

RESOLUTION NO. 5116, AS AMENDED

**A RESOLUTION OF THE CITY OF FAIRBANKS AUTHORIZING AN
AGREEMENT BETWEEN THE FAIRBANKS NORTH STAR BOROUGH, THE
CITY OF NORTH POLE, AND THE CITY OF FAIRBANKS TO JOINTLY
PROVIDE FOR ECONOMIC DEVELOPMENT**

WHEREAS, A.S. § 29.35.110(c) authorizes second-class boroughs, including the Fairbanks North Star Borough (Borough), to expend tax revenue collected on an areawide basis for economic development if there is an agreement in place with a city located in the borough to cooperatively or jointly provide for economic development; and

WHEREAS, A.S. § 29.35.110(c) was recently amended to include using revenue from other sources of funding including grants; and

WHEREAS, AS § 29.71.800 defines economic development as "an action intended to result in an outcome that causes an increase in, or avoids a decrease of economic activity, gross domestic product, or the tax base;" and

WHEREAS, Borough Resolution No. 2023-27 supports areawide cooperation and the joint provision of economic development stating that it is in the best interest of all borough citizens for the Borough to be able to spend tax revenue on economic development that will benefit the entire borough; that the cities of Fairbanks and North Pole and the Borough have been operating under an agreement signed by the Mayors of each jurisdiction since 2004; that economies are not bound by governmental boundaries; and that regardless of the source of the revenue, the Borough is not interested in acquiring an areawide power of economic development which would prohibit the City of North Pole or the City of Fairbanks from exercising economic development within their boundaries; and

WHEREAS, Borough Resolution No. 2023-27 further states that the Borough has tracked areawide economic indicators since the 1970's through the Community Research Quarterly publication; that it is a resource for the exchange of local economic information between and amongst local businesses and municipal, state, and federal governments; and that the Economic Development Commission is a necessary and integral part of the coordination of economic development activities of the Borough and participates in specific economic development projects as they are proposed; and

WHEREAS, approval of the proposed Memorandum of Agreement does not amend or modify the role of the Economic Development Commission nor does it infringe on, or eliminate, the appropriating power of the Borough Assembly, North Pole City Council, or Fairbanks City Council.

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

Section 1. ~~that~~ The City Council of the City of Fairbanks authorizes the Mayor to enter into a Memorandum of Agreement with the Fairbanks North Star Borough and City of North Pole to jointly provide for economic development and authorizing each municipality to:

1. Apply for, receive, and administer grants.
2. Take other action to develop, encourage, study, or finance economic development projects that benefit the City of Fairbanks and the entire borough, such as:
 - a. Supporting economic development organizations that support key industries outlined in the Comprehensive Economic Development Strategy (CEDS) such as the Fairbanks Economic Development Corporation and Explore Fairbanks.
 - b. Promoting, supporting, and facilitating projects for key economic industries as identified in the CEDS.
3. Develop and maintain key economic indicators and metrics to be used for informing economic development decisions for the City of Fairbanks and the entire borough.
4. Create and disseminate information on the economic status of the City of Fairbanks and entire borough in support of economic development actions.

Section 2. This Resolution is effective five days after adoption and will expire on July 1, 2026. At the expiration of this Resolution, the City of Fairbanks' agreement with the Borough to cooperatively or jointly provide for economic development will also expire.

Section 3. Once effective, the City Clerk is directed to provide a copy of this Resolution to the Fairbanks North Star Borough Clerk for distribution to the Borough Mayor and Assembly.

Section 4. The City of Fairbanks would like to work cooperatively with the Fairbanks North Star Borough to resolve the issue of the ARDOR, to get clear resolution of Fairbanks North Star Borough's taxing authority for economic development, and to establish representation on the FNSB economic development commission by the City of Fairbanks and the City of North Pole to be proportional to their population.

PASSED AND APPROVED this 12th Day of August 2024.



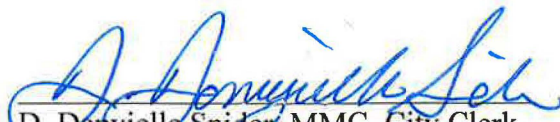
For

David Pruhs, City Mayor

YEAS: Ringstad, Tidwell, Rogers, Sprinkle, Marney
NAYS: Cleworth
ABSENT: None
APPROVED: August 12, 2024*

**Clerk Note: Following approval by the City Council on July 22, Council Member Tidwell filed a written notice of intent to RECONSIDER on July 23. The question of whether to reconsider was moved on August 12, and the motion passed. Resolution No. 5116 was further amended, and a vote to approve passed on August 12.*

ATTEST:


D. Danyielle Snider, MMC, City Clerk

APPROVED AS TO FORM:


Thomas A. Chard II, City Attorney

**ATTACHMENT TO
CITY OF FAIRBANKS RESOLUTION NO. 5116, AS AMENDED**

1 AGREEMENT BETWEEN THE CITY OF FAIRBANKS, CITY OF NORTH POLE,
2 AND THE FAIRBANKS NORTH STAR BOROUGH TO JOINTLY PROVIDE
3 FOR ECONOMIC DEVELOPMENT
4

5 WHEREAS, AS 29.35.110(c) authorizes a second-class borough to expend
6 tax revenue collected on an areawide basis for economic development if an agreement is
7 in place with a city located in the borough; and
8

9 WHEREAS, AS 29.35.110(c) was recently amended to include using revenue
10 from other source of funds to include grants; and
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12 WHEREAS, The City of Fairbanks, the City of North Pole, and the Borough
13 have been operating under an agreement signed by the Mayors of each jurisdiction since
14 2004; and
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16 WHEREAS, It is in the best interest of all borough citizens for the Borough
17 to be able to spend tax revenue on economic development that will benefit the entire
18 borough, regardless of the source of the revenue; and
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20 WHEREAS, Economies are not necessarily bound by governmental
21 boundaries; and
22

23 WHEREAS, The Borough is not interested in acquiring an areawide power
24 of economic development, which would prohibit the City of Fairbanks and the City of
25 North Pole from exercising economic development within their boundaries; and
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27 NOW THEREFORE that the parties agree to jointly provide for borough-wide
28 economic development and authorizing each municipality to:
29

- 30 1. Apply for, receive, and administer grants.

- 31 2. Take other action to develop, encourage, study, or finance economic
32 development projects that benefit the entire borough, such as:
- 33 a. Support economic development organizations that support key
34 industries outlined in the Comprehensive Economic Development
35 Strategy (CEDS), such as the Fairbanks Economic Development
36 Corporation and Explore Fairbanks.
- 37 b. Promote, support, and facilitate projects for key economic industries as
38 identified in the CEDS.
- 39 3. Develop and maintain key economic indicators and metrics to be used for
40 informing economic development decisions for the entire borough.
- 41 4. Create and disseminate information on the economic status of the entire
42 borough in support of economic development actions.

43
44 IN WITNESS WHEREOF, we have hereunto set our hands this ____ DAY
45 OF ____ 20 ____.

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48 _____
49 Bryce Ward, Mayor
50 Fairbanks North Star Borough

51
52 _____
53 David Pruhs, Mayor
54 City of Fairbanks

55 ATTEST:

56
57 _____
58 April Trickey, MMC
59 Borough Clerk

57 _____
58 Michael Welch, Mayor
59 City of North Pole