Sponsored by: Councilmember Therrien
Councilmember Tidwell
Date: November 9, 2026

**ORDINANCE NO. 6361**

**AN ORDINANCE TEMPORARILY WAIVING FAIRBANKS GENERAL CODE SECTION 74-117, ROOM RENTAL TAX PURPOSE AND LIMITATION**

**WHEREAS**, Fairbanks General Code (FGC) Section 74-117(b) provides a funding formula for the allocation of room rental tax revenue; and

**WHEREAS**, the City Council recognizes the controlling guidance provided in Section 74-117(b) lawfully restricts its power of appropriation; and

**WHEREAS**, the City Council also recognizes Section 74-117(b) is subject to annual appropriation and that the Council retains the power of appropriation; and

**WHEREAS**, the City Council recognizes Section 74-117(b) is not in and of itself a perpetual, self-appropriating provision and does not establish a dedicated fund; and

**WHEREAS**, as stated at FGC 74-117(a), the primary purpose of the room rental tax is to fund services for the promotion of the tourist industry and other economic development, as well as for the funding of services for the general public; and

**WHEREAS**, community survey input along with input from various sources has identified safety as a primary concern that hampers activities downtown and tourism; and

**WHEREAS**, a more safe, vibrant, and active downtown supports tourism and economic development; and

**WHEREAS**, recipients of room rental tax revenue identified in FGC 74-117(b) promote the primary purpose of the tax as described in FGC 74-117(a); and

**WHEREAS**, the City Council believes a slight reallocation of room rental tax revenue within the recipients identified in FGC 74-117(b) would better address community needs while continuing to support the primary purpose of the room rental tax.

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

**Section 1.** The formula provided in FGC 74-117(b) for the allocation of room rental tax revenue is suspended for the limited purpose of reallocating funds according to the appropriations adopted by the City Council in its 2027 budget.

**Section 2.** The purpose of this ordinance is to temporarily waive any requirements of FGC 74-117(b) narrowly related to the amount of room rental tax revenue appropriated

and allocated to each of the recipients. All other requirements provided in the section remain applicable to the extent practicable.

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

**Mindy O'Neall, City Mayor**

On the motion to advance:

| | |
|---|---|
| YEAS: | Therrien |
| NAYS: | Lojewski, Cleworth, Ringstad, Sprinkle |
| ABSENT: | Tidwell |
| FAILED TO ADVANCE: | November 9, 2026 |

ATTEST:

D. Danyielle Snider, MMC, City Clerk

APPROVED AS TO FORM:

Thomas A. Chard II, City Attorney

FAILED TO ADVANCE

# CITY OF FAIRBANKS
## FISCAL NOTE

**I. REQUEST:**

Ordinance or Resolution No: 6361

Abbreviated Title: ORDINANCE TEMPORARILY WAIVING FGC SECTION 74-117 DISTRIBUTION

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** |
|---|---|
| EXPLORE FAIRBANKS [BASED ON ROOM RENTAL TAX REVENUE RECEIVED] | $ 2,000,000 |
| CITY OF FAIRBANKS [BASED ON ROOM RENTAL TAX REVENUE RECEIVED] | $ 1,790,000 |
| ECONOMIC DEVELOPMENT [BASED ON ROOM RENTAL TAX REVENUE RECEIVED] | $ 910,000 |
| DISCRETIONARY GRANTS | $ 500,000 |
| FAIRBANKS ECONOMIC DEVELOPMENT CORPORATION | $ 150,000 |
| GOLDEN HEART PLAZA AND BARNETTE LANDING MAINTENANCE | $ 150,000 |
| **TOTAL** | **$ 5,500,000** |

| **FUNDING SOURCE:** | **ANNUAL** |
|---|---|
| GENERAL FUND [ROOM RENTAL TAX REVENUE] | $ 5,500,000 |
| | |
| | |
| **TOTAL** | **$ 5,500,000** |

Depending on the amount of room rental tax revenue received, the City of Fairbanks will allocate up to $2,000,000 to Explore Fairbanks. Any room rental tax revenues remaining after the allocations described above shall be divided equally, with one-half allocated for fund collection, administration, and tourism impacts pursuant to FGC Section 74-117(b)(1), and one-half allocated for providing security and safety for special events and other services authorized under FGC Section 74-117(b)(2).

Prepared by Finance Department: Initial mb Date 11/4/2026