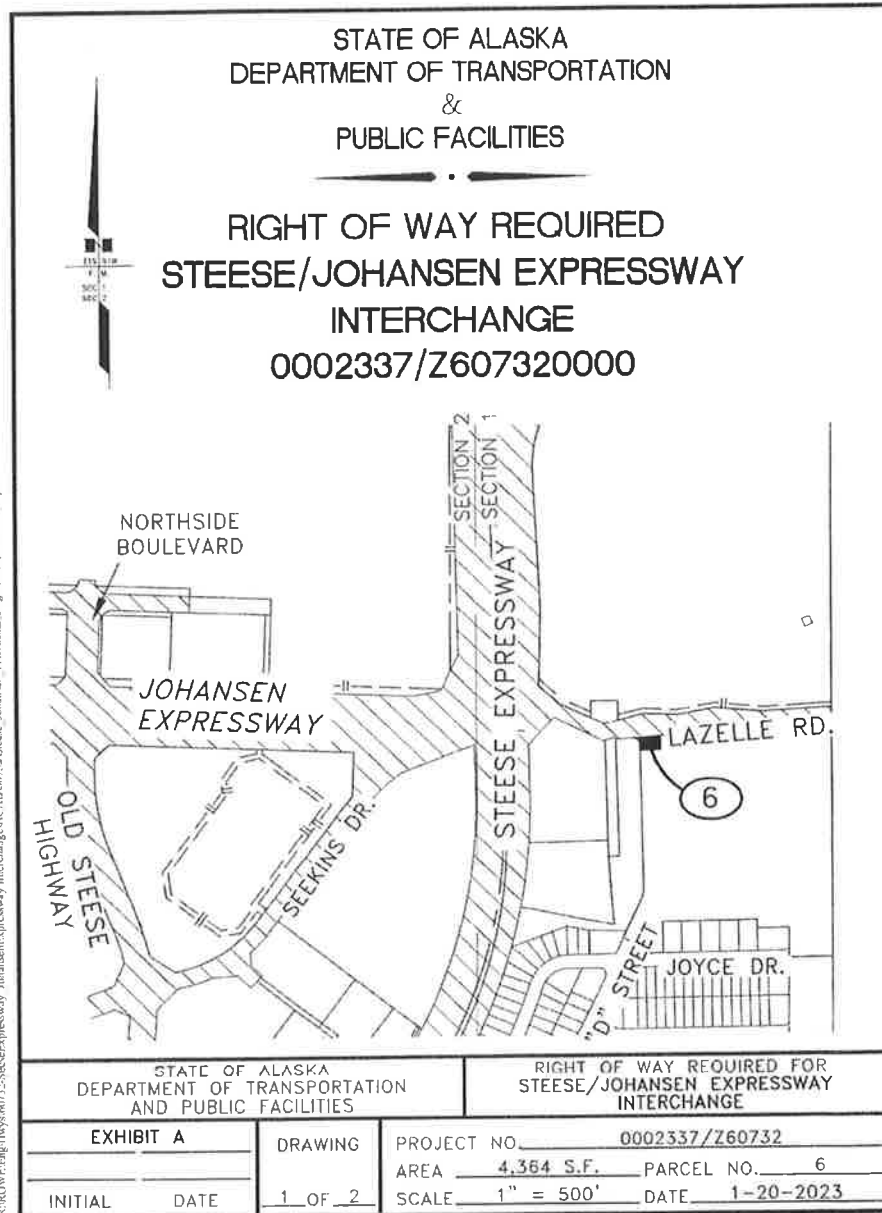
The area to be acquired is needed for the purpose of constructing the Steese Expressway/Johansen Expressway Interchange project located in Fairbanks.

C23-0226F

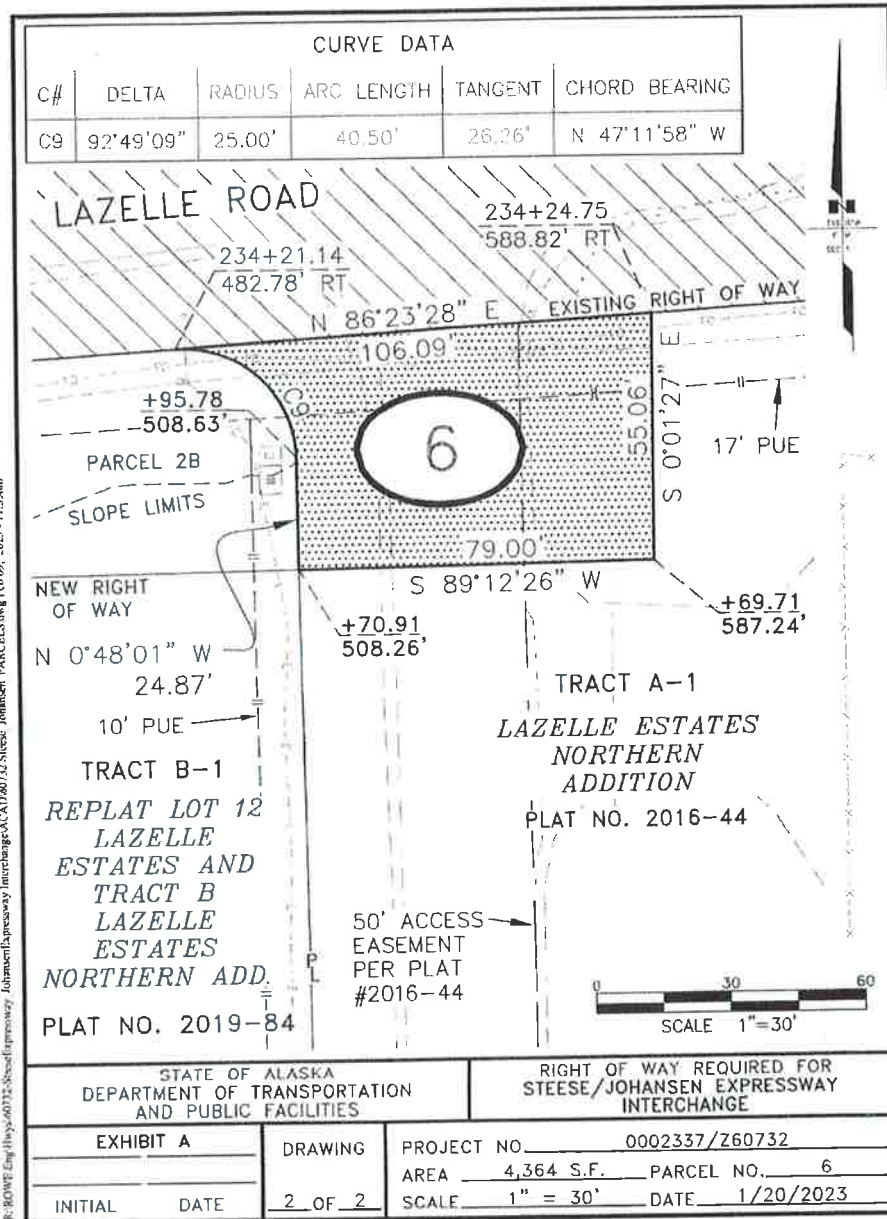
Parcel Number 6, TCE6

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STEESE EXPRESSWAY/JOHANSEN EXPRESSWAY INTERCHANGE



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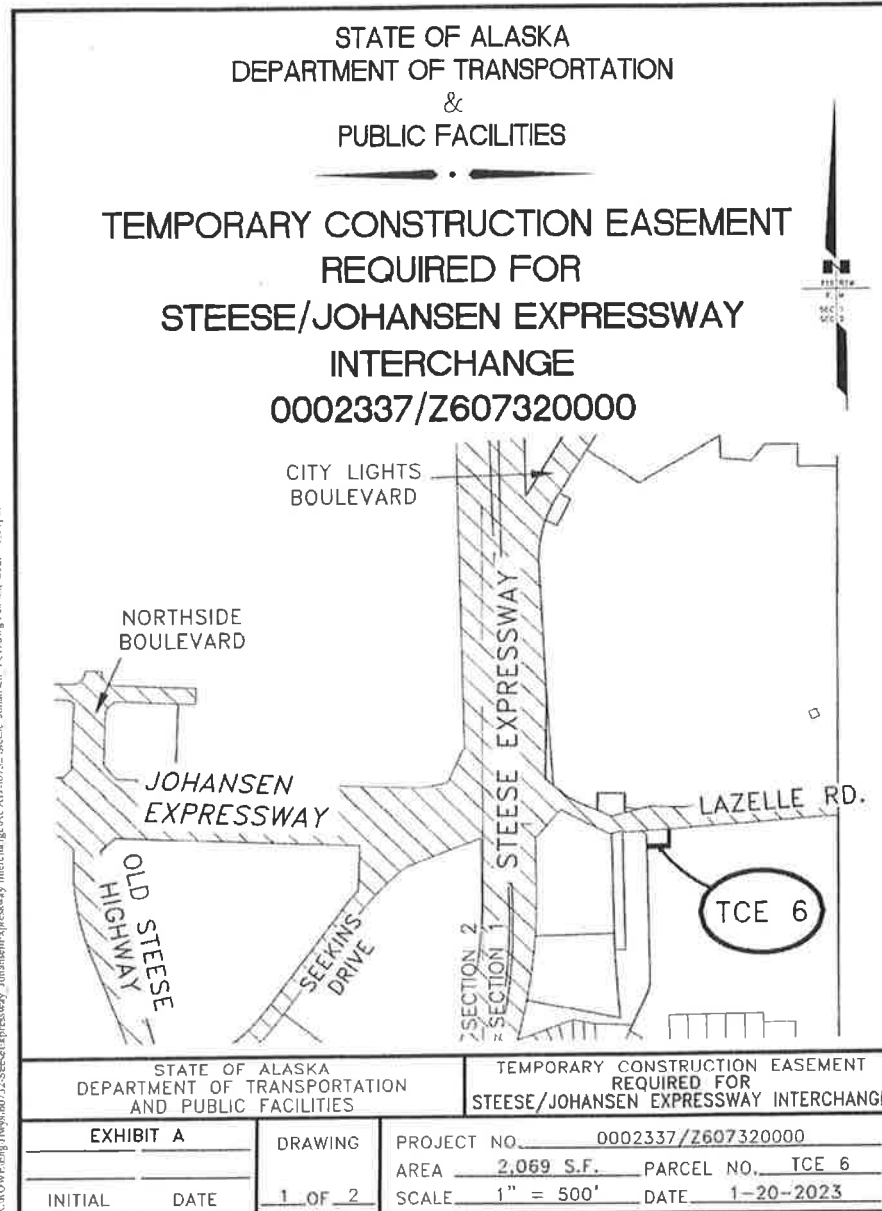
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C23-0226F

Parcel Number 6, TCE6

0002337/Z607320000

STEESE EXPRESSWAY/JOHANSEN EXPRESSWAY INTERCHANGE



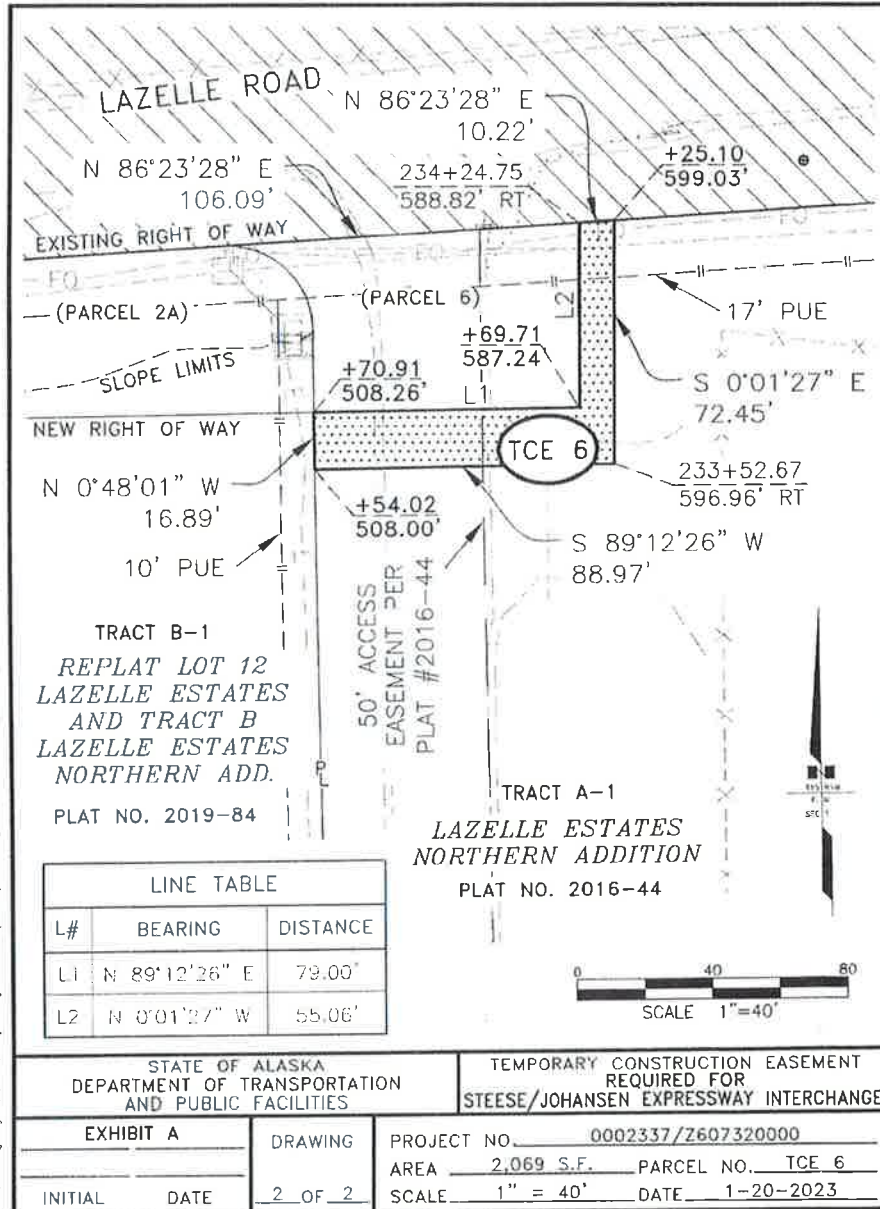
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C23-0226F

Parcel Number 6, TCE6

0002337/Z607320000

STEESE EXPRESSWAY/JOHANSEN EXPRESSWAY INTERCHANGE



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## AREA AND NEIGHBORHOOD ANALYSIS

The City of Fairbanks is almost in the center of Alaska and is sometimes referred to as the “Golden Heart” of Alaska. Almost centrally located, it is approximately 370 miles North of Anchorage; 380 miles South of Prudhoe Bay; 275 miles West of Canada; and 530 miles East of Nome. This central location is basic to Fairbanks’ strategic position as the key city of a wide area serving interior Alaska. Indeed, it was this location that established early Fairbanks as a distribution point, first for riverboat traffic, and later for rail and air traffic. The completion of the Alaska Railroad in 1924 ended Fairbanks’ relative isolation by allowing goods, people, and services to be transported to the ice-free port of Seward more efficiently. More recently, this location would prove vital to the distribution of people and materials for the construction of the Trans-Alaskan pipeline.

The climate is extreme, with a range from +90 Fahrenheit in summer to minus 50 F in winters (-62 is the record). Overall, the climate is very dry as the interior is somewhat shielded from rainfall by mountain ranges on the West, North, and South sides. Average annual rainfall in Fairbanks is only about twelve inches. The base altitude of the central city is about 440 feet above sea level.

The Fairbanks North Star Borough was originally incorporated on January 1, 1964, as the “North Star Borough,” with a total area of 7,361 square miles. It is a strong mayor form of government who serves as the chief executive officer. As a second-class borough, it initially had three area-wide powers:

1. assessment and taxation,
2. planning, zoning and platting, and
3. primary and secondary education.

Through elections, the Borough has assumed additional powers since its initial incorporation, including flood control, libraries, hospitals, rural services, data processing, community research, land resources, risk management, road and fire service areas.

There are two first class municipalities, Fairbanks and the City of North Pole (about fifteen miles South of Fairbanks). Each municipality has differing powers, with the main difference between classes being in how the various powers are assumed. The city provides such services as road maintenance, garbage pickup, police and fire protection, utilities and building code enforcement. The Borough's powers include transportation, parks, planning and zoning, environmental control, finance, and administrative services.

Local taxing authorities are the City of Fairbanks, the City of North Pole, and the Fairbanks North Star Borough. Each municipality sets its own mil rate and the Borough collects the taxes. Taxes are based on 100% of value and the trend in recent years has been toward higher local taxes to replace the reduction in state revenue sharing that has dramatically declined since 1986.

Cost of Living: According to the Council for Community and Economic Research, the cost of living being 100 as Average, Fairbanks has a total of 121.3,

with groceries at 120.8, Housing at 99.4, Healthcare at 156.5, and utilities at 194.6.

The population of the Fairbanks North Star Borough includes the cities of Fairbanks, North Pole, and the surrounding suburban areas is at 95,593.

The economy revolves around North Slope oilfield activities, transportation, the military, government activities, the University of Alaska, mining and the tourism industry.

There has been a slow recovery for oil and gas. Projects are creating mostly short-term construction jobs and fewer permanent jobs operating the field. Modest rebound for the construction sector with residential building bouncing back but felt to be probably temporary. The Infrastructure Investment and Jobs Act will increase heavy and civil engineering jobs along with professional, scientific, and technical services that tend to track with the industries they serve.

Tourism jobs accounted for nearly 40% of the jobs lost in Fairbanks for 2020. These included jobs in hotels, restaurants, and recreational places that rely on travelers. The Fairbanks leisure and hospitality rebounded as visitors returned in 2021 and now are similar to pre-pandemic levels.

Mining growth is mainly through existing projects of ongoing exploration and expansion of existing operations. Fort Knox mine is spreading into nearby areas via truck from Tetlin. Pogo, Greens Creek, and Kensington continue to expand and explore.

Government employment accounts for about 28% of the area's employment. Federal jobs have grown steadily since 2014 but forecast to remain steady in 2023. State government declines are long-term budget cuts. Protracted periods of elevated oil prices are not expected to expand government services. The population isn't likely to grow significantly and state support to local governments is unlikely to rise, keeping the employment outlook relatively flat.

The University of Alaska has absorbed several years of budget cuts and enrollment has fallen. The University of Alaska has lost the most jobs and will continue as more than 40 programs have been eliminated and a drop of 8% in enrollment.

As the military expansion at Eielson Air Force Base continued to expand, the population increased approximately 33% with the new contract bringing the F-35 fighter jets and KC-135 Tankers. all this gives the local economy a needed boost.

Economic trends can be found detailed in the *Fairbanks Community Research Quarterly*. It contains employment statistics, population estimates, bank deposits, and overall property assessments within the Fairbanks North Star Borough. While there are other indicators, these are believed to be most illustrative of the overall economic condition. (Some of this information is included in the addenda)

## NEIGHBORHOOD INFORMATION

The subject project is located at the intersection of the Steese Highway and Johansen Expressway, divided two lane highways on the east side of Fairbanks. The Steese and Johansen Expressways are principal arterials in Fairbanks, and the intersection is ranked in the top 10 for entering vehicle volume in Fairbanks. The Steese/Johansen intersection is a critical hub for commercial traffic heading to the North Slope from Canada, Valdez, and Anchorage. The downtown CBD Fairbanks urban area is to the southwest. The University of Alaska is about three miles west and access to Fort Wainwright is about four miles to the south.

**Infrastructure:** Major roads in the area are the Johansen Expressway and Steese Expressway. Access via these roads to major shopping, employment centers, and government services is good. The neighborhood is served by the Golden Heart Utilities System, which provides water and sewer service. Electric power is supplied by Golden Valley Electric Association, a private cooperative which is subject to regulation by the Alaska Public Utilities Commission. Telephone service is provided by GCI and ACS.

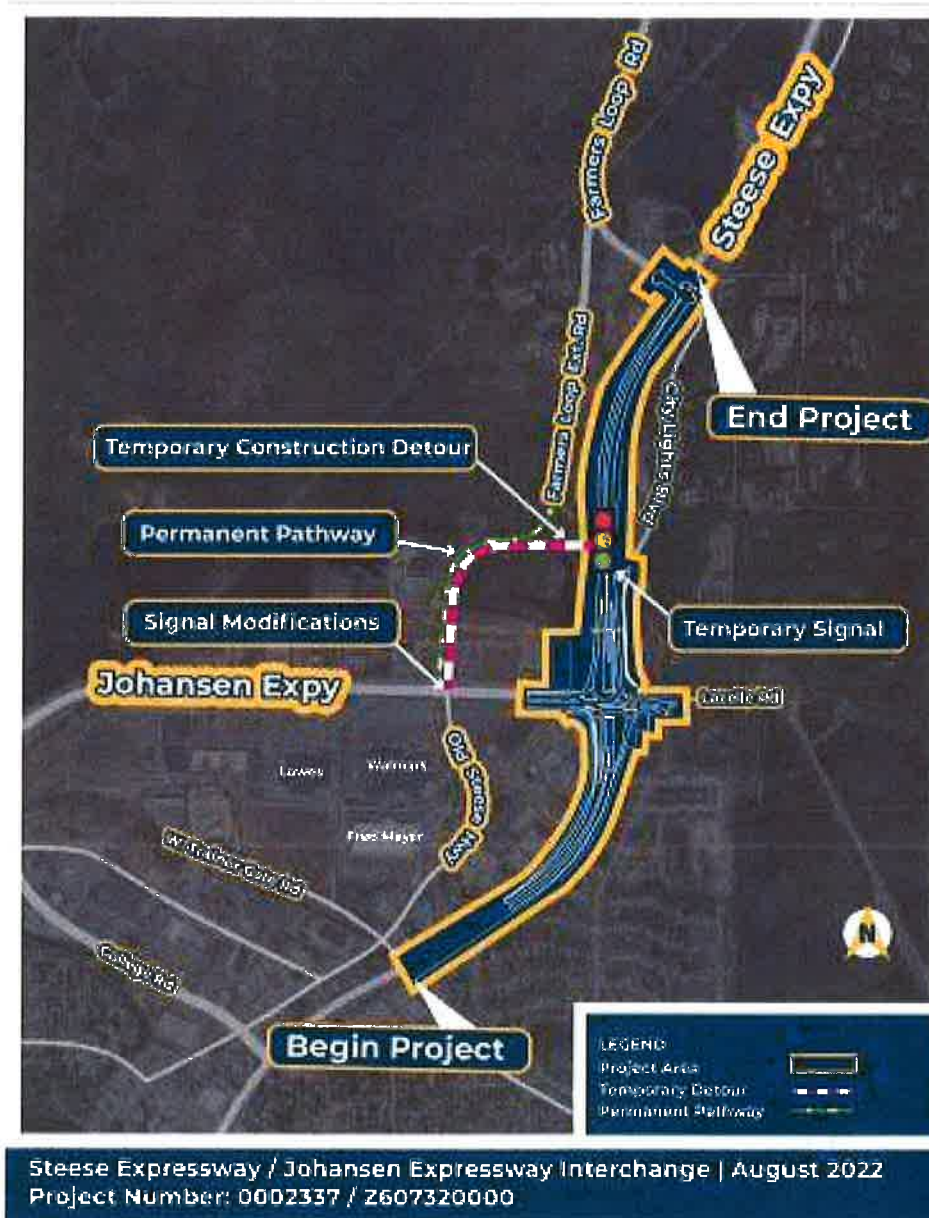
**Percent Developed:** This area development began in the early 1980's. About 25% of the area is vacant.

**Growth Pattern:** Infill, mostly renovation of existing construction.

**Land Use:** The area is developed with a mix of residential and multi-family structures. Most of the developments were built between 1985 and 2021. The neighborhood attracts residents from the entire Fairbanks community.

**Suitability:** Suitable for developers, investors, and owner-occupants. The neighborhood is considered to be in a stable mode with stable property values likely to be slowly seen over time. The subject suffers no location or economic obsolescence. Continued stability and generally stable property values are anticipated for this market for well-maintained properties for the foreseeable future. The subject is competitive with other properties in the neighborhood.

### NEIGHBORHOOD MAP



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STEESE EXPRESSWAY/JOHANSEN EXPRESSWAY INTERCHANGE



STATE OF ALASKA  
DEPARTMENT OF TRANSPORTATION  
AND PUBLIC FACILITIES

**PHOTOGRAPHIC**  
**SHEET**

PROJECT NAME: STEESE  
EXPRESSWAY/JOHANSEN  
EXPRESSWAY APPRAISALS  
PROGRAM #: Z607320000  
FEDERAL#: 0002337  
PARCEL #6



Looking easterly, Parcel 6



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Parcel Number 6, TCE6  
0002337/Z607320000

STEESE EXPRESSWAY/JOHANSEN EXPRESSWAY INTERCHANGE

Looking westerly at Parcel 6 and Lazelle Road



STATE OF ALASKA  
DEPARTMENT OF TRANSPORTATION  
AND PUBLIC FACILITIES  
**PHOTOGRAPHIC**  
**SHEET**

PROJECT NAME: STEESE  
EXPRESSWAY/JOHANSEN  
EXPRESSWAY APPRAISALS  
PROGRAM #: Z607320000  
FEDERAL#: 0002337  
PARCEL # TCE 6



Looking westerly at Parcel TCE 6

Photos taken by: Connie Horton

Date Taken: 5/10/2023

25A-R430

## PROPERTY VALUATION:

### MARKET VALUE OF THE LARGER PARCEL BEFORE ACQUISITION

#### DESCRIPTION OF THE LARGER PARCEL

<b>Location:</b>	NHN Lazelle Road, Fairbanks, AK
<b>Assessor's Parcel Number:</b>	676316
<b>Land Area:</b>	543,803sf or 12.484 acres
<b>Shape:</b>	Irregular in shape
<b>Road Frontage:</b>	Lazelle Road
<b>Accessibility:</b>	At grade
<b>Topography:</b>	Level
<b>Soils:</b>	Mix of alluvial sands and gravels overlain by silt.
<b>Utilities:</b>	Electric, public water and sewer available in the area
<b>Easements:</b>	50' wide access easement along the western boundary approximately 687.32' long, 34,366sf. "D" Street has been extended on this easement.
<b>Present Use:</b>	Vacant
<b>Zoning &amp; Restrictions:</b>	TF Two Family Residential Permitted Uses. In the TF, two-residential district, permitted uses are: 1. Any permitted use in the SF-20, SF-10 and SF-5 districts; 2. Two-family attached dwellings. 1. Lot area for a single-family detached dwelling shall not be less than 5,000 square feet; 2. Lot area for a two-family attached dwelling shall not be less than 3,500 square feet per dwelling unit.
<b>Environmental Issues:</b>	The subject property is appraised on an "as-if-clean" basis.
<b>Flood &amp; Earthquake Activity:</b>	According to the Federal Emergency Management Agency's Flood Insurance Rate Map 02090C4385J 3/17/2014 . Area within reduced flood risk due to levee. Zone X
<b>Site Improvement:</b>	Paved "D" Street is in acquisition area, approximately 1,375sf.

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STEESE EXPRESSWAY/JOHANSEN EXPRESSWAY INTERCHANGE

**ASSESSED VALUE, REAL ESTATE TAXES, TRENDS:**

Tax ID Number: 676316

Mill rate: 18.044

**HISTORY OF ASSESSED VALUES AND TOTAL TAXABLE AMOUNT: Not**

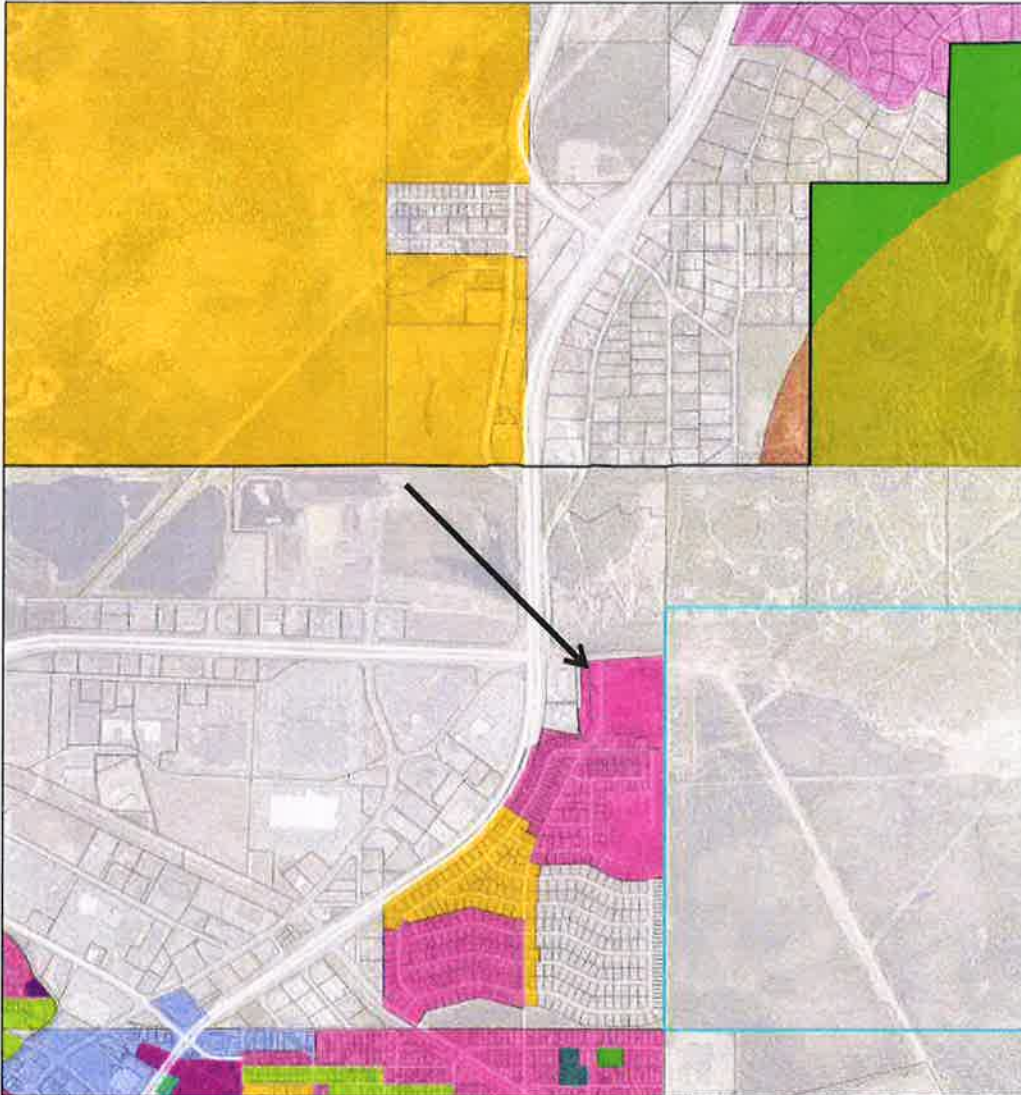
**Assessed**

YEAR	LAND	IMPROVEMENTS	TAXABLE AMOUNT
2022			
2021			
2020			
2019			

**TAXES PAID:** \$0.00

**TREND:** Property land values have been stable.

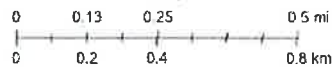
### FNSB Area Zoning Map



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Zoning Districts	LC/WP	OR	RR
GC	LI	OR/MNO	SF-10
GU-1	MF	RA-5	TF
GU-1/MNO	MFO	RE-2/SL	TF/CZ
LC			



State of Alaska Esri HERE Garmin SafeGraph METI/NASA USGS EPA NPS US Census Bureau USDA

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Parcel Number 6, TCE6

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STEESE EXPRESSWAY/JOHANSEN EXPRESSWAY INTERCHANGE

**FIVE YEARS SALES HISTORY OF THE SUBJECT:**

NONE

DATE OF SALE:

SALE PRICE:

TERMS:

DATE RECORDED:

INSTRUMENT:

GRANTOR:

GRANTEE:

INTERVIEWED:

DATE CONFIRMED:

Date:4/13/2023    Verified By: Chris Guinn

## HIGHEST AND BEST USE

In standard appraisal practice, the concept of highest and best use represents the premise upon which a value estimate is based. The determination of highest and best use is the result of the appraiser's judgment and analytical skill. The use determined from analysis represents an opinion, not a fact to be found. Highest and best use is defined in the Appraisal Institute, *The Dictionary of Real Estate Appraisal*, 4th ed., p.135 as:

*The reasonably probable and legal use of vacant land or an improved property, which is physically possible, appropriately supported, financially feasible, and that results in the highest value. The four criteria the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximal productivity.*

As Vacant: The parcel is zoned TF Two-Family Residential.

### Legally Permissible Use

There are no legal limitations, which would impede the site from developing to its highest and best use, assuming there are no environmental or archeological findings. TF Two Family Residential Permitted Uses. In the TF, two-family residential district, permitted uses are: 1. Any permitted use in the SF-20, SF-10 and SF-5 districts; 2. Two-family attached dwellings.

1. Lot area for a single-family detached dwelling shall not be less than 5,000 square feet;
2. Lot area for a two-family attached dwelling shall not be less than 3,500 square feet per dwelling unit.

### **Physically Possible Use**

The probable use of a property is constrained by the physical conditions of the site. The subject site is mostly rectangular in shape. The soil conditions do not limit the development of the parcel. The topography is level, which allows structures to occupy the sites to any legal use. There is an access easement along the western boundary which gives this parcel more access points making it possible to attain its highest & best use. Utilities available in the area are phone, public water, sewer and electricity. There are no known physical limitations of the lot.

### **Financially Feasible Use**

Based on information provided in the neighborhood section, the subject is located in the eastern periphery of commercial businesses Fairbanks. Its use is suitable for any two-family residential use. The possible and permissible use that will produce the highest present value is two-family residential which will take advantage of its location. Based upon activity within this neighborhood, two family residential usage would provide the property owner with the highest rate of return; therefore, two family residential usage if vacant, would be most likely.

**Maximally Productive Use**

The feasible choice for optimum physical use of the site is for a two-family residential use that would be enhanced by being in a residential area. Considering the physical and locational attributes of the site, the highest present worth of the land if it were presently vacant would be consistent with a two-family residential use.

In my opinion the highest and best use of the subject property, if vacant and ready for development, is for a two-family residential structure.

**HIGHEST AND BEST USE OF LAND AS IMPROVED**

The subject larger parcel is not improved. The subject property is vacant. In my opinion the highest and best use of the subject property as vacant, is for future development of a two-family residential subdivision.

Most Probable Buyer: an investor who is interested in the income stream generated by the property.

## LAND VALUATION

Land is customarily appraised as if vacant and available for development to its highest and best use. The most reliable way to estimate the value of land such as that of the subject is by the Sales Comparison Approach. The Sales Comparison Approach is a method of estimating current Market Value whereby the subject property is compared with similar properties that have sold recently. Preferably, all properties are within the same area and have about the same Highest and Best Use. One premise of the Sales Comparison Approach is that the market will determine a price for the property being appraised in the manner that it determines prices of comparable, competitive properties. This approach applies the Principle of Substitution, wherein a well-informed buyer typically will pay no more for a property than what that person can buy a suitable substitute within a reasonable period of time. Essentially, the Sales Comparison Approach is a systematic procedure for carrying out comparative shopping. In this approach, the comparison is applied to the unique characteristics of real estate that cause its price to vary. The following sales were considered in the analysis of the subject's value. The "Fee Simple Interest" of the subject site is being valued. Neither of the Income Capitalization or Cost approaches is applicable.

Vacant land typically transacts on the basis of one or more-unit measurements such as price per square foot or price per acre. Land in the area is typically measured in price per square foot. The unit value of the subject will be valued in square feet. Following is a summary of land sales representative of the current market for land in the areas. Complete descriptions of each sale are located in the addenda.

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STEESE EXPRESSWAY/JOHANSEN EXPRESSWAY INTERCHANGE



STATE OF ALASKA  
DEPARTMENT OF TRANSPORTATION  
AND PUBLIC FACILITIES

**SUMMARY OF COMPARABLE LAND SALES**

PROJECT NAME: STEESE  
EXPRESSWAY/JOHANSEN  
EXPRESSWAY APPRAISALS  
PROGRAM #: Z607320000  
FEDERAL#: 0002337  
PARCEL # 6 TCE 6

SALE NO.	GRANTOR/GRANTEE	ZONING	SALE PRICES	SIZE SF	UNIT VALUE per SF	REMARKS
6	Robert Fox Keogh Plan/ Michael P Kralman	GU-1	\$175,000	432,725sf (9.934ac)	\$0.40	NHN Tria Road, Fairbanks located off Peger Road south of Van Horn near the Tanana River. The surrounding area developed with industrial. Wetlands Sale Date: 2/25/2021
7	Thomas W Maher Living Trust/ Benjamin J & Tanya R Callahan	GU-1	\$230,000	548,246sf (12.586ac)	\$0.42	NHN Richardson Hwy, North Pole. Located on Richardson Hwy frontage Road. Surrounding uses are mix residential, industrial, commercial. Date Sale: 11/3/2021
8	Northrim Bank/ Genes Properties LLC	TF	\$350,000	543,237sf (12.471ac)	\$0.64	NHN TR-2 Spence Ave, Fairbanks, off Lazelle Road next to subject. Surrounding uses are residential, multifamily, commercial. Date of Sale: 7/21/2020
9	Associated Finance and Assurance Corporation/ Arctic Alaska Investments LLC	GU-1	\$300,000	358,800sf (8.2369)	\$0.84	NHN 30 <sup>th</sup> Ave, Fairbanks. Located off south Cushman St. Frontage on the Mitchell Expressway. Surrounding area is mi of commercial, multifamily and residential. Date of Sale 2/7/2023

Comparable No. 6 is a February 2021 sale and sold for \$175,000. It is located at NHN Tria Road off Peger Road south of Van Horn Road near the Tanana River. Surrounding uses are industrial. The site is zoned GU-1. The site is level and considered wetlands. The site is 432,725sf or 9.934 acres. The unit price paid was \$0.40/sf.

Comparable No. 7 is a November 2021 sale and sold for \$230,000. It is located at NHN Richardson Hwy off frontage road northwest of Rozak Road south of North Pole. There is good visibility to the Richardson Hwy. Surrounding uses are residential and commercial. It is 548,246sf or 12.586 acres. The unit price paid was \$0.42/sf.

Comparable No. 8 is a July 2020 sale and sold for \$350,000. It is located at NHN TR-A-2 Spence Ave which is accessed off D Street from Trainor Gate Road. A portion of the northerly boundary is adjacent to the subject. The surrounding uses are residential and multifamily. The unit price paid was \$0.64/sf.

Comparable No. 9 is a February 2023 sale and sold for \$300,000. It is located at NHN 30<sup>th</sup> Avenue off south Cushman Street with visibility to the Mitchell Expressway. The surrounding area is a mix of commercial, multifamily and residential lots. The unit price paid was \$0.84/sf.

Elements of comparison are the characteristics of properties and transactions that cause the prices paid for real estate to vary. The appraiser considers and compares the difference between the comparable properties and subject property that could affect its value. Adjustments for differences are made to the price of each comparable property to make the comparable sales equal to the subject. Since there is a limited supply of land sales that are applicable to this analysis, it is difficult to extract percentage or dollar adjustments by a paired sales comparison for each element of comparison. When a paired sales comparison is inadequate, lacking sufficient market support, the relative comparison method is substituted. Essentially, this type of analysis reflects the relationship of the sale to the appraised property without direct quantification. The sales are analyzed to determine whether the characteristics are inferior, equal, or superior to the appraised property. The adjustments are not expressed as a percentage or dollar amounts; rather a plus and minus relationship is indicated. The Dictionary of Real Estate Appraisal, published by the Appraisal Institute, defines this method as follows:

“A qualitative technique for analyzing comparable sales; used to determine whether the characteristics of a comparable property are inferior, superior, or equal to those of the subject property. Relative comparison analysis is similar to paired data analysis, but quantitative adjustments are not derived.”

Where applicable, the Relative Comparison technique uses the plus (+) and minus (-) method of comparison. When the sale is superior to the subject, there is a

minus (-) adjustment. When the sale is inferior to the subject, there is a plus (+) adjustment. Not all adjustments are given equal weight.

### **Financing**

Financing arrangements can differ from otherwise identical properties. Cash equivalency analysis is a process where the sales prices of comparable properties that were sold with atypical financing terms are adjusted to reflect the typical market terms. Each of the land sales is considered to be cash or cash equivalent with typical market terms making no adjustment necessary.

### **Condition of Sale**

This usually reflects the motivation of buyers and sellers. Typically, this is applied to sales that are not arms-length transactions; however, some arms-length sales may reflect motivations due to other factors, lack of exposure on the open market, or forced sales. No adjustments are necessary.

### **Market Conditions (Time)**

Market conditions may change between the time of sale of a comparable property and the date of the appraisal of the subject property. Changed market conditions often result from various causes mainly changes in demand and supply. As the economy suffers the demand decreases. The trend is to lower real estate prices. As the economy increases in a community, the demand increases and the trend is

to raise real estate prices. Sales occur between 2020 and 2023 and no adjustments are necessary.

### **Location**

Comparable No. 6 is located off Peger Road south of Van Horn Road in an industrial area and is adjusted upwards. Comparable No. 7 is located south of North Pole along the Richardson Hwy and adjusted upward. Comparable No. 8 is adjacent to the subject and no adjustment is made. Comparable No. 9 is located off south Cushman with visibility to the Mitchell Expressway and adjusted downward.

### **Shape/Access**

The effects of the shape of a property vary with its probable use. The more irregular the shape of the property the more difficult it is to develop and less likely to be able to use all of the property. All the comparables are somewhat similar in shape, mostly rectangular, and no adjustments were made for shape. All comparables have developed access and are considered similar in access and no adjustments need to be made.

### **Size**

As a general rule, unit price (\$/sf), tends to decrease as land area increases and vice versa. Parcels for commercial uses are less influenced by size because the value is measured more in the ability of how much the productivity of the land can be with the improvements. The subject is 12.48 acres and the comparables range from 8.2369 acres to 12.586 acres. No adjustments will be made for size differences.

**COMPARABLE LAND SALES ADJUSTMENT GRID**

	Comparable No. 6	Comparable No.7	Comparable No. 8	Comparable No. 9
Sale Price/Cash Equivalent Value	\$175,000	\$230,000	\$350,000	\$300,000
Size Sq.ft. (acres)	432,725sf (9.934ac)	548,246sf (12.586ac)	543,237sf (12.471ac)	358,800SF (8.2369ac)
Unit Price/sq.ft.	\$0.40	\$0.42	\$0.64	\$0.84
Market Condition of Sale	Normal	Normal	Normal	Normal
Date of Sale	2/2021	11/2021	7/2020	2/2023
Time Adjust	No adj.	No adj.	No. adj.	No adj.
Adjusted Sale Price/Sq.ft.	\$0.40	\$0.42	\$0.64	\$0.84
Location	Inferior+	Inferior+	Similar	Superior-
Shape	Similar	Similar	Similar	Similar
Access	Similar	Similar	Similar	Similar
Size	Similar	Similar	Similar	Similar
Overall Indicated \$/SF	+\$0.40/sf	+\$0.42/sf	\$0.64	-\$0.84

## RECONCILIATION

Following is the analysis of the comparables that are considered indicative of the market value. Comparable Sale No. 8 is given the most weight.

## SUMMARY AND CONCLUSION

The comparable sales selected are representative of market activity in neighborhood of the subject parcel. Using these comparable sales, each sale was compared to the subject and adjusted upwards or downwards to reflect the differences. Comparable No 6 is located in a more industrial area off Peger Road south of Van Horn and sets the lower limits. Comparable No 7 is located south of North Pole and adjusted upward for location. Comparable No 9 is a sale located in an area that is a mixture of commercial and residential and considered superior to the subject and sets the upper limits. Comparable No. 8 is adjacent to the subject and given the most weight. The indicated market value is \$0.64/sf fee simple interest.

To estimate the value of the area encumbered with the 50' wide access easement, the access easement is considered permanent in nature as it will be vacated with the dedication of the "D" Street Extension to Lazelle Road (Plat No. 2006-89). In terms of space, this type of easement encumbers all the surface use. The value of the easement is measured by what the property owner has lost from the bundle of rights, not what the grantee has gained. The access easement encumbers 90% of the fee simple interest.

Sale NO.	\$/sq.ft.	Adjustment	Analysis
6	\$0.40	Plus	Location inferior
7	\$0.42	Plus	Location inferior
8	\$0.64	Similar	Adjacent to subject
Subject	\$0.64		
9	\$0.84	Minus	Location superior

### MARKET VALUE OF THE LARGER PARCEL BEFORE ACQUISITION

The market value would fall in this range of unit prices. The indicated market value of the fee simple interest is \$0.64/sf.

543,803sf- 34,366sf (access easement) = 509,437sf X \$0.64= \$326,039.68

34,366sf (access easement) X \$0.64/sf – 90%= \$ 2,199.42

**Total** \$328,239.10

## DESCRIPTION OF THE ACQUISITION

### ACQUISITION

Parcel 6: This is a partial acquisition of the larger parcel. Within the acquisition parcel there is an access easement where "D" Street has been extended. The area to be acquired is a total of 4,364sf. (1,595sf fee and 2,769sf encumbered with an access easement)

Parcel TCE-6: This is a Temporary Construction Easement acquisition. The area to be acquired as a temporary construction easement is 2,069sf.

### FAIR MARKET VALUE OF TEMPORARY CONSTRUCTION EASEMENT ANALYSIS

In addition, the Property Interest to appraise is the Temporary Construction Easement (TCE). The temporary construction easement values are based on market rental rates. The term of the easement is to be a two-year term not necessarily consecutive month.

The purpose of this TCE is to provide a temporary area containing 2,069sf for the construction of the project but is not needed for the final design of the project.

In estimating an appropriate Fair Market Lease Rate, the appraiser has researched lease rates of public and private landowners within the State. Once an appropriate

## STEESE EXPRESSWAY/JOHANSEN EXPRESSWAY INTERCHANGE

lease rate was estimated, that lease rate was then applied to the Fair Market Value of the subject based on the price per sq.ft. developed in this report.

Based on my research, typical market rental rates range from a low of 6% to 12% of fair market value on an annual basis. The average rates for the 19 public agencies noted below is 8.75% while the average rate for private land owners is 8.25%.

Following is a list of public and private land leases statewide used to analyze a rental value for the subject:

#### Public Land Owner

Fairbanks North Star Borough	8%
University of Alaska	8%-10%
Alaska Railroad Corporation	8%-10%
Alaska Dept of Natural Resources	8%
Bureau of Indian Affairs	8%-12%
Bureau of Land Management-Alaska	8%-10%
US Forest Service-Alaska	5%-9%
City of Valdez	6%-10%
Municipality of Anchorage	9%-10%
City of Nome	10%
City of Cordova	9%-10%
City and Borough of Juneau	10%
City of Homer	8%-9%
City of Kodiak	8%
City of Kenai	6%-8%
City of Seward	8%
City of Skagway	8%
Kenai Peninsula Borough	8%
Matanuska-Susitna Borough	10%

**Private Land Owner**

Calais Corporation	7%-8%
Bristol Bay Native Corporation	7%-8%
Eklutna, Inc.	8%
Ounalaska Corporation	8%-12%

In my discussion with property managers throughout the state, the higher rates are typically charged for parcels that have commercial use where there is a high demand. While the lower rates are typically offered for properties where there are competing alternative available land or to foster development. The upper end of the range would be for areas with less available land and more strategic location for greater commercial use. The 6% to 10% rate range has been seen to stay constant. It is my opinion that the Fair Market Lease Rate would be at 10% of the fair market value of the site. Because the market is relatively flat and no anticipated change in the local economy, the chance of annual or periodic rent escalations are nil.

The temporary construction easement values are based on market rental rates similar to a lease. The term of the easement is to be a two-year term not necessarily consecutive month. The 10% lease rate established in this report is used to value the temporary construction easement.

TCE 6:

$$2,069\text{sf} \times \$0.64/\text{sf} = \$1,324.16$$

$$\text{Annual Rent: } \$1,324.16 \times 10\% \text{ lease rate} = \$132.416$$

$$\text{2-year Term: } \$132.416/\text{year} \times 2 \text{ years} = \$264.83$$

**MARKET VALUE OF THE ACQUISITION AS A PART OF THE LARGER PARCEL**

Parcel 6:

1,595sf fee simple X \$0.64/sf =	\$1,020.80
2,769sf access easement X \$0.64/sf – 90% =	<u>\$ 177.22</u>
Total acquisition	\$1,198.02

Parcel TCE 6: \$1,324.16 X 10% lease rate X 2 years = \$264.83

Improvement In the Acquisition Area

Approximately 1,375sf of pavement is in the acquisition area.

Local contractor estimated \$4.00/sf for depreciated pavement.

1,375sf X \$4.00 = \$5,500.00

**VALUE OF THE REMAINDER AS PART OF THE WHOLE**

Highest and Best Use of the Remainder: There is no change.

The value of the remainder land is the same. The market value of the remaining property after acquisition is not changed. Market data used in the valuation of the larger parcel are still comparable to the valuation of the remainder. After Value by Sales Comparison Approach is the same. The final estimate of land value of the remainder is \$0.64/sf.

**VALUATION OF THE REMAINDER AFTER ACQUISITION AS  
AN INDEPENDENT PARCEL**

The size of the remainder parcel after acquisitions is 539,439sf.

The market value of the remaining property after acquisition as an independent parcel is not changed. Market data used in the valuation of the larger parcel before the acquisition are still comparable to the valuation of the remainder as an independent parcel. The final estimate of land value of the remainder is \$0.64/sf.

There are no net damages.

**MARKET VALUE OF THE ACQUISITION**

1. Land	\$1,198.02
2. Improvement (Depreciated)	\$5,500.00
3. Net Damages,	-0-
4. Permits	-0-
5. Temporary Construction Easement	\$264.83
6. Fees underlying PLO or Section line easements	-0-
7. FF&E (Furniture, Fixture & Equipment)	-0-
<b>8 Total Market Value of Acquisition</b>	<b>\$6,962.85</b>

## ADDENDA

- Engagement Document
- Opportunity to Accompany the Appraiser
- Certified Receipt of Letter to Property Owner
- Map of Comparable Sales
- Comparable Sales
- Cost-To-Cure Estimates
- FNSB Economic Trends
- Appraiser's License and Qualifications
- Title Report

C23-0226F

Parcel Number 6, TCE6

0002337/Z607320000

STEESE EXPRESSWAY/JOHANSEN EXPRESSWAY INTERCHANGE



Alaska Department of Transportation & Public Facilities

SMALL PROCUREMENT DOCUMENTS PART C - CONTRACT AWARD, NOTICE TO PROCEED & INVOICE SUMMARY

PSA No.: 25-23-1-042
Program No.: Z607320000
Federal No.: 0002337
NTP No.: 1

Contractor: Street, Guinn Appraisers
Project Title: Steese Expressway/Johansen Expressway Interchange Appraisals

CONTRACT AWARD & NOTICE TO PROCEED

You have been awarded this Agreement in accordance with Parts A, B & C of these documents, Statement of Services - Appendix B (dated 3/24/2023 and containing 6 pages), and the following correspondence:

From: Street, Guinn Appraisers, Chris Guinn, MAI, SRA, SRWA
To: DOT&PF, Contract Manager, Crystal Haman
Subject: Technical/Price Proposal
Date: 3/17/2023
Number of Pages: 10

This Agreement incorporates by reference the Small Procurement Standard Provisions Booklet dated January 2018. If you do not have a copy of the Standard Provisions Booklet, obtain one from the Contracting Agency. You are authorized to proceed with performance of this contract immediately and are required to complete it not later than: December 31, 2025. The Agency Manager for this Contract is: Crystal Haman Telephone: (907) 451-5423 Email: crystal.haman@alaska.gov Compensation for this Contract shall be by the method(s) and not exceed the authorized amount(s) shown in the Invoice Summary (below).

Issued for the Contracting Agency per ADOT&PF Policy #01.01.050 by:

Accepted for the Contractor by:

Signature Date
Name: Lauren Little, P.E., Acting Preconstruction Engineer

Signature Date
Name: Chris Guinn, MAI, SRA, SR/WA, Street, Guinn Appraisers

INVOICE SUMMARY

This Invoice is for [ ] Progress OR [ ] Final Payment. Sequential Invoice Number for this Contract is: [ ]

\* Each firm may be compensated for this Contract by only one of the following Methods of Payment (as explained in the Standard Provisions Booklet): Fixed Price (FP) Amounts entered in Columns "c" and "g" only Cost Plus Fixed Fee (CPFF) Columns "c", "d", "e", "f" and "g" FP + Expenses (FPPE) Columns "c", "e" and "g" only Time and Expenses (T&E) Columns "c", "e" and "g" only

Table with 7 columns: Firms (Prime & Subcontractors), Meth of Pay, Labor (or FP), Indirect Cost, Expenses, Fixed Fee, Total Price. Rows include Task 1 - Appraisal Report(s) for all parcels in Statement of Services and Total Contract Amounts Authorized for All Firms.

PAYMENT

Form containing metadata (Template, Object Code, Activity Code, Phase, Program Code, Location) and contractor's payment request with signatures and dates.

SEE INSTRUCTIONS ON NEXT PAGE

C23-0226F

Parcel Number 6, TCE6

0002337/Z607320000

STEESE EXPRESSWAY/JOHANSEN EXPRESSWAY INTERCHANGE

	STATE OF ALASKA DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES	PROJECT NAME: STEESE EXPRESSWAY/ JOHANSEN EXPRESSWAY INTERCHANGE PROGRAM #: Z607320000 FEDERAL#: 0002337 PARCEL #: 6 & TCE6
	<b>OPPORTUNITY TO ACCOMPANY          THE APPRAISER</b>	

Owner's Name: City of Fairbanks

As owner (or owner's designated representative) of the above-described parcels of properties, I hereby acknowledge that Chris Guinn, a professional appraiser, has advised me that state and federal law require that I or my designated representative be given the opportunity to accompany the appraiser during the inspection of the property.

I hereby decline the offer to inspect the property with the appraiser.

I will accompany the appraiser during the inspection on \_\_\_\_\_, 2\_\_\_\_\_.

I appoint the following person as my designated representative to accompany the appraiser on \_\_\_\_\_, 2\_\_\_\_\_.

Name \_\_\_\_\_

Telephone number: \_\_\_\_\_

I accompanied the appraiser during the inspection on \_\_\_\_\_, 2\_\_\_\_\_.

Date \_\_\_\_\_, 2\_\_\_\_\_

Owner's Signature \_\_\_\_\_

**APPRAISER'S DOCUMENTATION**

Observations or concerns expressed by owner \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

The owner refused to sign this form when I presented it on \_\_\_\_\_, 2\_\_\_\_\_.

I was unable to locate the owner. I sent a written notice by certified mail to the last-known address on \_\_\_\_\_, 2\_\_\_\_\_, Certified Mail Number \_\_\_\_\_ (attach receipt).

Date \_\_\_\_\_, 2\_\_\_\_\_


Appraiser \_\_\_\_\_

C23-0226F

Parcel Number 6, TCE6

0002337/Z607320000

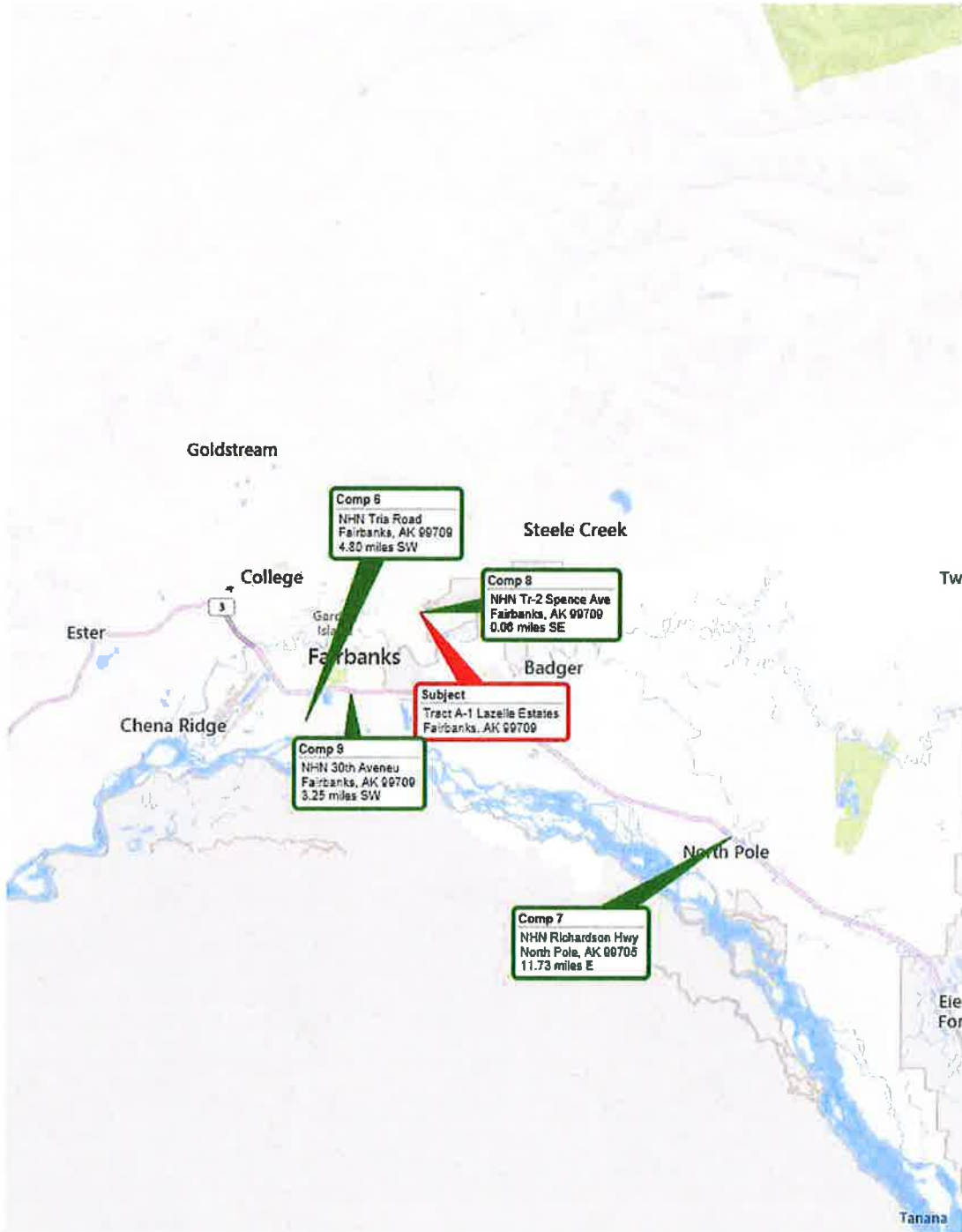
STEESE EXPRESSWAY/JOHANSEN EXPRESSWAY INTERCHANGE

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY													
<ul style="list-style-type: none"> <li>■ Complete Items 1, 2, and 3.</li> <li>■ Print your name and address on the reverse so that we can return the card to you.</li> <li>■ Attach this card to the back of the mailpiece, or on the front if space permits.</li> </ul>	<p>A. Signature</p> <p><b>X</b> <span style="float: right;"><input type="checkbox"/> Agent <input type="checkbox"/> Addressee</span></p>													
<p>1. Article Addressed to:</p> <p><i>Bob Pristash</i> <i>800 Cushman St</i> <i>Fairbanks Ak 99701</i></p>	<p>B. Received by (<i>Printed Name</i>)</p>	<p>C. Date of Delivery</p>												
 <p>9590 9402 6233 0265 3531 90</p>	<p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No</p>													
<p>2. Article Number (<i>Transfer from</i>)</p> <p>9589 0710 5270 0653 7200 48</p>	<p>3. Service Type</p> <table border="0"> <tr> <td><input type="checkbox"/> Adult Signature</td> <td><input type="checkbox"/> Priority Mail Express®</td> </tr> <tr> <td><input type="checkbox"/> Adult Signature Restricted Delivery</td> <td><input type="checkbox"/> Registered Mail™</td> </tr> <tr> <td><input checked="" type="checkbox"/> Certified Mail®</td> <td><input type="checkbox"/> Registered Mail Restricted Delivery</td> </tr> <tr> <td><input type="checkbox"/> Certified Mail Restricted Delivery</td> <td><input type="checkbox"/> Signature Confirmation™</td> </tr> <tr> <td><input type="checkbox"/> Collect on Delivery</td> <td><input type="checkbox"/> Signature Confirmation Restricted Delivery</td> </tr> <tr> <td><input type="checkbox"/> Insured Mail Restricted Delivery (over \$500)</td> <td></td> </tr> </table>		<input type="checkbox"/> Adult Signature	<input type="checkbox"/> Priority Mail Express®	<input type="checkbox"/> Adult Signature Restricted Delivery	<input type="checkbox"/> Registered Mail™	<input checked="" type="checkbox"/> Certified Mail®	<input type="checkbox"/> Registered Mail Restricted Delivery	<input type="checkbox"/> Certified Mail Restricted Delivery	<input type="checkbox"/> Signature Confirmation™	<input type="checkbox"/> Collect on Delivery	<input type="checkbox"/> Signature Confirmation Restricted Delivery	<input type="checkbox"/> Insured Mail Restricted Delivery (over \$500)	
<input type="checkbox"/> Adult Signature	<input type="checkbox"/> Priority Mail Express®													
<input type="checkbox"/> Adult Signature Restricted Delivery	<input type="checkbox"/> Registered Mail™													
<input checked="" type="checkbox"/> Certified Mail®	<input type="checkbox"/> Registered Mail Restricted Delivery													
<input type="checkbox"/> Certified Mail Restricted Delivery	<input type="checkbox"/> Signature Confirmation™													
<input type="checkbox"/> Collect on Delivery	<input type="checkbox"/> Signature Confirmation Restricted Delivery													
<input type="checkbox"/> Insured Mail Restricted Delivery (over \$500)														

PS Form 3811, July 2020 PSN 7530-02-000-9053

Domestic Return Receipt

### COMPARABLE SALES MAP



C23-0226F

Parcel Number 6, TCE6

0002337/Z607320000

STEESE EXPRESSWAY/JOHANSEN EXPRESSWAY INTERCHANGE

## COMPARABLE LAND SALE NO. 6

LOCATION: NHN Tria Road, Fairbanks, AK

LEGAL DESCRIPTION: Lots 1-7 Tanana Levee Industrial Park 2<sup>nd</sup> Addition

PAN #: 595258

GRANTOR: Robert Fox Keogh Plan

GRANTEE: Michael P Kralman

SALES PRICE: \$ 175,000

TERMS: Conventional

DATE OF SALE: 2/15/2021 SWD 2021-006318-0

LOT SIZE: 9.934 acres 432,725 sq.ft.

HIGHEST & BEST USE: Industrial

ACCESS: Paved

ZONING: GU-1 General Use

UTILITIES: Onsite water and sewer, electricity and telephone available.

EASEMENTS/ RESTRICTIONS: Typical Utility

CONFIRMED WITH: Robert Fox Alaskan Realty MLS 145717 Chris Guinn

PROPERTY DESCRIPTION: The site is located off Peger Road south of Van Horn near the Tanana River. There are seven lots. Land has been cleared in recent years and has an approved wetlands permit. Gravel can be obtained on site for construction. The site is level. The site sold for \$175,000.

Analysis:  $\$175,000/9.934 = \$17,616/\text{acres}$   $\$175,000/432,725\text{sf} = \$0.40/\text{sf}$

C23-0226F

Parcel Number 6, TCE6  
0002337/Z607320000

STEESE EXPRESSWAY/JOHANSEN EXPRESSWAY INTERCHANGE



C23-0226F

Parcel Number 6, TCE6

0002337/Z607320000

STEESE EXPRESSWAY/JOHANSEN EXPRESSWAY INTERCHANGE

## COMPARABLE LAND SALE NO. 7

LOCATION: NHN Richardson Hwy, North Pole AK

LEGAL DESCRIPTION: TL 3434, Section 34 T1S, R1E FM

PAN #: 674774

GRANTOR: Thomas W Maher Living Trust

GRANTEE: Benjamin J and Tanya R Callahan

INSTRUMENT: SWD

DOCUMENT #:2022-000107-0 Date 1/04/2022

SALE PRICE: \$ 230,000

TERMS: Cash

DATE OF SALE: 11/3/2021

SIZE: 12.586 acres 548,246sf

HIGHEST & BEST USE: GU-1

ACCESS: frontage road off Richardson Hwy

ZONING: GU 1

UTILITIES: Onsite sewer and water, electricity and telephone available.

EASEMENTS/ RESTRICTIONS: Typical Utility

CONFIRMED WITH: Melissa Richardson NEXTHOME Arctic Sun MLS 138864 by  
Chris Guinn

PROPERTY DESCRIPTION: This 12.586 acres is located off the Richardson Hwy on  
the frontage road northwest of Rozak Road and across from the Old Richardson Hwy  
and Rivers Wood business. Zoning is GU-1. The site is level and heavily forested.

The site sold for \$230,000

Analysis:  $\$230,000/548,246\text{sf} = \$0.42/\text{sf}$ . or  $\$18,274/\text{acre}$

STEESE EXPRESSWAY/JOHANSEN EXPRESSWAY INTERCHANGE



C23-0226F

Parcel Number 6, TCE6

0002337/Z607320000

STEESE EXPRESSWAY/JOHANSEN EXPRESSWAY INTERCHANGE

### COMPARABLE LAND SALE NO. 8

LOCATION: NHN Tr A-2 Spence Ave, Fairbanks, AK

LEGAL DESCRIPTION: Tract A-2 Lazelle Estates Northern Addition

PAN #: 676326

GRANTOR: Northrim Bank

GRANTEE: Genes Properties LLC

SALES PRICE: \$ 350,000

TERMS: Cash

DATE OF SALE: 7/21/2020

SWD 2020-010716-0

LOT SIZE: 12.471 acres 543,237 sq.ft.

HIGHEST & BEST USE: Two Family, Multifamily Residential

ACCESS: Gravel from D Street ZONING: TF Two Family

UTILITIES: Public water and sewer, electricity and telephone available.

EASEMENTS/ RESTRICTIONS: Typical Utility

CONFIRMED WITH: Melody Macchione, Fairbanks Home Source MLS 133314  
Chris Guinn

PROPERTY DESCRIPTION: The site is located off D Street from Trainor Gate Road. It turns into a gravel temporary gravel road extension between lots 84 and 109. This is a large 12.471 Acre Tract of land zoned Two Family. Surrounded by well-established neighborhoods. Excellent location close to shopping and other amenities. A portion of the northerly boundary is adjacent to the subject. The surrounding area is a mix of multifamily and residential lots with onsite utilities available. The site is level. The site sold for \$350,000.

Analysis:  $\$350,000/12.471 = \$28,065/\text{acres}$   $\$350,000/543,237\text{sf} = \$0.64/\text{sf}$

C23-0226F

Parcel Number 6, TCE6  
0002337/Z607320000

STEESE EXPRESSWAY/JOHANSEN EXPRESSWAY INTERCHANGE



C23-0226F

Parcel Number 6, TCE6

0002337/Z607320000

STEESE EXPRESSWAY/JOHANSEN EXPRESSWAY INTERCHANGE

## COMPARABLE LAND SALE NO. 9

LOCATION: NHN 30<sup>th</sup> Avenue, Fairbanks, AK

LEGAL DESCRIPTION: Lots 1-52 Laurel Park Addition

PAN #: 484261

GRANTOR: Associated Finance and Assurance Corporation

GRANTEE: Arctic Alaska Investments LLC

SALES PRICE: \$ 300,000

TERMS: Cash

DATE OF SALE: 2/7/2023

SWD 2023-001239-0

LOT SIZE: 8.2369 acres 358,800 sq.ft.

HIGHEST & BEST USE: Commercial use

ACCESS: Paved

ZONING: GU-1 General Use

UTILITIES: Public water and sewer, electricity and telephone and gas available.

EASEMENTS/ RESTRICTIONS: Typical Utility

CONFIRMED WITH: Mike VanSickle Century 21 Gold Rush MLS 149062 Chris Guinn

PROPERTY DESCRIPTION: The site is located off 30<sup>th</sup> Avenue off south Cushman Street. Large 8.2369 acres subdivided into small lots. Great piece of commercial land with highway frontage. The surrounding area is a mix of commercial, multifamily and residential lots. The site is level. The site sold for \$300,000.

Analysis:  $\$300,000/8.2369 = \$36,421/\text{acres}$   $\$300,000/358,800\text{sf} = \$0.84/\text{sf}$

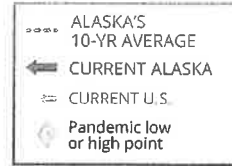
C23-0226F

Parcel Number 6, TCE6  
0002337/Z607320000

STEESE EXPRESSWAY/JOHANSEN EXPRESSWAY INTERCHANGE

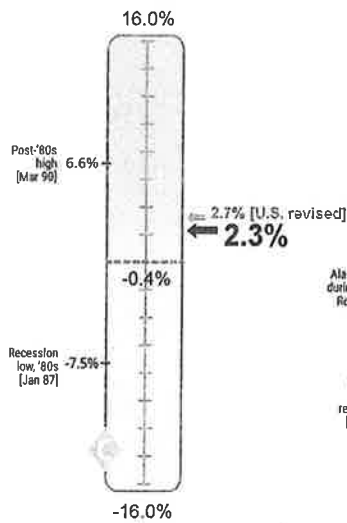


# Gauging The Economy



## Job Growth

April 2023  
Over-the-year percent change

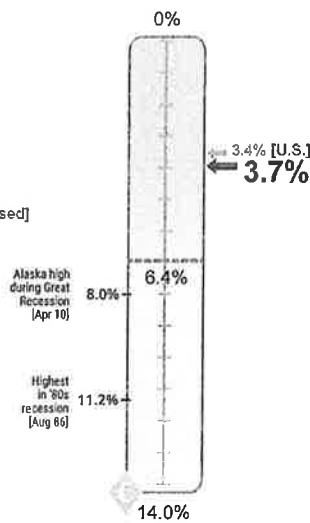


Alaska's April 2023 employment was 14.6 percent above April 2020, the first full month of COVID-related job losses.

U.S. employment, which was up 2.6 percent from April 2022, was 19.3 percent above its 2020 level in April.

## Unemployment Rate

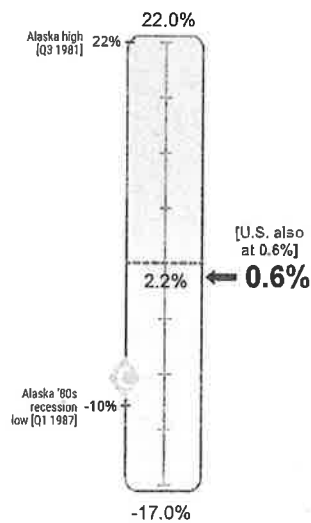
April 2023  
Seasonally adjusted



Alaska's unemployment rate has been less useful as an economic measure during the pandemic and its aftermath because of data collection difficulties.

## Wage Growth

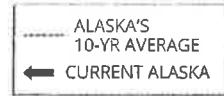
4th Quarter 2022  
Over-the-year percent change



After being well down during the second and third quarters of 2020, total wages paid by Alaska employers climbed back above year-ago levels every quarter since the second quarter of 2021.

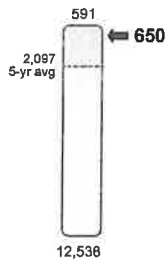
Wages were up 0.6 percent from year-ago levels in the third quarter of 2022 and 11.1 percent above third quarter 2019.

# Gauging The Economy



## Initial Claims

Unemployment, week ending May 13, 2023\*

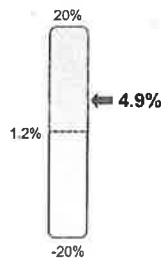


Unemployment claims jumped in the spring of 2020 with the pandemic as many businesses shut down or limited services. Pandemic-driven claims loads have fallen, and new claims for benefits are back below their long-term average.

\*Four-week moving average ending with specified week

## GDP Growth

4th Quarter 2022 Over-the-year percent change\*

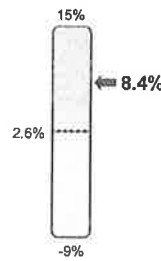


Gross domestic product is the value of the goods and services a state produces. Alaska's GDP fell hard in early 2020 but recovered most of those losses in 2021 and 2022.

\*In current dollars

## Personal Income Growth

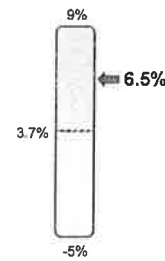
4th Quarter 2022 Over-the-year percent change



Personal income consists of three main parts: 1) wages and salaries; 2) dividends, interest, and rents; and 3) transfer payments (payments from governments to individuals).

## Change in Home Prices

Single-family, percent change from prior year, Q4 2022\*

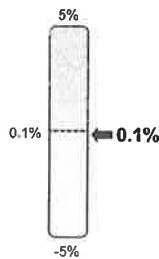


Home prices shown include only those for which a commercial loan was used. This indicator tends to be volatile from quarter to quarter.

\*Four-quarter moving average ending with specified quarter

## Population Growth

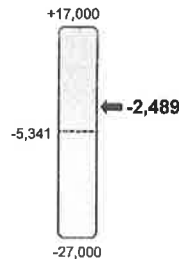
2021 to 2022



After four years of decline, Alaska's population grew slightly in 2021 and 2022, as natural increase (births minus deaths) slightly exceeded losses from migration.

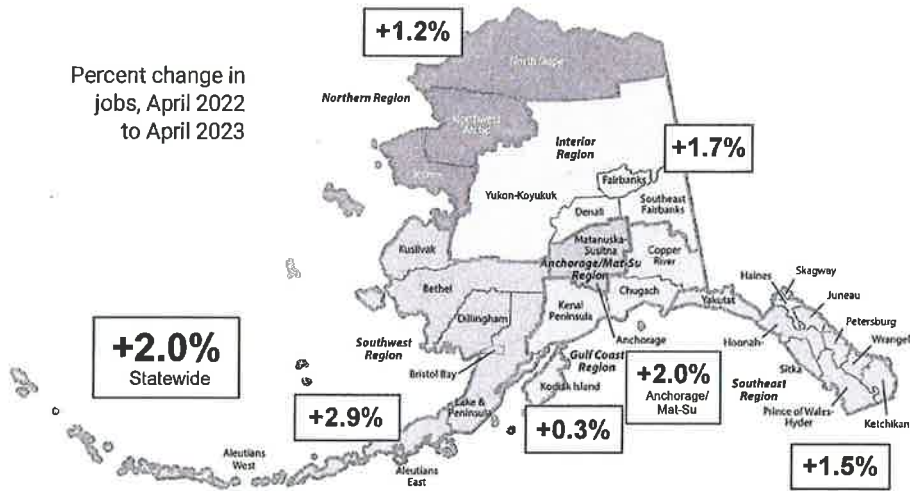
## Net Migration

2021 to 2022



The state had net migration losses for the tenth consecutive year in 2022, although the losses have become smaller. Net migration is the number who moved to Alaska minus the number who left.

## Employment by Region



## Unemployment Rates

### Seasonally adjusted

	Revised		
	4/23	3/23	4/22
United States	3.4	3.5	3.6
Alaska	3.7	3.7	4.1

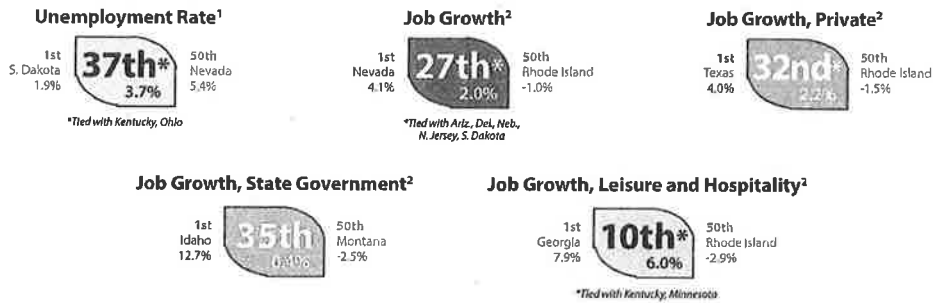
### Not seasonally adjusted

	Revised		
	4/23	3/23	4/22
United States	3.1	3.6	3.3
Alaska	3.9	4.0	4.3

### Regional, not seasonally adjusted

	Revised				Revised				Revised		
	4/23	3/23	4/22		4/23	3/23	4/22		4/23	3/23	4/22
Interior Region	3.9	4.0	4.4	Southwest Region	6.6	6.1	7.0	Southeast Region	3.4	4.0	3.7
Denali Borough	8.6	12.3	8.8	Aleutians East Borough	1.8	1.3	1.6	Haines Borough	6.8	8.4	6.6
Fairbanks N Star Borough	3.5	3.6	3.9	Aleutians West Census Area	2.7	1.8	2.9	Hoonah-Angoon Census Area	5.1	10.3	5.5
Southeast Fairbanks Census Area	4.9	5.4	5.9	Bethel Census Area	8.7	8.5	9.7	Juneau, City and Borough	2.5	2.6	2.8
Yukon-Koyukuk Census Area	8.9	9.2	9.2	Bristol Bay Borough	4.1	8.6	3.9	Ketchikan Gateway Borough	3.7	4.3	4.2
Northern Region	6.9	6.9	7.4	Dillingham Census Area	5.7	5.6	5.8	Petersburg Borough	4.7	4.9	6.7
Nome Census Area	6.8	6.9	7.7	Kodiak Island Borough	12.8	12.8	13.0	Prince of Wales-Hyder Census Area	6.3	7.3	5.5
North Slope Borough	4.6	4.1	5.1	Lake and Peninsula Borough	5.9	5.6	6.7	Sitka, City and Borough	2.6	2.9	2.7
Northwest Arctic Borough	9.5	9.9	9.7	Gulf Coast Region	4.5	4.9	4.7	Skagway, Municipality	5.1	9.3	6.2
Anchorage/Mat-Su Region	3.4	3.5	3.9	Kenai Peninsula Borough	4.5	5.0	4.8	Wrangell, City and Borough	4.8	4.8	5.2
Anchorage, Municipality	3.1	3.0	3.6	Kodiak Island Borough	3.5	3.0	3.8	Yakutat, City and Borough	4.9	7.0	4.6
Mat-Su Borough	4.4	4.9	4.9	Chugach Census Area	4.7	6.1	3.0				
				Copper River Census Area	8.6	9.5	10.0				

# How Alaska Ranks



Note: State government employment includes the University of Alaska.  
<sup>1</sup>April seasonally adjusted unemployment rates  
<sup>2</sup>April employment, over-the-year percent change

Sources: U.S. Bureau of Labor Statistics; and Alaska Department of Labor and Workforce Development, Research and Analysis Section

## Other Economic Indicators

	Current	Year ago	Change
<b>Urban Alaska Consumer Price Index (CPI-U, base yr 1982=100)</b>	260.576 2nd half 2022	252.271	+3.3%
<b>Commodity prices</b>			
Crude oil, Alaska North Slope, * per barrel	\$82.83 Apr 2023	\$109.41	-24.3%
Natural gas, Henry Hub, per thousand cubic feet (mcf)	\$2.20 Apr 2023	\$6.71	-67.2%
Gold, per oz. COMEX	\$1,974.50 5/24/2023	\$1,871.40	+5.5%
Silver, per oz. COMEX	\$23.62 5/24/2023	\$21.87	+8.0%
Copper, per lb. COMEX	\$3.66 5/24/2023	\$4.31	-15.1%
Zinc, per lb.	\$1.04 5/24/2023	\$1.74	-40.2%
Lead, per lb.	\$0.91 5/24/2023	\$0.97	-4.1%
<b>Bankruptcies</b>			
Business	44 Q4 2022	50	-12%
Personal	4 Q4 2022	5	-20%
Personal	40 Q4 2022	45	-11.1%
<b>Unemployment insurance claims</b>			
Initial filings	3,395 Apr 2023	4,299	-21.0%
Continued filings	23,188 Apr 2023	21,977	5.5%
Claimant count	6,277 Apr 2023	6,624	-5.2%

\*Department of Revenue estimate

Sources for this page and the preceding three pages include Alaska Department of Labor and Workforce Development, Research and Analysis Section; U.S. Bureau of Labor Statistics; U.S. Bureau of Economic Analysis; U.S. Energy Information Administration; Kitco; U.S. Census Bureau; COMEX; NASDAQ; Alaska Department of Revenue; and U.S. Courts, 9th Circuit

C23-0226F

Parcel Number 6, TCE6  
0002337/Z607320000

STEESE EXPRESSWAY/JOHANSEN EXPRESSWAY INTERCHANGE

License #: APRG40  
Effective: 5/12/2023  
Expires: 06/30/2025

### State of Alaska

Department of Commerce, Community, and Economic Development  
Division of Corporations, Business, and Professional Licensing

#### Board of Certified Real Estate Appraisers

Licensee: **HOWARD CHRISTOPHER GUINN**

License Type: **Certified General Real Estate Appraiser**

Status: **Active**

Note: Approved supervisor effective 09/27/2021

Commissioner: Julie Sande

#### Relationships


Relation Type	License #	License Type	Owners/Entities	Name/DBA
Supervised Trainee	183963	Registered Trainee	WILLIAM BENBOW	

#### Designations

No designations found.

HOWARD CHRISTOPHER GUINN  
3724 Swenson Ave.  
Fairbanks, AK 99709

#### Wallet Card

<b>State of Alaska</b> Department of Commerce, Community, and Economic Development Division of Corporations, Business, and Professional Licensing Board of Certified Real Estate Appraisers  HOWARD CHRISTOPHER GUINN As Certified General Real Estate Appraiser 		
License APRG40	Effective 5/12/2023	Expires 06/30/2025

C23-0226F

Parcel Number 6, TCE6

0002337/Z607320000

STEESE EXPRESSWAY/JOHANSEN EXPRESSWAY INTERCHANGE

## CURRICULUM VITAE

HOWARD CHRISTOPHER GUINN, MAI, SRA, SR/WA

3724 Swenson Ave, Fairbanks, AK. 99709

| chrisguinn@ak.net | 907-479-7603 |

DESIGNATIONS | MAI (Member Appraisal Institute)

SRA (Senior Residential Appraiser)

SR/WA (Senior Right of Way Professional)

EXPERIENCE | OWNER, STREET GUINN REAL ESTATE APPRAISERS  
FROM 1986 – CURRENT. COMMERCIAL & RESIDENTIAL  
APPRAISER

MANAGER/ADMINISTRATOR, STATE OF ALASKA, DEPT OF NATURAL  
RESOURCES, CHIEF OF LANDS, CHIEF LEASING OFFICER AND  
CHIEF OF PERMITTING, DIVISION OF LAND AND WATER,  
NORTHERN REGION  
FROM 1975 – 1986

CHIEF OF CURRENT PLANNING, FNSB PLANNING DEPARTMENT  
FROM 1971 – 1975

Court Appointed Master and Appraiser of record in several Hearings

STEESE EXPRESSWAY/JOHANSEN EXPRESSWAY INTERCHANGE

PROFESSIONAL  
ACTIVITIES

FORMER MEMBER, STATE OF ALASKA, BOARD OF CERTIFIED REAL ESTATE APPRAISERS

FORMER MEMBER, FAIRBANKS NORTH STAR BOROUGH BOARD OF EQUALIZATION

FORMER INSTRUCTOR, UNIVERSITY OF ALASKA, FAIRBANKS PART-TIME

MEMBER, FAIRBANKS BOARD OF REALTORS

MEMBER, APPRASIAL INSTITUTE

FORMER PRESIDENT, IR/WA CHAPTER 71

FORMER PRESIDENT, INTERIOR APPRAISERS' ASSOCIATION

FORMER PRESIDENT, ALASKA CHAPTER, APPRAISAL INSTITUTE 1998

FORMER NATIONAL CHAIRMAN, IRWA VALUATION COMMITTEE

CHAIRMAN, FAIRBANKS NORTH STAR BOROUGH PLANNING COMMISSION 2015-2017

MEMBER, STATE OF ALASKA MENTAL HEALTH LAND SETTLEMENT PANEL

EDUCATION

UNIVERSITY OF ALASKA, FAIRBANKS, FAIRBANKS ALASKA M.B.A. (1977)

WESTERN MICHIGAN UNIVERSITY, MICHIGAN B.B.A (1967)

APPRASIAL INSTITUTE, COURSE NAMES AVAILABLE ON REQUEST

INTERNATIONAL RIGHT OF WAY, COURSE NAMES AVAILABLE ON REQUEST

ARBITRATION &  
MASTERS HEARINGS

I have participated in numerous arbitration issues, not only as the appraiser of record, but also as a chairman of a panel charged with the resolution of the valuation issues.

With the exception of a Master's appointment to settle a private eminent domain case, all of my Master's appointments have been by the State of Alaska and Municipalities. I have conducted several masters' hearings, and have been the appraiser of record in other cases. As an exercise, I was the Master in the International Right of Way Association's mock trial of an actual case.

C23-0226F

Parcel Number 6, TCE6  
0002337/Z607320000

STEESE EXPRESSWAY/JOHANSEN EXPRESSWAY INTERCHANGE

License #: APRG383  
Effective: 6/4/2021  
Expires: 08/30/2023

### State of Alaska

Department of Commerce, Community, and Economic Development  
Division of Corporations, Business, and Professional Licensing

#### Board of Certified Real Estate Appraisers

Licensee: **CONNIE L. HORTON**

License Type: **Certified General Real Estate Appraiser**

Status: **Active**

Commissioner: Julie Anderson

#### Relationships

No relationships found.

#### Designations

No designations found.

CONNIE L. HORTON  
1357 E CHILTON DRIVE  
TEMPE, AZ 85283

#### Wallet Card

<b>State of Alaska</b> Department of Commerce, Community, and Economic Development Division of Corporations, Business, and Professional Licensing Board of Certified Real Estate Appraisers		
<b>CONNIE L. HORTON</b> As Certified General Real Estate Appraiser		
License APRG383	Effective 6/4/2021	Expires 08/30/2023

C23-0226F

Parcel Number 6, TCE6  
0002337/Z607320000

STEESE EXPRESSWAY/JOHANSEN EXPRESSWAY INTERCHANGE

**Real Estate Appraiser and Consultant**

Connie Horton, Horton Appraisal Services, LLC  
1357 E Chilton Dr, Tempe, AZ 85283  
Telephone: 602-397-6743  
Email: 71horton@gmail.com

**QUALIFICATIONS**

**LICENSES & CERTIFICATIONS**

- State Certified General Real Estate Appraiser No.383
- o State Certified General Real Estate Agent

**EXPERIENCE**

- o Lead Appraiser and Contract Manager for Dept. of Transformation
  - State of Alaska - 25 years
- o Appraiser in the private sector - 10 years.
- o Appraisal of a wide mixture of real estate Commercial, Residential, Industrial, Land, both accessible and inaccessible.
- o Appraisal for purposes of eminent domain and condemnation, leases, and mortgage lending
- o Experience as an Expert Witness

**APPRAISAL CLIENTS**

State of Alaska DOT/PF  
U.S. Army Corps of Engineers (USACE)  
Key Bank  
Denali State Bank

Mt McKinley Bank  
Northrim Bank  
Spirit of Alaska Credit Union  
Wells Fargo Bank  
Alaska USA Federal Credit Union

**EDUCATION**

Appraisal Institute  
International Right of Way  
University of Alaska

## STEESE EXPRESSWAY/JOHANSEN EXPRESSWAY INTERCHANGE

**Education Summary**

Real Estate Finance, Statistics, and Valuation Modeling	Appraisal Institute	12/05/2022	14
Inconsistency: It's Hiding in Plain Sight in your Appraisal	Appraisal Institute	9/28/2022	7
USPAP Update	Appraisal Institute	1/13/2022	7
Business Practices and Ethics		11/20/2021	7
Contract or Effective Rent: Finding the Real Rent	Appraisal Institute	11/06/2021	4
Artificial Intelligence, AVMs and Blockchain: Implications for Valuation	Appraisal Institute	2/05/2021	4
Using Spreadsheet Programs in Real Estate Appraisals-The Basics	Appraisal Institute	5/18/2020	7
USPAP Update	Appraisal Institute	12/11/2019	7
Condemnation Appraising: Principles & Application	Appraisal Institute	2/28/2018	21
USPAP Update	Appraisal Institute	2/07/2018	7
The Appraiser as an Expert Witness	Appraisal Institute	3/16/2017	14
Small Hotel/Motel Valuation	Appraisal Institute	4/18/2016	7
USPAP Update	McKissock	1/25/2017	7
Using Spreadsheet Programs in Real Estate Appraisals	Appraisal Institute	1/22/2015	7
Appraising Condos, Co-ops & PUD	Appraisal Institute	4/25/2014	7
Uniform Appraisal Dataset After Effects	Appraisal Institute	4/24/2014	7
USPAP Update	King & Associates	1/29/2014	7
Energy Efficiency for Appraisals	Cotter & Noson Consulting	2/7/2014	2
Uniform Appraisal Standards for Federal Land Acquisitions	Appraisal Institute	2/05/2013	14
Comparative Analysis	Appraisal Institute	1/23/2013	7
Subdivision Valuation	Appraisal Institute	12/05/2012	7
USPAP	King & Associates	2/27/2012	7
Current Issues & Regulatory Updates Affecting Appraisers	King & Associates	8/22/2011	7
USPAP	Appraisal Institute	2/25/2011	7
Appraisal in Eminent Domain	International Right of Way Association	11/16/2010	7
Appraisal Curriculum Overview	Appraisal Institute	6/14/2010	15
Appraisal Challenges: Declining Markets & Sales	Appraisal Institute	6/24/2009	7
USPAP	Appraisal Institute	6/22/2009	7
Appraisal of Local Retail Properties	Appraisal Institute	2/8/2008	7
Subdivision Valuation	Appraisal Institute	2/7/2008	7
Apartment Appraisal: Concepts & Applications	Appraisal Institute	2/22/2007	15
Analyzing Operation Expenses	Appraisal Institute	2/21/2007	7
USPAP	King	2/26/2007	7
Apartment Appraisals	Appraisal Institute	2/22/2007	15
USPAP	International Right Of Way Association	6/6/2005	7
The Road Less Traveled: Special Purpose Properties	Appraisal Institute	2/27/2004	7
Appraisal of Nonconforming Uses	Appraisal Institute	2/26/2004	7
Partial Interest Valuation Divided	Appraisal Institute	2/25/2004	7
Subdivision Analysis	Appraisal Institute	2/24/2004	7
USPAP	Appraisal Institute	2/13/2003	15
Land Valuation Adjustment Procedures	Appraisal Institute	11/22/2002	7
Land Valuations Assignments Workshop	Appraisal Institute	11/23/2002	7
Easement Valuation	International Right of		

## STEESE EXPRESSWAY/JOHANSEN EXPRESSWAY INTERCHANGE

	Way Association	3/10/2002	7
Principles of Real Estate Law	Appraisal Institute	10/25/01	15
Partial Interest Valuation –Divided & Undivided Valuation	Appraisal Institute	5/10/2001	15
Principles of Real Estate	International Right of Way Association	4/2/2001	16
Easement Valuation	International Right of Way Association	3/10/2001	7
Valuation of Detrimental Conditions in Real Estate	Appraisal Institute	3/22/99	7
Special Purpose Properties: The Challenge of Real Estate Appraising In Limited Markets	Appraisal Institute	3/23/99	7
Eminent Domain and Condemnation Appraising	Appraisal Institute	7/18/99	7
Valuation of Contaminated Properties	International Right of Way Association	6/1/99	7
Appraising 1-4 Family Income Properties	Appraisal Institute	2/14/97	7
Standards of Professional Practice	Appraisal Institute	11/06/96	15
Appraisal Practices for Litigation	Appraisal Institute	5/16/95	7
The Appraiser as Expert Witness	Appraisal Institute	5/17/95	7
Mock Trial	Appraisal Institute	5/18/95	7
Valuation of Leasehold Interests	Appraisal Institute	12/10/93	7
Basic Income Capitalization	Appraisal Institute	6/17/94	36
Market Extractions	Appraisal Institute	4/2/93	7
Appraising Troubled Properties	Appraisal Institute	4/1/93	7
Skills of Expert Testimony	International Right Of Way Association	3/18/93	8
Valuation of Environmentally Impacted Properties	International Right Of Way Association	3/19/93	8
Report Writing and Valuation Analysis	Appraisal Institute	2/7/92	40
Standards of Professional Practice Part A	Appraisal Institute	5/18/91	15
Easement Valuation	International Right Of Way Association	3/2/91	7
Land Titles	International Right Of Way Association	4/7/90	7
Property Descriptions	International Right Of Way Association	3/18/89	7
Interpreting Engineering Drawings	International Right Of Way Association	3/25/89	7
Legal Aspects of Easements	International Right Of Way Association	7/30/88	7
Residential Valuation	Appraisal Institute	5/24/86	36
Real Estate Appraisal Principles	Appraisal Institute	5/17/86	36

NOTE: The course title "Real Estate Appraisal Principles" was changed to "Appraisal Principles" and "Residential Valuation" was changed to "Appraisal Procedures" when AIREA, American Institute of Real Estate Appraisers, became AI, Appraisal Institute.

**ORDINANCE NO. \_\_\_\_\_**

**AN ORDINANCE ENACTING FAIRBANKS GENERAL CODE CHAPTER 70, ARTICLE II, SECTION 70-63, REQUIRING A REQUEST FOR PROPOSALS AND CERTAIN PROCEDURES TO AID IN THE SOLICITATION AND SELECTION OF LONG-TERM LESSEES OF CITY-OWNED PROPERTY**

**WHEREAS**, Alaska Statute § 29.35.090, along with City of Fairbanks Charter, § 8.3, and Fairbanks General Code, § 70-42(b), provide that the disposition of any City interest in real property requires the approval of the City Council by ordinance; and

**WHEREAS**, when it is in the City's interest to do so, the City periodically offers leaseholds of city-owned properties to individuals and entities under that authority; and

**WHEREAS**, a public, transparent process can encourage competition and, when beneficial, collaboration, to help ensure the best interests of the City are obtained.

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

**SECTION 1.** A new section, Section 70-63, long-term use of city-owned real property, is added to Fairbanks General Code Chapter 70, Article II, Section 70-63 as follows:

**Sec. 70-63. - Long-term use of city-owned real property.**

- (a) A Request for Proposals (RFP) must be used to solicit proposals from parties interested in leasing city-owned property. The RFP must be presented to council prior to its release and prior to the introduction of any ordinance proposing that the city lease specific city-owned property.
- (b) The RFP must include the following:
  - (1) date, time, and place for delivering proposals;
  - (2) a requirement that the offeror provides proof of valid business licenses with both the State of Alaska and City of Fairbanks; and
  - (3) a description of the factors that will be considered when evaluating the proposals received, including the relative importance of the factors.
- (c) Notice of the RFP must be given in accordance with procedures under section 54-164. If a shorter notice period is necessary for a particular RFP required under this section, that determination will be made in writing, by the procurement officer. The purchasing agent may use

additional means considered appropriate to notify prospective offerors of the intent to enter into a lease agreement through competitive sealed proposals.

- (d) The Procurement Officer must ensure that proposals received under this section are handled in accordance with the procedures in sections 54-203 and 54-204.

**SECTION 2.** The effective date of this Ordinance 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



# City of Fairbanks

## Finance Committee Meeting Report

### May 28, 2026

Committee Members Present: Margarita Bell  
Councilmember Cleworth  
Alesia Kruckenberg  
Michael Sanders  
Councilmember Sprinkle

Committee Members Absent: Joshua Church  
Councilmember Tidwell

Other Present: Mayor Mindy O’Neill  
Jamie Rice (Fairbanks Parking Authority)  
Jeff Jacobson (Fairbanks Parking Authority)

Committee members reviewed the following reports as of April 30, 2026:

- General Fund Balance Sheet with a fund balance of \$13.6 million
- Cash Flow Report with a balance of \$20.8 million
- General Fund Revenues and Expenditures Report with revenues of \$19.1 million and expenditures of \$18.0 million

Committee members discussed establishing ad-hoc committees to prepare sales taxes and annexation recommendations for the Finance Committee. Margarita Bell recommended Alesia Kruckenberg and Joshua Church to participate in the ad-hoc committees with staff. Committee members agreed.

Committee members received a copy of the 2025 Audit Management’s Discussion and Analysis for review in preparation of the audit presentation with Council on Monday, June 8, 2026, at 5:30 p.m. in the Chambers.

Committee members continued the discussion about parking services with reports from Jeff Jacobson and Jamie Rice. Jeff Jacobson provided a brief history and citation data. Jamie Rice provided the parking garage utilization data with 177 (47%) spaces used and 229 (61%) spaces used during winter season. Jeff Jacobson provided projected revenue for adding permit fees for the city lot between 1<sup>st</sup> and 2<sup>nd</sup> and increasing parking garage rates. Alesia Kruckenberg stated the importance of maintaining long-term parking in the garage. An ad-hoc committee with Councilmember Sprinkle, Mayor O’Neill, and Jamie Rice was formed to provide a recommendation to the Finance Committee.

The next Finance Committee meeting is scheduled for Thursday, June 25, 2026, at 7:00 a.m. in the Meeks Conference Room.