1. CALL TO ORDER

2. NONSECTARIAN INVOCATION

3. PLEDGE OF ALLEGIANCE

4. ROLL CALL

5. REQUEST FOR REMOVAL OF ITEMS FROM THE CONSENT AGENDA AND ANY OTHER PROCEDURAL MOTIONS.

6. CITIZENS’ COMMENTS – Each person’s comments limited to 3 minutes (Citizens’ Comments shall recess at 6:50 p.m. for public hearing)
   a. A citizen may speak on agenda items not scheduled for public hearing (Memorandums, Bid Awards, Unfinished Business [items postponed from previous meetings, reconsideration, or notice of intent to rescind], Resolutions, or Ordinances being advanced to a public hearing on a different date). Citizens’ comments on Board of Adjustment matters are not permitted.
   b. Items that are not scheduled on the agenda.
7. APPROVAL OF AGENDA AND CONSENT AGENDA

Approval of the consent agenda passes all routine items indicated by an asterisk (*) on the agenda. Consent agenda items are not considered separately unless an Assemblymember so requests. Note: If the consent item to be removed is an ordinance up to be introduced, advanced, or referred, it takes two Assemblymembers to remove the item from the consent agenda. In the event of such a request, the item is returned to the general agenda.

8. APPROVAL OF MINUTES

NONE

9. COMMUNICATIONS TO THE ASSEMBLY

a. Memorandum from April Trickey, Borough Clerk, regarding the certification of the March 26, 2019 elections for certain service areas. (Page 7)

b. Memorandum from Matt Cooper, FNSB Presiding Officer, regarding appointment to the Board of Equalization. (Page 10)

c. Accept resignation of Angela Major and declare Assembly Seat “E” vacant, effective June 17, 2019. (Page 15)

*d. Memorandum from April Trickey, Borough Clerk, regarding the approval of Assembly vacancy and application process. (Page 16)

*e. Memorandum from Sandra Mota, Land Manager, regarding written summary of intended land sale (September 1-30, 2019/FY20). (Page 21)

*f. IFB Award: IFB Number 19059
   After-hours Call-out for Facilities Maintenance
   Approval of Lot One in the amount of $134,400 for the initial contract period and estimated amount of $672,000 if all four one-year renewal options are exercised, as submitted by Long Building Technologies Inc. (Page 32)

10. MESSAGES FROM THE BOROUGH MAYOR

11. REPORTS OF STANDING AND SPECIAL COMMITTEES
12. REPORTS FROM REPRESENTATIVES

a. Report from the City of Fairbanks Representative.

b. Report from the City of North Pole Representative.

c. Report from the School Board Representative.

13. SPECIAL ORDERS – Public Hearing at or after 7:00 p.m. (each person’s comments limited to 3 minutes)

a. Liquor License – New – Restaurant/Eating Place – License #5755
   
   (Page 37)

   Far North Alpine Ventures, LLC
   DBA: Ski Land
   2315 Skiland Road
   Fairbanks, AK 99712

b. Marijuana License – New – Limited Cultivation Facility – License #19473
   
   (Page 59)

   Goldstream Grown, LLC
   DBA: Goldstream Cannabis Annex
   2922 Parks Hwy, Studio 10
   Fairbanks, AK 99709


d. ORDINANCE NO. 2019-01. An Ordinance Amending FNSBC Title 17 Regarding Legal And Constructed Road Access For Subdivisions. (Sponsor: Mayor Ward) (Page 203)
e. **ORDINANCE NO. 2019 -11.** An Ordinance Rezoning Approximately 584 Acres, Including Silver Creek Subdivision Lots 1 Through 6, Tract A And Tract B, And South Half (S½) Of Southeast One-Quarter (SE¼), Section 35, T2N R1W FM From General Use 1 (GU-1) To Rural And Agricultural 5 (RA-5) Or Other Appropriate Zone, And; Northeast One-Quarter (NE¼) And North Half (N½) Of Southeast One-Quarter (SE¼), Section 35, T2N R1W FM From General Use 1 (GU-1) To Rural Estate 2 (RE-2) Or Other Appropriate Zone (Located On The North Side Of Goldstream Road, Approximately One Mile West Of The Old Steese Highway) (RZ2019-003). (Sponsor: Mayor Ward) **(Page 331)**

f. **ORDINANCE NO. 2019-17.** An Ordinance Authorizing The Mayor To Enter Into A Lease Agreement With The Northern Lights Council Of Dancers Inc. Within GL-12, Section 9, T.1S., R.1W., F.M. And That Portion Of The SW ¼ Of The SW ¼ Of Section 9, T.1S., R.1W., F.M. (Pioneer Park). (Sponsor: Mayor Ward) **(Page 406)**

g. **ORDINANCE NO. 2019 -18.** An Ordinance Amending FNSBC Title 21 Regarding Landfill Tipping Fees And Fees At Borough Recycling Facilities, Removing Definitions That Are Not Used In FNSBC Title 21, Amending Definitions Related To Solid Waste, And Amending Appendix E-User Fee Schedule/Public Works/Central Recycling Facility And Appendix E-User Fee Schedule/Public Works/Solid Waste Materials And Attachment C Of Ordinance No. 2018-20 (FY 2018-19 Budget). (Sponsor: Mayor Ward) **(Page 411)**


14. CONSIDERATION OF CALENDAR – Unfinished Business

NONE

15. CITIZENS’ COMMENTS – Each person’s comments limited to 3 minutes (continuation if needed)

a. Items that are not scheduled for public hearing – continuation.

16. CONSIDERATION OF CALENDAR – New Business – Resolutions

a. RESOLUTION NO. 2019-19. A Resolution Supporting HB 81 An Act Prohibiting Disposable Plastic Shopping Bags; And Providing For An Effective Date. (Sponsor: Assemblymember Gray) (Page 452)


17. CONSIDERATION OF CALENDAR – New Business – Ordinances To Be Referred To Committees Or Commissions

NONE

18. CONSIDERATION OF CALENDAR – New Business – Ordinances To Be Introduced And Advanced To Public Hearing

*a. ORDINANCE NO. 2019-22. An Ordinance Authorizing The Mayor To Enter Into A Lease Agreement At Less Than Fair Market Value With The Salcha Fair Association, Inc. On Borough Land As Identified As Tract D, Grieme Farm Subdivision (Richardson Hwy MP 332). (Sponsor: Mayor Ward) (Refer to the Committee of the Whole on June 6, 2019; Advance to June 13, 2019 for Public Hearing) (Page 461)

19. CITIZENS’ COMMENTS – Each person’s comments limited to 3 minutes (continuation if needed)
   
   b. Items that are not scheduled on the agenda.

20. ASSEMBLYMEMBER’S COMMENTS

21. ADJOURN TO 5:30 P.M. APRIL 30, 2019 (IF NEEDED)
MEMORANDUM

TO: Fairbanks North Star Borough Assembly
FROM: April Trickey, CMC, Borough Clerk
DATE: April 25, 2019
SUBJECT: CERTIFICATION OF THE MARCH 26, 2019 ELECTIONS FOR CERTAIN SERVICE AREAS

Attached for your review and certification is the report of the Election Canvass Board for the Service Area Elections held March 26, 2019 in the following service areas:

<table>
<thead>
<tr>
<th>Service Area</th>
<th>Final Election Results</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pleasureland</td>
<td>Failed 6 Yes, 12 No</td>
</tr>
<tr>
<td>Seavy</td>
<td>Failed 3 Yes, 4 No</td>
</tr>
</tbody>
</table>

The proper motion needed to certify the election is:

"Move that the Assembly accept the report of the Election Canvass Board and declare that the Pleasureland and Seavy Service Area Mill Levy Elections of March 26, 2019 were validly held."
Certificate Of Service Area Election Results

PLEASURELAND SERVICE AREA – MILL LEVY ELECTION

Fairbanks North Star Borough, Alaska

March 26, 2019

We, the undersigned, hereby certify that the following is a true and correct return of all votes cast in the Pleasureland Service Area of the Fairbanks North Star Borough, Alaska held on March 26, 2019.

The total number of persons voting thereat was eighteen (words) 18 (figures) of which the following votes were tallied:

Yes 6  No 12  Not Counted 0

Dated this 2 day of April, 2019

[Signatures]

Canvass Chair

[Signature]

Judge

[Signature]

Judge

[Signature]

Judge

[Signature]

Certified this ___ day of ____________, 2019.

Matt Cooper, Presiding Officer

FNSB Assembly

ATTEST:

April Trickey, CMC

Borough Clerk
Certificate Of Service Area Election Results

SEAVY SERVICE AREA – MILL LEVY ELECTION

Fairbanks North Star Borough, Alaska

March 26, 2019

We, the undersigned, hereby certify that the following is a true and correct return of all votes cast in the Seavy Service Area of the Fairbanks North Star Borough, Alaska held on March 26, 2019.

The total number of persons voting thereat was seven (words) 7 (figures) of which the following votes were tallied:

Yes 3  No 4  Not Counted 0

Dated this 2 day of April, 2019

[Signatures]

Canvass Chair

[Signature]

Judge

[Signature]

Judge

[Signature]

Judge

[Signature]

Certified this _____ day of _____________, 2019.

Matt Cooper, Presiding Officer
FNSB Assembly

ATTEST:

April Trickey, CMC
Borough Clerk
MEMORANDUM

TO: Fairbanks North Star Borough Assembly
FROM: Matt Cooper, FNSB Presiding Officer
DATE: April 25, 2019

SUBJECT: APPOINTMENT TO THE BOARD OF EQUALIZATION

In accordance with FNSBC 4.28.010, the Assembly appoints Board of Equalization (BOE) members.

On April 16, 2019 Jason McComas-Roe, regular board member, submitted his letter of resignation from the Board of Equalization effective April 30, 2019.

The following individuals have submitted an application for consideration:

- Cheryl Markwood
- Chase Edstrom

Proper motion for the appointment of an Alternate Board Member: “Move to appoint [applicant's name] to the Board of Equalization as a regular board member with a term ending December 31, 2021.

A copy of their applications and disclosures form are attached.

For your information current members of the board are:

<table>
<thead>
<tr>
<th>Board Member</th>
<th>Term Expires</th>
</tr>
</thead>
<tbody>
<tr>
<td>Audrey Foldoe</td>
<td>December 31, 2019</td>
</tr>
<tr>
<td>Joel Johnson</td>
<td>December 31, 2019</td>
</tr>
<tr>
<td>James Mayo</td>
<td>December 31, 2020</td>
</tr>
<tr>
<td>Terry Duszynski</td>
<td>December 31, 2020</td>
</tr>
<tr>
<td>Vacant 4/30/2019</td>
<td>December 31, 2021</td>
</tr>
</tbody>
</table>

Tim Beck, Alternate Member: December 31, 2019
Jimijon Cash, Alternate Member: December 31, 2021

FNSBC 4.28.010 Board of Equalization:
A. Establishment. In accordance with AS 29.45, there is established the board of equalization. The board shall be composed of five regular board members and two alternate board members appointed by the assembly. The alternate board members shall be designated by the board chairman, as need arises, to serve in the absence or disability of regular members.
B. Appointment and Terms. Regular board members and alternate members shall be appointed on the basis of their expertise in property appraisals, real estate market, construction, farming, and other fields related to their functions as members of the board of equalization. Regular board members and alternate board members shall serve for three years or until their successors are appointed and qualified. Terms shall be staggered so that approximately one-third of the terms expire each year.
BOARD OF EQUALIZATION APPLICATION

FNSBC 4.28.010 (B) Regular board members and alternate members shall be appointed on the basis of their expertise in property appraisals, real estate market, construction, farming, and other fields related to their functions as members of the board.

Applicant's Name ____________________________
Cheryl Markwood

Residence Address ____________________________
2964 Totem Drive

City/State/Zip ____________________________
Fairbanks, AK 99709

Mailing Address ____________________________
Same

City/State/Zip ____________________________
Same

Work Phone ____________________________
(907) 374-0342
Home Phone ____________________________
(907) 347-4720

FAX ____________________________
(907) 374-0342
E-mail ____________________________
cheryl@fbksrealty.com

Are you registered to vote within the Fairbanks North Star Borough [required by FNSBC 4.04.040(A)]? Yes ☑
No ☐

Do you currently serve on any other Borough Boards & Commission? Yes ☐ No ☑
If yes please list which one:

Statement of Interest (use reverse side of form if necessary):
I'd be honored to serve on the Board of Equalization which would be an opportunity to serve my community.

Brief Personal Biography (or attach resume)
I'm a licensed Real Estate Broker in the State of Alaska and have been licensed since 2010. I opened my own firm in the FNSB in 2015 and specialize in property management. I am also a member of the State of Alaska Real Estate Commission since March 2019 and am currently serving a 4 year term.

Professional Licenses/Training

APPLICANT'S SIGNATURE ____________________________
4-13-19

DATE ____________________________

The Fairbanks North Star Borough is subject to the Alaska Public Records Act, AS 40.25 et seq. and this document may be subject to public disclosure under state law.

FOR OFFICE USE ONLY

Date Received ____________________________
By ____________________________
Note Any Attachments

*RETURN TO THE OFFICE OF THE CLERK*
DISCLOSURE OF PRESENT ECONOMIC INTEREST
APPOINTED PUBLIC MEMBERS OF A BOARD, COMMISSION, OR OTHER MUNICIPAL BODY

1. Markwood, Cheryl Anne
   (YOUR NAME: LAST, FIRST, MIDDLE)
   Fairbanks North Star Borough Board of Equalization

2. (BOARD, COMMISSION, OR OTHER PUBLIC BODY TO WHICH YOU ARE APPLYING.)

3. FOR TERM ENDING:  4 Years (2019-2022)

4. PLEASE GIVE THE BUSINESS NAME OF YOUR EMPLOYER, TYPE OF BUSINESS, YOUR POSITION:
   
   Markwood Realty
   Real Estate Office
   Broker/Owner
   (BUSINESS NAME)  (TYPE OF BUSINESS)  (YOUR POSITION)

5. ARE YOU SELF-EMPLOYED? YES ☑ NO ☐

DECLARATION

I understand that I am required to disclose any interest which would cause me or an immediate family member (including all household members) to have a personal or financial interest, different than those of the public generally, in matters coming before the board, commission, or other public body of the municipality to which I have been appointed. When such matters arise, I will also inform the other members on the record, so that the potential for a conflict of interest can be addressed prior to action by the public body.

I have the following interest(s) which would cause me, an immediate family member, or household member to have a personal or financial interest, different than those of the public generally, in matters coming before the public body during my term:

(ATTACH SEPARATE SHEETS AS NECESSARY)

I currently do not believe I have any conflicts of interest to disclose.

If the situation changes or I acquire new interests, I will file a supplemental disclosure with the Clerk's Office. I affirm that this DISCLOSURE is true and correct to the best of my knowledge.

Signature  __________________________ Date  4-13-19

The Fairbanks North Star Borough is subject to the Alaska Public Records Act, AS 40.20 et seq, and this document may be subject to public disclosure under state law.
BOARD OF EQUALIZATION APPLICATION

FNSBC 4.28.010 (B) Regular board members and alternate members shall be appointed on the basis of their expertise in property appraisals, real estate market, construction, farming, and other fields related to their functions as members of the board.

Applicant's Name: Chase Edstrom

Residence Address: 2135 Richardson Hwy

City/State/Zip: North Pole, AK 99705

Mailing Address: 2135 Richardson Hwy

City/State/Zip: North Pole, AK 99705

Work Phone: 907-978-9278

Home Phone: 907-488-0452

FAX: 907-488-0453

E-mail: chase@edstromconstructionco.com

Are you registered to vote within the Fairbanks North Star Borough [required by FNSBC 4.04.040(A)]? Yes ☑

No □

Do you currently serve on any other Borough Boards & Commission? Yes □ No ☑

If yes please list which one:

Statement of Interest (use reverse side of form if necessary):

This Board will cover issues that directly pertain to issues that I find troubling or need work in order to be fair to the people of this Borough. I'd like to be considered in order to shed light on the Construction side of topics that this board brings to attention as well as others in Real Estate

Brief Personal Biography (or attach resume)

I have been working in construction in Fairbanks North Star Borough for Aprox 18 Years. I started out building houses for a local contractor when I was 14. I progressed very quickly as I grew up around nothing but construction all my life. I started Edstrom Construction at the age of 22 in Oct of 2010. Since then we have grown to employing 14 people a year and millions in revenue

Professional Licenses/Training: 

APPLICANT'S SIGNATURE: [Signature]

DATE: 4-14-19

The Fairbanks North Star Borough is subject to the Alaska Public Records Act, AS 40.25 et seq. and this document may be subject to public disclosure under state law.

FOR OFFICE USE ONLY

Date Received: [Date]

By: [Signature]
Note Any Attachments

*RETURN TO THE OFFICE OF THE CLERK*
DISCLOSURE OF PRESENT ECONOMIC INTEREST
APPOINTED PUBLIC MEMBERS OF A BOARD, COMMISSION, OR OTHER MUNICIPAL BODY

Edstrom, Chase Alan

(YOUR NAME: LAST, FIRST, MIDDLE)

Board of Equalization

(BOARD, COMMISSION, OR OTHER PUBLIC BODY TO WHICH YOU ARE APPLYING.)

3. FOR TERM ENDING: 2022

4. PLEASE GIVE THE BUSINESS NAME OF YOUR EMPLOYER, TYPE OF BUSINESS, YOUR POSITION:

Edstrom Construction Co., LLC General Contractor Owner

(BUSINESS NAME) (TYPE OF BUSINESS) (YOUR POSITION)

5. ARE YOU SELF-EMPLOYED? YES ☑ NO ☐

DECLARATION

I understand that I am required to disclose any interest which would cause me or an immediate family member (including all household members) to have a personal or financial interest, different than those of the public generally, in matters coming before the board, commission, or other public body of the municipality to which I have been appointed. When such matters arise, I will also inform the other members on the record, so that the potential for a conflict of interest can be addressed prior to action by the public body.

I have the following interest(s) which would cause me, an immediate family member, or household member to have a personal or financial interest, different than those of the public generally, in matters coming before the public body during my term:

(ATTACH SEPARATE SHEETS AS NECESSARY)

My business directly deals with Real Estate transactions and Construction within and outside the North Star Borough. Issues that come up dealing with such topics that have a possibility of creating a financial issue to me, my family or friends I will immediately on the record let the Board know.

If the situation changes or I acquire new interests, I will file a supplemental disclosure with the Clerk’s Office. I affirm that this DISCLOSURE is true and correct to the best of my knowledge.

Signature ___________________________ Date 4-14-19

The Fairbanks North Star Borough is subject to the Alaska Public Records Act, AS 40.25 et seq, and this document may be subject to public disclosure under state law.
To: Mr. Matt Cooper, Presiding Officer, Fairbanks North Star Borough Assembly
    Ms. April Trickey, Borough Clerk, Fairbanks North Star Borough

Please accept this letter as my official resignation from my seat on the Assembly, Assembly Seat E, effective June 17, 2019. My purpose for resignation is that I will be departing the Fairbanks North Star Borough to attend the U.S. College of Naval Warfare in Newport, R.I. I have truly appreciated the opportunity to serve the residents of the Fairbanks North Star Borough for nearly the last two years.

Sincerely,

[Signature]

Angela Major, Deputy
Presiding Officer
MEMORANDUM

TO: Fairbanks North Star Borough Assembly
FROM: April Trickey, CMC, Borough Clerk
DATE: April 25, 2019
SUBJECT: APPROVAL OF ASSEMBLY VACANCY AND APPLICATION PROCESS

Attached for your approval is the process and application for filling the vacancy of Assembly Seat E. The assembly has used this process since 2005.

Overview of Assembly Vacancy Process and Deadlines

April 25, 2019 Regular Assembly Meeting
- Accept the resignation of Angela Major and declare Assembly Seat E vacant at midnight June 17, 2019.
- Approve the Assembly Vacancy and Application process

May 1, 2019, publish pending vacancy of Seat E

May 1 through 15, 2019, 14 day application period after the first publication per FNSBC 3.04.040(B)

June 18, 2019 at 5:30 p.m. Assembly Worksession to conduct applicant interviews, followed by a Special Assembly Meeting at 7 p.m. to appoint the successful applicant.

Application packets for interested persons will be available Wednesday, May 1, 2019 in Borough Clerk’s Office and online www.fnsb.us/assembly
ASSEMBLY VACANCY APPLICATION PROCESS AND DEADLINES

1. On April 25, 2019, the FNSB Assembly accepts Angela Major’s resignation and officially declares Assembly Seat E vacant at midnight, June 17, 2019.

2. Vacancy and application notice will publish on May 1, 3, 5, 7, 10 and 12, 2019 in the Daily News Miner and be posted on the FNSB website.

3. Application period is for 14 days after the first publication. Deadline to submit an application is 5 p.m., Wednesday, May 15, 2019.

4. A copy of all properly completed applications that meet the legally required qualifications, as determined by the Borough Clerk, will be emailed to the assembly by 5 p.m., Friday, May 17, 2019. Printed copies of the applications are available upon request.

5. Each Assemblymember shall review all applications and select two applicants to be considered and interviewed. Each Assemblymember’s selections shall be submitted to the Borough Clerk by 5:00 p.m., Friday, May 31, 2019. Those received after 5 p.m. will not be considered.

6. The interview process will consist of three questions that will be asked by the Presiding Officer. Each Assemblymember may submit two suggested interview questions for consideration in writing to the Borough Clerk no later than 4 p.m., Wednesday, June 12, 2019. The Presiding Officer will review all questions and make the determination on what questions will be asked. All selected applicants will be asked the same questions by the Presiding Officer.

7. Applicants selected for an interview will be notified by telephone or e-mail. All applicants selected for an interview must be available in person on Tuesday, June 18, 2019 at 5:30 p.m. for the assembly interview process.

8. A special assembly meeting will be held at 7:00 p.m. (or immediately following the interview process) on Tuesday, June 18, 2019 at which time the assembly will vote to select a new assemblymember. The assembly will continue to vote until an applicant receives a majority vote. The successful applicant will be sworn in immediately.

9. Selecting an applicant to replace the vacant seat is a deliberative process, an action that is subject to the Open Meetings Act; therefore all discussions should take place in an open meeting.

In order to ensure fairness and equity all deadlines and other requirements will be strictly enforced.
VOTING PROCEDURES:

1. Each assemblymember will be given a ballot with names of all candidates who participated in the interview process.

2. Each member will vote their ballot and present their ballot to the Borough Clerk.

3. The Clerk will publicly announce the ballot for each Assemblymember and candidate name they voted.

4. A candidate must receive five votes to be elected.

5. If no candidate receives 5 votes, then the assembly shall hold a run-off election between all of the candidates, minus the one that received the least number of votes.

6. The assembly shall continue the balloting until one candidate is elected.

7. If there is a tie between the candidates that received the least number of votes, then the assembly shall break the tie by voting for the tied candidates, and the name of the candidate receiving the most votes shall be added to the run-off ballot.

   a. Ex: 4 votes for candidate “a”, 2 votes for candidate “b” and 1 vote each for candidates “c” and “f”. The assembly will vote to break the tie between the tied candidates (c and f). The candidate receiving the most votes shall be added to the run-off ballot with candidates “a” and “b”.

8. The assembly will continue to vote until a candidate receives 5 votes and is elected.

When a candidate is successful in receiving at least five votes, the Borough Clerk will immediately swear them into office.
APPLICATION/DECLARATION FOR
FAIRBANKS NORTH STAR BOROUGH
ASSEMBLY SEAT E VACANCY

- Submit completed application, a one page Statement of Interest and the Public Financial Disclosure Statement to the Borough Clerk at 907 Terminal Street, Fairbanks, by 5 p.m., Wednesday, May 15, 2019.

- Statement of interest must be typed and submitted with application on 8 1/2 by 11 paper. Text shall be font size 12pt, double-spaced and limited to one page. Applications that do not adhere to the instructions will not be considered.

If selected for an interview, you must be available in person on Tuesday, June 18, 2019 at 5:30 p.m. for the interview process. Applicants selected for the interview process will be notified by the Borough Clerk via telephone or email.

IN ORDER TO ENSURE FAIRNESS AND EQUITY ALL DEADLINES AND OTHER REQUIREMENTS WILL BE STRICTLY ENFORCED.

Applicant Full Name

Residence Address

List other residence address(s) & dates if more than one within the last year

Mailing Address

Email Address

Home Phone

Cell Phone

Work Phone

QUALIFICATIONS
- I am a qualified voter of the state of Alaska at a residence within the Fairbanks North Star Borough.
- I have resided within the Fairbanks North Star Borough for a period of one year preceding filing for office.
- I have complied with AS 39.50 Public Financial Disclosure.
- If appointed I will serve until the next regular election or until a successor is elected and qualified.

I hereby swear (affirm) that the above declaration and all statements contained therein are true and correct. A paper copy of my electronically filed POFD statement is included with this application/declaration.

Signature of Applicant

FOR OFFICE USE ONLY / VERIFICATION OF CANDIDATES QUALIFICATIONS

Original Received (Date/Time) (Initials)

☐ POFD Received ☐ Statement of Interest Received

☐ SOA Registered Voter/Precinct ☐ 1 Year Residence

Verified by:

The information provided above is public information.
The Fairbanks North Star Borough is subject to the Alaska Public Records Act, AS 40.25 et seq. and this document may be subject to public disclosure under state law.
FNSBC Section 3.04.040 Declaring and filling vacancies.

A. The assembly may declare an assemblymember’s seat vacant when the assemblymember:
   1. Resigns and the assembly accepts the resignation;
   2. Is convicted of a felony or an offense involving violation of the oath of office;
   3. No longer physically resides in the borough;
   4. Misses more than four consecutive regularly scheduled assembly meetings, or misses one-half of all regular assembly meetings of the assembly in a six-month period as defined in FNSBC 3.16.010.

B. If less than 45 days remain in a term, the vacant seat shall not be filled.

If a seat is declared vacant and more than 45 days remain in the term, then the presiding officer shall publish reasonable public notice of the vacancy and, for 14 days after the first publication thereof, receive applications from persons interested in being appointed to the vacant seat. The assembly may review the applications and/or interview applicants in any reasonable manner. Not later than 45 days after the seat is declared vacant, the assembly shall appoint from among the applicants a qualified person to fill the vacant seat.

C. In appointing a person from among the applicants the assembly shall utilize the voting procedure specified in FNSBC 3.04.020(D) for the election of the presiding officer and deputy presiding officer.

D. Notwithstanding subsection (B) of this section, if the membership of the assembly is reduced to fewer than five assemblymembers, then the remaining assemblymembers shall appoint as many qualified persons to the assembly as is necessary to once again constitute a quorum. The assembly shall utilize any procedure which is reasonable under the circumstances in making the appointments required by this subsection and shall make said appointments not later than seven days after the quorum was reduced to less than five assemblymembers.

E. Persons appointed to fill a vacancy shall serve until the next regular election, at which time a successor shall be elected to fulfill the remainder of the unexpired term of office. (Ord. 2015-72 § 2, 2015; Ord. 2009-01 § 2, 2006; Ord. 86-029 § 2, 1988; Ord. 86-035 § 8, 1986. 2004 Code § 2.08.040.)
MEMORANDUM

TO: Assembly of the Fairbanks North Star Borough

THROUGH: Bryce J. Ward, Mayor
           Jim Williams, Chief of Staff
           Ivar Halvarson, Director, Assessing

FROM: Sandra Mota, Land Manager

DATE: April 25, 2019

SUBJECT: Written Summary of Intended Land Sale (Sep 1-30, 2019/ FY20)

The Fairbanks North Star Borough obtained the majority of its lands by grant from the State of Alaska under AS 29.65.010 General Grant Land: Municipal Entitlement. This land grant was intended to:

1. Provide short term revenue through leases and sales
2. Provide long term revenue by transferring land into private ownership and increasing the tax base
3. Provide land for municipal public purposes

In accordance with FNSB Code Title 20.24.020, the Mayor shall present to the Assembly a written summary of the parcels proposed for sale before an Ordinance implementing the plan in whole or in part may be introduced.

The following table shows intended parcels for this sale. These FY20 properties require no appropriation of funds for sale preparation as no surveying is required. Individual lots will range from 3.36 to 242.2 acres.

As required by FNSB Code Title 20.20.020, Land Management has reviewed records for these properties and there are no existing mining claims or other third party interests known to Land Management within the proposed sales which Land Management believes impact or are impacted by the proposed sales.

Detailed parcel information and proposed sale terms will be made available at the Assembly Meeting on August 8, 2019 with the Ordinance to be introduced.
The Borough owned properties identified below are proposed for sale in Fall 2019 (FY20):

<table>
<thead>
<tr>
<th>Property Name</th>
<th>Legal Description</th>
<th>Acres</th>
</tr>
</thead>
<tbody>
<tr>
<td>Straight Alder Subdivision</td>
<td>Lots 1-4 Straight Alder Subdivision, Section 16, T.1S, R.3W, F.M. (FRD Plat 2019-11)</td>
<td>42.54</td>
</tr>
<tr>
<td>Old Murphy Dome Pipeline View</td>
<td>That Portion Lying North and East of the Trans-Alaska Oil Pipeline Within the W ½ NW ¼ Section 24, T.2N, R.1W, F.M.</td>
<td>10.23</td>
</tr>
<tr>
<td>Chena River Tracts (2)</td>
<td>Tracts D &amp; E of Alaska State Land Survey No. 98-39, Section 22, T.3N, R.8E, F.M. (FRD Plat 2000-96)</td>
<td>12.43</td>
</tr>
<tr>
<td>Pandora Drive Lot</td>
<td>That portion of the NW ¼ SE ¼ Lying North of Pandora Rd as Shown on FRD Plat 85-244, Section 1, T.1N, R.2W, F.M.</td>
<td>20.35</td>
</tr>
<tr>
<td>Evans Hideaway Lots (2)</td>
<td>Lots 3 &amp; 4 Evans Hideaway Subdivision, Section 6, T.3N R.1W, F.M. (FRD Plat 2007-124)</td>
<td>51.68</td>
</tr>
<tr>
<td>Cache Creek Lots (2)</td>
<td>Tracts 8 &amp; 9 Cache Creek Subdivision, Section 36, T.1N, R.4W, F.M. (FRD Plat 2002-41)</td>
<td>321.97</td>
</tr>
<tr>
<td>Brock Rd Area Lots (2)</td>
<td>GL-3 &amp; GL-4, Section 16, T.1S, R.2S, F.M.</td>
<td>80.00</td>
</tr>
<tr>
<td>Peede Rd Tract</td>
<td>SE ¼ &amp; Ptn N ½ SW ¼ Section 16, T.1S, R.2S, F.M.</td>
<td>166.72</td>
</tr>
<tr>
<td>Goldstream Tracts (2)</td>
<td>Tracts A &amp; B, ASLS 2017-21, Section 6, T.1N, R.1W, F.M.</td>
<td>33.39</td>
</tr>
<tr>
<td><strong>Total – 17 sale properties</strong></td>
<td></td>
<td>739.31</td>
</tr>
</tbody>
</table>

The sale schedule for Fall 2019 (FY20) is proposed as follows:

<table>
<thead>
<tr>
<th>Date</th>
<th>Action</th>
<th>FNSBC Ref.</th>
</tr>
</thead>
<tbody>
<tr>
<td>May 1-31, 2019</td>
<td>Public Open House</td>
<td>20.24.020</td>
</tr>
<tr>
<td>August 8, 2019</td>
<td>Introduce Ordinance to the Assembly regular meeting</td>
<td>20.20.030</td>
</tr>
<tr>
<td>August 15, 2019</td>
<td>Ordinance discussion at the Assembly committee of the whole</td>
<td></td>
</tr>
<tr>
<td>August 22, 2019</td>
<td>Public Hearing - Adoption of the Ordinance</td>
<td></td>
</tr>
<tr>
<td>September 1, 2019</td>
<td>Open bidding</td>
<td>20.20.060</td>
</tr>
<tr>
<td>September 30, 2019</td>
<td>Close of bidding</td>
<td></td>
</tr>
</tbody>
</table>
Goldstream Tracts
2 Lots
33.39 Acres
MEMORANDUM

TO: Matt Cooper, Presiding Officer
   Fairbanks North Star Borough Assembly

THROUGH: Bryce Ward, Borough Mayor

FROM: Cory T. Beal, Chief Procurement Officer
   General Services Department

DATE: April 25, 2019

SUBJECT: RECOMMENDATION TO APPROVE AWARD
   IFB Number 19059
   After-hours Call-out for Facilities Maintenance

CONTRACTOR: Long Building Technologies Inc.

CONTRACT AMOUNT: $672,000.00

The Department of Facilities Maintenance recommends Assembly approval of Lot One bid as submitted by Long Building Technologies Inc. in the amount of $134,400.00 for the initial contract period and an estimated amount of $672,000.00 if the four one-year renewal options are exercised.

The bid consists of: After-hours call-out services for the Facilities Maintenance Department.

Funding for this project has been made available by Ordinance Number 2020-20 (FNSB General Funds).

The competitive process was conducted in compliance with Title 16. The bid submitted by Long Building Technologies Inc. is the lowest responsible, responsive bid.

Please place this recommendation to award on the Assembly agenda for the meeting to be held on April 25, 2019. Bids were opened at 2:00 pm April 8, 2019 for the subject project. Results of this solicitation are included in the attached bid tabulation. The appeal period expired at 5:00 p.m. on April 19, 2019.

Attached is the documentation package provided by the Department of Facilities Maintenance.
Fairbanks North Star Borough

TO: Cory Beal, Chief Procurement Officer
    Department of General Services

THROUGH: David Bredlie, Director of Public Works

FROM: Travis Smith, Facilities Maintenance Manager
    Department of Public Works

DATE: April 11, 2019

PROJECT: Project Name: After-Hours Emergency Call-out
    Services IFB No. 19059

SUBJECT: Recommendation to Award for the Regular Assembly
    Meeting of April 25, 2019

Action Requested: The Department of Public Works recommends award of the
    Base Bid to Long Building Technologies, Inc. for the first year
    Contract amount of $134,400.00 and a total contract amount
    Of $672,000.00 if all 4 renewal options are exercised.

Project Description: After-Hours Emergency Call-out Services

Funding: Ordinance # 2020-20 General Fund
NOTICE OF INTENT TO AWARD

<table>
<thead>
<tr>
<th>SUBJECT: After-hours Call-out for Facilities Maintenance</th>
<th>DATE OF NOTICE: April 15, 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>BID NUMBER: 19059</td>
<td>OPENING DATE: April 8, 2019</td>
</tr>
<tr>
<td>CHIEF PROCUREMENT OFFICER: Cory T. Beal</td>
<td>PROCUREMENT SPECIALIST: Marilyn Ordal</td>
</tr>
</tbody>
</table>

It is the intent of the Fairbanks North Star Borough to award a contract to the low responsive, responsible bidder, in accordance with the specifications and requirements described in the IFB. Award may be made no sooner than five (5) days from the date of this notice. This serves solely as notice of the Borough's intent to award a contract and should not be construed as a notice to proceed with delivery of goods or services.

NOTE: ★ = AWARD TO BIDDER    Y = RESPONSIVE BIDDER    N = NON-RESPONSIVE BIDDER
     • = BID NOT EVALUATED BECAUSE THERE WAS A LOWER RESPONSIVE BID
     ∅ = BID EXCEEDED AVAILABLE FUNDS
BIDS OVER $100,000 WILL BE FORWARDED TO THE ASSEMBLY FOR APPROVAL

<table>
<thead>
<tr>
<th>ITEM</th>
<th>PRICE</th>
<th>AWARD</th>
<th>COMMENTS</th>
<th>RESPONSIVE Y / N</th>
<th>BIDDER</th>
</tr>
</thead>
<tbody>
<tr>
<td>Base Bid</td>
<td>$ 470.00</td>
<td>★</td>
<td>Low Responsive Bidder</td>
<td>Y</td>
<td>Long Building Technologies Inc.</td>
</tr>
<tr>
<td>Base Bid</td>
<td>$ 0.00</td>
<td>•</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

This is the FNSB Notice of Intent to Award (NOIA) Lot One of IFB 19059 to Long Building Technologies Inc. The appeal period for this NOIA will expire on April 19, 2019 at 5:00 pm.
### Award

<table>
<thead>
<tr>
<th>Organization Name</th>
<th>Line Item Bids</th>
<th># of Lowest Item Bids</th>
<th>Bid Amount</th>
<th>Bid Rank</th>
<th>Awarded Items</th>
<th>Amount Awarded</th>
</tr>
</thead>
<tbody>
<tr>
<td>LONG Building Technologies</td>
<td>Full</td>
<td>3 / 3</td>
<td>$470.00</td>
<td>1</td>
<td>0</td>
<td>$0.00</td>
</tr>
</tbody>
</table>
### 19059 - AFTER-HOURS CALL-OUT SERVICES FOR FACILITIES MAINTENANCE (CLOSED)

<table>
<thead>
<tr>
<th>Item Description</th>
<th>Bid Rank</th>
<th>Quantity</th>
<th>Price</th>
<th>Total Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Administrative fee - phone monitoring flat monthly fee</td>
<td>N/A</td>
<td>1</td>
<td>$100.00</td>
<td>$100.00</td>
</tr>
<tr>
<td>Initial Responder - call-out investigation and response determination - one person</td>
<td>N/A</td>
<td>1</td>
<td>$222.00</td>
<td>$222.00</td>
</tr>
<tr>
<td>Additional Responder - per person</td>
<td>N/A</td>
<td>1</td>
<td>$148.00</td>
<td>$148.00</td>
</tr>
</tbody>
</table>

*LONG Building Technologies*

- **Administrative fee - phone monitoring flat monthly fee**
  - Code: 91052
  - UOM: Month
  - Quantity: 1
  - Bid Rank: N/A
  - Quantity: 1
  - Price: $100.00
  - Total Cost: $100.00

- **Initial Responder - call-out investigation and response determination - one person**
  - Code: 91052
  - UOM: Hour
  - Quantity: 1
  - Bid Rank: N/A
  - Quantity: 1
  - Price: $222.00
  - Total Cost: $222.00

- **Additional Responder - per person**
  - Code: 91052
  - UOM: Hour
  - Quantity: 1
  - Bid Rank: N/A
  - Quantity: 1
  - Price: $148.00
  - Total Cost: $148.00

---

MEMORANDUM

TO: Fairbanks North Star Borough Assembly
FROM: Jim Williams, Chief of Staff
SUBJECT: New Liquor License
DATE: April 25, 2019

Attached you will find copies of the application for a new liquor license for the following:

RESTAURANT /EATING PLACE – LICENSE # 5755

DBA: Ski Land
Far North Alpine Ventures, LLC
2315 Ski Land Road
Fairbanks, AK 99712

Pursuant to FNSB 9.08 the Assembly must determine whether or not to protest the liquor license after holding a public hearing. The administration recommends no protest.

/km
cc: Concerned Licensee
LIQUOR LICENSE

Date Notice Received: 3/22/2019
60 DAY DUE DATE 5/21/2019

Type of License: NEW

License Number: 5765

Transfer of location
Transfer of ownership
Transfer of stock

Beverage Dispensary
Distillery
Tourism

Restaurant/Eating Place
Golf Course
Duplicate

Package Store
Recreational Site
Other

DBA: Ski Land

Licensee/Applicant (LA): Far North Alpine Ventures, LLC

Physical Address: 2315 Skiland Road, Fairbanks, AK 99712

Mailing Address: Same as above

INTERNAL REVIEW SCHEDULE

PLANNING DEPARTMENT:
Signature: Manig Date: 3/27/19

• Land Use Compliance: Zone: GU-1; "Restaurants and Liquor Establishments" are permitted uses in the GU-1 zone without the requirement of any zoning permits (FNSBC 18.84.020 & 18.104.080).

ASSESSING DEPARTMENT:
Signature: Panyenk Date: 3/27/19

• Parcel Key Number: 229954
• Property Description: TL-3002 Sec 30 T3 N - R2E
• Property Owner (PO) Name: Far North Alpine Ventures

TREASURY/ BUDGET:
Signature: D. White Date: 3/28/19

• Property Taxes: Y for 2019
• (LA) (PO) Alcoholic Beverage Sales Taxes: N/A

(If either party owes, give amount and attach printout)
March 22, 2019

Fairbanks North Star Borough
Attn: Krista Major, Executive Administrative Assistant
Via Email: kmajor@fnsb.us

<table>
<thead>
<tr>
<th>License Type:</th>
<th>Restaurant/Eating Place</th>
<th>License Number: 5755</th>
</tr>
</thead>
<tbody>
<tr>
<td>Licensee:</td>
<td>Far North Alpine Ventures, LLC</td>
<td></td>
</tr>
<tr>
<td>Doing Business As:</td>
<td>Ski Land</td>
<td></td>
</tr>
<tr>
<td>Premises Address:</td>
<td>2315 Skiland Road, Fairbanks</td>
<td></td>
</tr>
</tbody>
</table>

☒ New Application ☐ Transfer of Ownership Application
☐ Transfer of Location Application ☐ Transfer of Controlling Interest Application

We have received a completed application for the above listed license (see attached application documents) within your jurisdiction. This is the notice required under AS 04.11.480.

A local governing body may protest the approval of an application(s) pursuant to AS 04.11.480 by furnishing the director and the applicant with a clear and concise written statement of reasons for the protest within 60 days of receipt of this notice, and by allowing the applicant a reasonable opportunity to defend the application before a meeting of the local governing body, as required by 3 AAC 304.145(d). If a protest is filed, the board will deny the application unless the board finds that the protest is arbitrary, capricious, and unreasonable. To protest the application referenced above, please submit your protest within 60 days and show proof of service upon the applicant.

AS 04.11.491 – AS 04.11.509 provide that the board will deny a license application if the board finds that the license is prohibited under as a result of an election conducted under AS 04.11.507.

AS 04.11.420 provides that the board will not issue a license when a local governing body protests an application on the grounds that the applicant’s proposed licensed premises are located in a place within the local government where a local zoning ordinance prohibits the alcohol establishment, unless the local government has approved a variance from the local ordinance.

Sincerely,

Erika McConnell, Director
amco.localgovernmentonly@alaska.gov
Alaska Alcoholic Beverage Control Board

Form AB-00: New License Application

What is this form?

This new license application form is required for all individuals or entities seeking to apply for a new liquor license. Applicants should review Title 04 of Alaska Statutes and Chapter 304 of the Alaska Administrative Code. All fields of this form must be completed, per AS 04.11.260 and 3 AAC 304.105.

This form must be completed and submitted to AMCO's main office, along with all other required forms and documents, before any license application will be considered complete.

Section 1 - Establishment and Contact Information

Enter information for the business seeking to be licensed.

<table>
<thead>
<tr>
<th>Licensee:</th>
<th>Far North Alpine Ventures, LLC</th>
</tr>
</thead>
<tbody>
<tr>
<td>License Type:</td>
<td>Restaurant or Eating Place</td>
</tr>
<tr>
<td>Statutory Reference</td>
<td>AS 04.11.100</td>
</tr>
<tr>
<td>Doing Business As:</td>
<td>Ski Land</td>
</tr>
<tr>
<td>Premises Address:</td>
<td>2315 Skiland Road</td>
</tr>
<tr>
<td>City:</td>
<td>Fairbanks</td>
</tr>
<tr>
<td>State:</td>
<td>Alaska</td>
</tr>
<tr>
<td>ZIP:</td>
<td>99712</td>
</tr>
<tr>
<td>Local Governing Body</td>
<td>Fairbanks North Star Borough</td>
</tr>
<tr>
<td>Community Council:</td>
<td>N/A</td>
</tr>
</tbody>
</table>

| Mailing Address:    | 2315 Skiland Road               |
| City:               | Fairbanks                       |
| State:              | Alaska                          |
| ZIP:                | 99712                           |

| Designated Licensee | Brooke T Estes                  |
| Contact Phone:      | (907) 888-5211                  |
| Business Phone:     | (907) 389-2314                  |
| Contact Email:      | office@skiland.org              |

Seasonal License?  

Yes  

If "Yes", write your six-month operating period:  

OFFICE USE ONLY

Complete Date: 3/21/19  
License Years: 19/20  
License #: 6789  
Board Meeting Date: 4/29/19  
Transaction #: 1011729  
Issue Date:  
BRE:  

[Form AB-00] (rev 10/10/2016)
Section 2 – Premises Information

Premises to be licensed is:

- [ ] an existing facility
- [ ] a new building
- [ ] a proposed building

The next two questions must be completed by beverage dispensary (including tourism) and package store applicants only:

What is the distance of the shortest pedestrian route from the public entrance of the building of your proposed premises to the outer boundaries of the nearest school grounds? Include the unit of measurement in your answer.

What is the distance of the shortest pedestrian route from the public entrance of the building of your proposed premises to the public entrance of the nearest church building? Include the unit of measurement in your answer.

Section 3 – Sole Proprietor Ownership Information

This section must be completed by any sole proprietor who is applying for a license. Entities should skip to Section 4. If more space is needed, please attach a separate sheet with the required information.

The following information must be completed for each licensee and each affiliate (spouse).

This individual is an:  
- [ ] applicant
- [ ] affiliate

<table>
<thead>
<tr>
<th>Name:</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Address:</td>
<td></td>
</tr>
<tr>
<td>City:</td>
<td>State:</td>
</tr>
</tbody>
</table>

This individual is an:  
- [ ] applicant
- [ ] affiliate

<table>
<thead>
<tr>
<th>Name:</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Address:</td>
<td></td>
</tr>
<tr>
<td>City:</td>
<td>State:</td>
</tr>
</tbody>
</table>
Form AB-00: New License Application

Section 4 – Entity Ownership Information

This section must be completed by any entity, including a corporation, limited liability company (LLC), partnership, or limited partnership, that is applying for a license. Sole proprietors should skip to Section 5.

If more space is needed, please attach a separate sheet with the required information.

- If the applicant is a corporation, the following information must be completed for each stockholder who owns 10% or more of the stock in the corporation, and for each president, vice-president, secretary, and managing officer.
- If the applicant is a limited liability organization, the following information must be completed for each member with an ownership interest of 10% or more, and for each manager.
- If the applicant is a partnership, including a limited partnership, the following information must be completed for each partner with an interest of 10% or more, and for each general partner.

<table>
<thead>
<tr>
<th>Entity Official:</th>
<th>Andrew Cox</th>
<th>Phone: (907) 750-0524</th>
<th>% Owned: 50</th>
</tr>
</thead>
<tbody>
<tr>
<td>Title(s):</td>
<td>Member</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Address:</td>
<td>1726 Chena Pump Road</td>
<td></td>
<td></td>
</tr>
<tr>
<td>City:</td>
<td>Fairbanks</td>
<td>State: Alaska</td>
<td>ZIP: 99709</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Entity Official:</th>
<th>Jacqueline Cox</th>
<th>Phone: (907) 750-0524</th>
<th>% Owned: 50</th>
</tr>
</thead>
<tbody>
<tr>
<td>Title(s):</td>
<td>Member</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Address:</td>
<td>1726 Chena Pump Road</td>
<td></td>
<td></td>
</tr>
<tr>
<td>City:</td>
<td>Fairbanks</td>
<td>State: Alaska</td>
<td>ZIP: 99709</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Entity Official:</th>
<th>Brooke T Estes</th>
<th>Phone: (907) 888-5211</th>
<th>% Owned: 0</th>
</tr>
</thead>
<tbody>
<tr>
<td>Title(s):</td>
<td>Affiliate</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Address:</td>
<td>2315 Skiland Road</td>
<td></td>
<td></td>
</tr>
<tr>
<td>City:</td>
<td>Fairbanks</td>
<td>State: Alaska</td>
<td>ZIP: 99712</td>
</tr>
</tbody>
</table>
Alaska Alcoholic Beverage Control Board

Form AB-00: New License Application

This subsection must be completed by any applicant that is a corporation or LLC. Corporations and LLCs are required to be in good standing with the Alaska Division of Corporations (DOC) and have a registered agent who is an individual resident of the state of Alaska.

<table>
<thead>
<tr>
<th>DOC Entity #:</th>
<th>10031413</th>
<th>AK Formed Date:</th>
<th>8/12/15</th>
<th>Home State:</th>
<th>Alaska</th>
</tr>
</thead>
<tbody>
<tr>
<td>Registered Agent:</td>
<td>Brooke T Estes</td>
<td>Agent's Phone:</td>
<td>(907) 888-5211</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Agent's Mailing Address:</td>
<td>2315 Skiland Road</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>City:</td>
<td>Fairbanks</td>
<td>State:</td>
<td>Alaska</td>
<td>ZIP:</td>
<td>99712</td>
</tr>
</tbody>
</table>

Residency of Agent:  
Yes  No

Is your corporation or LLC's registered agent an individual resident of the state of Alaska?

☑  ☐

Section 5 – Other Licenses

Ownership and financial interest in other alcoholic beverage businesses:

Yes  No

Does any representative or owner named in this application have any direct or indirect financial interest in any other alcoholic beverage business that does business in or is licensed in Alaska?

☑  ☐

If "Yes," disclose which individual(s) has the financial interest, what the type of business is, and if licensed in Alaska, which license number(s) and license type(s):

☐

Section 6 – Authorization

Communication with AMCO staff:

Yes  No

Does any person other than a licensee named in this application have authority to discuss this license with AMCO staff?

☑  ☐

If "Yes," disclose the name of the individual and the reason for this authorization:

Devon Larson- Operations Manager
Section 7 – Certifications

Read each line below, and then sign your initials in the box to the right of each statement:

I certify that all proposed licensees (as defined in AS 04.11.260) and affiliates have been listed on this application.

I certify that all proposed licensees have been listed with the Division of Corporations.

I certify that I understand that providing a false statement on this form or any other form provided by AMCO is grounds for rejection or denial of this application or revocation of any license issued.

I certify that all licensees, agents, and employees who sell or serve alcoholic beverages or check the identification of a patron will complete an approved alcohol server education course, if required by AS 04.21.025, and, while selling or serving alcoholic beverages, will carry or have available to show a current course card or a photocopy of the card certifying completion of approved alcohol server education course, if required by 3 AAC 304.465.

I agree to provide all information required by the Alcoholic Beverage Control Board in support of this application.

As an applicant for a liquor license, I declare under penalty of perjury that I have read and am familiar with AS 04 and 3 AAC 304, and that this application, including all accompanying schedules and statements, is true, correct, and complete.

Signature of licensee
Nome Estes

Signature of Notary Public
Notary Public in and for the State of Alaska

My commission expires: 09/27/2021

Subscribed and sworn to before me this 5 day of November, 2018.
Alaska Alcoholic Beverage Control Board
Form AB-02: Premises Diagram

What is this form?

A detailed diagram of the proposed licensed premises is required for all liquor license applications, per AS 04.11.260 and 3 AAC 304.185. Your diagram must include dimensions and must show all entrances and boundaries of the premises, walls, bars, fixtures, and areas of storage, service, consumption, and manufacturing. If your proposed premises is located within a building or building complex that contains multiple businesses and/or tenants, please provide an additional page that clearly shows the location of your proposed premises within the building or building complex, along with the addresses and/or suite numbers of the other businesses and/or tenants within the building or building complex.

The second page of this form is not required. Blueprints, CAD drawings, or other clearly drawn and marked diagrams may be submitted in lieu of the second page of this form. The first page must still be completed, attached to, and submitted with any supplemental diagrams. An AMCO employee may require you to complete the second page of this form if additional documentation for your premises diagram is needed.

This form must be completed and submitted to AMCO’s main office before any license application will be considered complete.

<table>
<thead>
<tr>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
</table>

I have attached blueprints, CAD drawings, or other supporting documents in addition to, or in lieu of, the second page of this form.  

Section 1 – Establishment Information

Enter information for the business seeking to be licensed, as identified on the license application.

<table>
<thead>
<tr>
<th>Licensee:</th>
<th>Far North Alpine Ventures LLC</th>
<th>License Number:</th>
</tr>
</thead>
<tbody>
<tr>
<td>License Type:</td>
<td>Restaurant or Eating Place</td>
<td></td>
</tr>
<tr>
<td>Doing Business As:</td>
<td>Ski Land</td>
<td></td>
</tr>
<tr>
<td>Premises Address:</td>
<td>2315 Skiland Road</td>
<td></td>
</tr>
<tr>
<td>City:</td>
<td>Fairbanks</td>
<td>State: Alaska</td>
</tr>
<tr>
<td>ZIP:</td>
<td>99712</td>
<td></td>
</tr>
</tbody>
</table>

[Form AB-02] (rev 06/24/2016)
Section 2 – Detailed Premises Diagram

Clearly indicate the boundaries of the premises and the proposed licensed area within that property. Clearly indicate the interior layout of any enclosed areas on the proposed premises. Clearly identify all entrances and exits, walls, bars, and fixtures, and outline in red the perimeter of the areas designated for alcohol storage, service, consumption, and manufacturing. Include dimensions, cross-streets, and points of reference in your drawing. You may attach blueprints or other detailed drawings that meet the requirements of this form.
Map showing ski land (cafe) in relation to surrounding cross roads and showing true north which Quite Photo is square to.

https://www.google.com/maps/@66.0450626,-147.4091738,1832m/data=!3m1!1e3
To Whom it May Concern,

Security Plan for Restaurant or Eating Place proposed alcohol license. The proposed building diagram is attached and shows that our building has 2 man-doors that lead to our deck. The deck then has 2 respective exits to the parking lots. The East exit out of the building and the deck exit are marked as emergency exits only, as well as no alcohol past this point signs. The East deck entry will have the alcohol warning sign, as well as no alcohol past this point signs. Just at the base of the stairs to the deck is a staff manned building during all hours of operation. Staff will be instructed to monitor guests leaving the alcohol permitted area. Staff will regularly walk across the deck area to clear trash as well as monitor alcohol consumption. No minors will be allowed in the alcohol permitted area unless accompanied by a legal guardian. A separate building to the north will be alcohol free for minors without guardians.

X

Brooke Estes
Business Manager

Far North Alpine Ventures, LLC
-Ski Land-
Alaska Alcoholic Beverage Control Board

Form AB-03: Restaurant Designation Permit Application

What is this form?

A restaurant designation permit application is required for a licensee desiring designation under 3 AAC 304.715 – 3 AAC 304.795 as a bona fide restaurant, hotel, or eating place for purposes of AS 04.16.010(c) or AS 04.16.049. Designation will be granted only to a holder of a beverage dispensary, club, recreational site, golf course, or restaurant or eating place license, and only if the requirements of 3 AAC 304.305, 3 AAC 304.725, and 3 AAC 304.745, as applicable, are met. A detailed floor plan of the proposed designated and undesignated areas of the licensed business and a menu or expected menu listing the meals to be offered to patrons must accompany this form. Applicants should review AS 04.16.049 – AS 04.16.052 and 3 AAC 304.715 – 3 AAC 304.795. All fields of this form must be completed. The required $50 permit fee may be made by credit card, check, or money order.

Section 1 – Establishment Information

Enter information for licensed establishment.

<table>
<thead>
<tr>
<th>Licensee:</th>
<th>Far North Alpine Ventures LLC</th>
</tr>
</thead>
<tbody>
<tr>
<td>License Type:</td>
<td>Restaurant or Eating Place</td>
</tr>
<tr>
<td>License Number:</td>
<td></td>
</tr>
<tr>
<td>Doing Business As:</td>
<td>Ski Land</td>
</tr>
<tr>
<td>Premises Address:</td>
<td>2315 Skiland Road</td>
</tr>
<tr>
<td>City:</td>
<td>Fairbanks</td>
</tr>
<tr>
<td>Contact Name:</td>
<td>Brooke T Estes</td>
</tr>
<tr>
<td>State:</td>
<td>Alaska</td>
</tr>
<tr>
<td>ZIP:</td>
<td>99712</td>
</tr>
<tr>
<td>Contact Phone:</td>
<td>(907) 888-5211</td>
</tr>
</tbody>
</table>

Section 2 – Type of Designation Requested

This application is for the request of designation as a bona fide restaurant, hotel, or eating place for purposes of AS 04.16.010(c) or AS 04.16.049, and for the request of the following designation(s) (check all that apply):

- [ ] Dining after standard closing hours: AS 04.16.010(c)
- [x] Dining by persons 16 - 20 years of age: AS 04.16.049(a)(2)
- [x] Dining by persons under the age of 16 years, accompanied by a person over the age of 21: AS 04.16.049(a)(3)
- [ ] Employment for persons 16 or 17 years of age: AS 04.16.049(c)

NOTE: Under AS 04.16.049(d), this permit is not required to employ a person 18 - 20 years of age.

OFFICE USE ONLY

| Issue Date:   |                  | Transaction #: | 10117201 | BRE: | CDC |

[Form AB-03] (rev 10/10/2016)

AMCO

Page 1 of 5

DEC 1 4 2018
Section 3 – Additional Information

Enter all hours that your establishment intends to be open. Include variances in weekend/weekday hours, and indicate am/pm:

Every night of the week 9:00 PM till 2:00 AM
Saturdays and Sundays 10:00 AM till 6:00 PM

Are any forms of entertainment offered or available within the licensed business or on the proposed designated portions of the premises?  

Yes [ ]  No [x]

If “Yes”, describe the entertainment offered or available:

During the evenings, guests observe the Aurora via television monitors and by walking outside.

During the weekends, guests may purchase and consume food in our lodge and have the option for downhill skiing and snowboarding.

Food and beverage service offered or anticipated is:

[ ] table service [ ] buffet service [x] counter service [ ] other

If “other”, describe the manner of food and beverage service offered or anticipated:


Is an owner, manager, or assistant manager 21 years of age or older always present on the premises during business hours?  

Yes [x]  No [ ]

Blueprints, CAD drawings, or other clearly drawn and marked diagrams may be submitted in lieu of the third page of this form.

I have attached blueprints, CAD drawings, or other supporting documents in addition to, or in lieu of, the third page of this form that meet the requirements of this form.  

Yes [x]  No [ ]
Section 4 – Detailed Floor Plan

Provide a detailed floor plan that meets the requirements listed in Form AB-02 and clearly indicates the proposed designated and undesignated areas of the licensed business for purposes of this permit application.
To Whom it May Concern,

Security Plan for Restaurant or Eating Place proposed alcohol license. The proposed building diagram is attached and shows that our building has 2 man-doors that lead to our deck. The deck then has 2 respective exits to the parking lots. The East exit out of the building and the deck exit are marked as emergency exits only, as well as no alcohol past this point signs. The East deck entry will have the alcohol warning sign, as well as no alcohol past this point signs. Just at the base of the stairs to the deck is a staff manned building during all hours of operation. Staff will be instructed to monitor guests leaving the alcohol permitted area. Staff will regularly walk across the deck area to clear trash as well as monitor alcohol consumption. No minors will be allowed in the alcohol permitted area unless accompanied by a legal guardian. A separate building to the north will be alcohol free for minors without guardians.

X
Brooke Estes
Business Manager

Far North Alpine Ventures, LLC
-Ski Land-
Form AB-03: Restaurant Designation Permit Application

Section 5 – Certifications and Approvals

Read each line below, and then sign your initials in the box to the right of each statement:

I have included with this form a detailed floor plan of the proposed designated and undesignated areas of the licensed business for purposes of this application. I understand that this diagram is different than my licensed premises diagram.

I have included with this form a menu, or an expected menu, listing the meals to be offered to patrons.

I certify that the license for which I am requesting designation is either a beverage dispensary, club, recreational site, golf course, or restaurant or eating place license.

I declare under penalty of perjury that this form, including all attachments and accompanying schedules and statements, is true, correct, and complete.

Signature of licensee
Brooke T Estes

Signature of Notary Public

Notary Public in and for the State of Alaska

My commission expires: 04/27/21

Subscribed and sworn to before me this 17th day of Nov 2019.

Local Government Review (to be completed by an appropriate local government official):

Signature of local government official

Date

Printed name of local government official

Title

AMCO
Alaska Alcoholic Beverage Control Board

Form AB-03: Restaurant Designation Permit Application

AMCO Enforcement Review:

Signature of AMCO Enforcement Supervisor   Printed name of AMCO Enforcement Supervisor

Enforcement Recommendations:

AMCO Director Review:   Approved   Disapproved

Signature of AMCO Director   Printed name of AMCO Director

Date

Limitations:

[Form AB-03] (rev 10/10/2016)
Sample menu from the Aurora Café at Ski Land

<table>
<thead>
<tr>
<th>Item</th>
<th>Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>Corn muffin</td>
<td>$1.00</td>
</tr>
<tr>
<td>Breakfast Burritos</td>
<td>$6.00</td>
</tr>
<tr>
<td>Cinnamon Rolls</td>
<td>$4.00</td>
</tr>
<tr>
<td>Raspberry Rolls</td>
<td>$4.00</td>
</tr>
<tr>
<td>Chocolate Chip Cookies</td>
<td>$2.00</td>
</tr>
<tr>
<td>Oatmeal Raisin Cookies</td>
<td>$2.00</td>
</tr>
<tr>
<td>Hamburger</td>
<td>$7.00</td>
</tr>
<tr>
<td>Cheese Burger</td>
<td>$7.50</td>
</tr>
<tr>
<td>Black Bean Burger</td>
<td>$7.00</td>
</tr>
<tr>
<td>Cheese Black Bean Burger</td>
<td>$7.50</td>
</tr>
<tr>
<td>Hot Dog</td>
<td>$6.00</td>
</tr>
<tr>
<td>Add Chili $1.00</td>
<td></td>
</tr>
<tr>
<td>Veggie Southwest Wrap</td>
<td>$4.00</td>
</tr>
<tr>
<td>Meat Chili (with cornbread muffin)</td>
<td>(Bowl) $6.00</td>
</tr>
<tr>
<td></td>
<td>(Cup) $4.00</td>
</tr>
<tr>
<td>Curry (Chicken or Veggie)</td>
<td>(Bowl) $6.00</td>
</tr>
<tr>
<td></td>
<td>(Cup) $4.00</td>
</tr>
<tr>
<td>Mac n Cheese</td>
<td>(Bowl) $6.00</td>
</tr>
<tr>
<td>Chicken Tenders</td>
<td>$7.00</td>
</tr>
<tr>
<td>Curly Fries</td>
<td>$4.00</td>
</tr>
<tr>
<td>Add Chili $1.00</td>
<td></td>
</tr>
<tr>
<td>Pizza</td>
<td>$4.00</td>
</tr>
</tbody>
</table>
Property Information for PAN#: 119741

PROPERTY DESCRIPTION: 3N 2E, SEC: 30, TAXLOT: 3002
OWNER: Far North Alpine Ventures Llc [ownership]
SITUS ADDRESS: 2315 Skiland Rd
ZONING: GU-1 (100%)
COMMUNITY PLANNING PERMITS: NONE

Legend

- Parcels selection
- Building Outlines (2012)

Zoning

- GU-1
- ML

Proximity and Zoning Map
Ski Land
Liquor License - New - #5755

0 1,000 2,000 Feet

The Fairbanks North Star Borough does not warrant the accuracy of maps or data provided, nor their suitability for any particular application. There may be errors in the data.
TO: Fairbanks North Star Borough Assembly
FROM: Jim Williams, Chief of Staff
SUBJECT: New Marijuana License
DATE: April 25, 2019

Attached you will find copies of the application for the following:

**LIMITED CULTIVATION FACILITY**

License # 19473
Goldstream Grown, LLC
DBA: Goldstream Cannabis Annex
2922 Parks Hwy, Studio 10
Fairbanks, Alaska 99709

Pursuant to FNSB 9.12.040 The Assembly is responsible for reviewing state registration applications and providing input to the state. The administration recommends no protest.

/km
cc: Concerned Licensee
MARIJUANA LICENSE

Type of License:

- NEW
- TRANSFER
  - Transfer of location
  - Transfer of ownership
  - Transfer of stock
- RETRANSACTION
- RENEWAL
- TRANSFERENCE

Retail Store
Standard Cultivation Facility
Limited Cultivation Facility
Product manufacturing Facility
Concentrate manufacturing Facility
Testing Facility

DBA: Goldstream Cannabis Annex
Licensee/Applicant: Goldstream Grow

Physical Address: 2922 Parks Hwy, Studio 10, Fairbanks, AK 99709
Mailing Address: 3875 Geist Rd, Ste E, #272, Fairbanks, AK 99709

INTERNAL REVIEW SCHEDULE

PLANNING DEPARTMENT:

Signature: _____________________ Date: 4/3/19

- Land Use Compliance: GU-1 zone. "Marijuana Cultivation Facility, Indoor Small" is a permitted use in the GU-1 zone with a zoning permit (FNSBC 18-420-A & FNSBC 18-450-A:6). A zoning permit (ZP-1889) was issued for a 480 sq ft facility. No known FNSB sensitive uses pursuant to FNSBC 18-96-240.A.3 with 500' buffer.

ASSESSING DEPARTMENT:

Signature: _____________________ Date: 4/3/19

- Parcel Key Number: 045990-9
- Property Description: Lot 2B Gold Channel
- Property Owner Name: Donald Cameron & Nancy Burnham

TREASURY/BUDGET:

Signature: _____________________ Date: 4/3/19

- Property Owner (P) Property Taxes: __________
- Business Owner (B) Property Taxes: __________

(If either party owe, give amount and attach printout)
April 1, 2019

Fairbanks North Star Borough
Attn: Krista Major
VIA Email: kmajor@fnsb.us
Cc: mayor@fnsb.us
llivingston@fnsb.us
jdolan@fnsb.us

| License Number: | 19473 |
| License Type:   | Limited Marijuana Cultivation Facility |
| Licensee:      | Goldstream Grown, LLC |
| Doing Business As: | GOLDSSTREAM CANNABIS ANNEX |
| Physical Address: | 2922 Parks Hwy Studio 10
Fairbanks, AK 99709 |
| Designated Licensee: | Carolyn Dobbs |
| Phone Number:   | 907-460-4619 |
| Email Address:  | gvpf907@gmail.com |

☒ New Application

AMCO has received a completed application for the above listed license (see attached application documents) within your jurisdiction. This is the notice required under 3 AAC 306.025(d)(2).

To protest the approval of this application(s) pursuant to 3 AAC 306.060, you must furnish the director and the applicant with a clear and concise written statement of reasons for the protest within 60 days of the date of this notice, and provide AMCO proof of service of the protest upon the applicant.

3 AAC 306.010, 3 AAC 306.080, and 3 AAC 306.250 provide that the board will deny an application for a new license if the board finds that the license is prohibited under AS 17.38 as a result of an ordinance or election conducted under AS 17.38 and 3 AAC 306.200, or when a local government protests an application on the grounds that the proposed licensed premises are located in a place within the local government where a local zoning ordinance prohibits the marijuana establishment, unless the local government has approved a variance from the local ordinance.

This application will be in front of the Marijuana Control Board at our February 20-22, 2019 meeting.

Sincerely,

Erika McConnell, Director
amco.localgovernmentonly@alaska.gov
ENTITY DETAILS

Name(s)

<table>
<thead>
<tr>
<th>Type</th>
<th>Name</th>
</tr>
</thead>
<tbody>
<tr>
<td>Legal Name</td>
<td>Goldstream Grown, LLC</td>
</tr>
</tbody>
</table>

Entity Type: Limited Liability Company

Entity #: 10081414

Status: Good Standing

AK Formed Date: 3/30/2018

Duration/Expiration: Perpetual

Home State: ALASKA

Next Biennial Report Due: 1/2/2020

Entity Mailing Address: 3875 GEIST RD STE E #272, FAIRBANKS, AK 99709

Entity Physical Address: 1300 WASHINGTON DR, STE 201, 1300 WASHINGTON DR, STE 201, FAIRBANKS, AK 99709

Registered Agent

Agent Name: Carolyn Dobbs

Registered Mailing Address: 3875 GEIST RD STE E #272, FAIRBANKS, AK 99709

Registered Physical Address: 1860 STEESE HWY, FAIRBANKS, AK 99712

Officials

<table>
<thead>
<tr>
<th>AK Entity #</th>
<th>Name</th>
<th>Titles</th>
<th>Owned</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Carolyn Dobbs</td>
<td>Member</td>
<td>100</td>
</tr>
</tbody>
</table>

Show Former

https://www.commerce.alaska.gov/cbp/main/Search/EntityDetail/10081414
## Filed Documents

<table>
<thead>
<tr>
<th>Date Filed</th>
<th>Type</th>
<th>Filing</th>
<th>Certificate</th>
</tr>
</thead>
<tbody>
<tr>
<td>3/30/2018</td>
<td>Creation Filing</td>
<td>Click to View</td>
<td>Click to View</td>
</tr>
<tr>
<td>3/30/2018</td>
<td>Initial Report</td>
<td>Click to View</td>
<td></td>
</tr>
</tbody>
</table>
Alaska Department of Commerce, Community, and Economic Development
Division of Corporations, Business and Professional Licensing
P.O. Box 110806, Juneau, Alaska 99811-0806

This is to certify that

GOLDSTREAM CANNABIS ANNEX

3875 GEIST RD STE E #272 FAIRBANKS AK 99709

owned by

GOLDSTREAM GROWN, LLC

is licensed by the department to conduct business for the period

October 08, 2018 through December 31, 2020

for the following line of business:

11 - Agriculture, Forestry, Fishing and Hunting

This license shall not be taken as permission to do business in the state without
having complied with the other requirements of the laws of the State or of the United States.

This license must be posted in a conspicuous place at the business location.
It is not transferable or assignable.

Mike Navarre
State of Alaska
Department of Commerce, Community, and Economic Development
Corporations, Business, and Professional Licensing

Certificate of Organization

The undersigned, as Commissioner of Commerce, Community, and Economic Development of the State of Alaska, hereby certifies that a duly signed and verified filing pursuant to the provisions of Alaska Statutes has been received in this office and has been found to conform to law.

ACCORDINGLY, the undersigned, as Commissioner of Commerce, Community, and Economic Development, and by virtue of the authority vested in me by law, hereby issues this certificate to

Goldstream Grown, LLC

IN TESTIMONY WHEREOF, I execute the certificate and affix the Great Seal of the State of Alaska effective March 30, 2018.

Mike Navarre
Commissioner

LICENSE # 19473
ENTITY DETAILS

Name(s)

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Home State: ALASKA

Next Biennial Report Due: 1/2/2020

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Entity Physical Address: 1300 WASHINGTON DR, STE 201, 1300 WASHINGTON DR, STE 201, FAIRBANKS, AK 99709

Registered Agent

Agent Name: Carolyn Dobbs

Registered Mailing Address: 3875 GEIST RD STE E #272, FAIRBANKS, AK 99709

Registered Physical Address: 1860 STEESE HWY, FAIRBANKS, AK 99712

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State of Alaska
Division of Corporations, Business and Professional Licensing
CORPORATIONS SECTION
PO Box 110806
Juneau, AK 99811-0806
Phone: (907) 465-2550
Fax: (907) 465-2974
Website: www.commerce.alaska.gov/occ

ARTICLES OF ORGANIZATION
Domestic Limited Liability Company
AS 10.50.075

☑ $250.00 Filing Fee

Pursuant to Alaska Statutes 10.50.075, the undersigned company applies for a Certificate of Organization and, for that purpose, submits the following articles:

Operating Agreement: An operating agreement is not required to be filed with this office; operating agreements are to be maintained by the entity. If you include your operating agreement, it will be returned without being filed for record.

ARTICLE 1: Name of the limited liability company must contain the words "limited liability company" or the abbreviation of "L.L.C" or "LLC."

Goldstream Grown, LLC

ARTICLE 2: Indicate the purpose for which the company is organized (may include "any lawful") and, the 6 digit NAICS Industry Grouping Code that most clearly describes the initial activities of the company:

<table>
<thead>
<tr>
<th>Purpose:</th>
<th>NAICS code:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Any Lawful</td>
<td>1119998</td>
</tr>
</tbody>
</table>

ARTICLE 3: Registered agent name and address (must include a physical and mailing address in Alaska):

Name: Carolyn Dobbs

Physical address: 1860 Steese Hwy City: Fairbanks AK Zip Code: 99712

Mailing address: 3875 Geist Rd Ste E #272 City: Fairbanks AK Zip Code: 99709

ARTICLE 4: Management.
☑ The limited liability company is managed by its members.
☐ The limited liability company is managed by a manager.

ARTICLE 5: Optional Provisions and Additional Articles
Attach additional pages for continuation of optional provisions and/or additional articles. Please indicate which article you are continuing and/or insert any desired additional provisions authorized by Alaska Statutes. Additional articles should be a continuation of the numbering as it appears on this form.

08-484 (Rev. 01/07/2013) Page 1 of 2

License 19473
Organizers: The printed name and signature of one or more organizer shall sign the Articles of Organization.

<table>
<thead>
<tr>
<th>Signature of Organizer</th>
<th>Printed name of Organizer</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Carolyn Dobbs</td>
<td>03/30/2018</td>
</tr>
</tbody>
</table>

Attach an additional sheet if necessary.

NOTE: Persons who sign documents filed with the commissioner that are known to the person to be false in material respects, is guilty of a class A misdemeanor.

Mail the Articles of Organization and the $250.00 filing fee in U.S. dollars to:
State of Alaska Corporations Section, PO Box 110806, Juneau, AK 99811-0806

STANDARD PROCESSING TIME for complete and correct applications submitted to this office is approximately 10-15 business days. All applications are reviewed in the date order they are received. To file your application online for immediate processing, visit our website at: www.commerce.alaska.gov/occ.

INITIAL REPORT: After filing your Articles of Organization, visit the Corporations Section at on our website, select Online Filing, and file the initial report for this entity.
OPERATING AGREEMENT

The following document is the operating agreement of:

Goldstream Grown, LLC

Hereafter referred to in this document as “The Company.”

The Company was formed on March 30, 2018 when articles of organization were filed with the state of Alaska. A copy of this document has been placed in The Company record book. All members of The Company hereby agree with its provisions. The Company will be managed by its member(s).

GENERAL PROVISIONS

Ownership Percentage—A member’s ownership interest in The Company shall be calculated as a percentage based on the member’s contribution. A member’s “ownership percentage” shall be calculated as follows: the member’s capital contribution divided by total contributed capital shown on the books of The Company. Transfer of a member’s ownership of The Company, or a change in the member’s ownership percentage in The Company may only take place upon approval of a majority of the members.

Voting—Each member shall be entitled to vote on matters affecting The Company at a meeting held to discuss such matters. A member’s voting “power” shall be equal to the member’s ownership percentage.

Compensation—Members will not be paid for their time in managing The Company. Members may, however, receive compensation in the form of salaries, bonuses, or any other gratuity allowed by law for services rendered to The Company as an employee, officer, or independent contractor. Also, members may be reimbursed for reasonable expenses incurred on behalf of The Company as evidenced by proper receipts.

Other Business Interests—A member may not own or be involved in any way with an activity or entity that competes with The Company, or otherwise might diminish the earning potential of The Company without the prior written approval of all members.

Meetings—At this time, The Company does not have scheduled meetings, but it may provide for such scheduled meetings upon the approval of a majority of members. A special meeting may be requested by a member at any time either verbally or in writing. The member making this call for a meeting shall provide a proposed date and time for the meeting. Agreement to have a meeting can be expressed by the members either verbally or in writing. If any member can not attend the meeting, then the member(s) unable to attend shall propose an alternative date and time for the meeting.
If all the members cannot attend the proposed meeting, then it shall be postponed until all members can attend. A requested meeting may not be postponed for more than six months. A meeting of The Company may be held without all members in attendance if the member(s) unable to attend provide in writing their approval of the meeting.

Minutes of all meetings shall be taken and a copy provided to all members. A copy shall also be placed in the Company minute book.

FINANCIAL PROVISIONS

Tax Classification—The members intend for The Company to be taxed as a S Corporation. Officers are hereby granted authority to do whatever necessary to retain “S Corporation” tax status with State and Federal agencies.

Accounting—The Company shall have a tax year beginning January 1 and ending December 31 of each year. Accordingly, The Company shall be known as a calendar year taxpayer. The books of the Company shall be maintained on a cash basis.

Tax Matters Partner—The Company shall appoint a representative to handle tax and accounting matters. This person shall be the Secretary of The Company, and if the Secretary is unable to act in this position, then the President shall act instead.

Property—Title to all property purchased or leased for The Company shall be titled in the name of The Company. Officers are hereby granted authority to lease equipment on behalf of The Company in due course of business.

Capital Contributions—In consideration for their percentage ownership in The Company, members shall contribute either cash, property, or services to The Company. Cash received shall be deposited in The Company’s bank account and no interest shall be paid on the amount. Title to any property given shall be transferred to The Company. Below is an accounting of consideration given by the members in exchange for their ownership in The Company.

Members may decide occasionally that additional capital must be contributed to The Company. This decision shall be made at a meeting of the members with all members in attendance. Since any change in the capital accounts will result in a change in the ownership percentage, the decision must be unanimous.

Capital Withdrawals—Members are not allowed to withdraw their capital contributions without written approval of all members. Members will not be able to “Draw” against their capital contributions without written approval of all members. Loans to members may be approved from time to time as circumstances arise. Loans must be approved by all members.
Distributions—From time to time distributions may be made from profits, sale of equipment, or other sources. Before payment, distributions shall be approved by all members and shall be paid to each member in proportion to their ownership percentage. In the event that The Company ceases operations, distributions of cash and property shall be made to the members after all creditors and suppliers are paid. Such a distribution shall be made to the members in proportion to their own percentage.

OWNERSHIP

Changes in Ownership—A member can withdraw from The Company at any time. The member wanting to withdraw must give written notice to the other members 60 days prior to the date of withdrawal.

Transfer of Membership—A member may not transfer, sell, assign, offer as collateral, or pledge his/her ownership in The Company without prior written approval of the other members. This transfer restriction also applies to the members voting rights.

DISSOLUTION

The Company shall be dissolved upon any of the following events:

- Death or other event that prevents a member from participating in the operation of The Company. In this event, the remaining members may vote not to dissolve The Company within 90 days. If the remaining members agree unanimously, The Company shall continue and not dissolve.
- Agreement of all members to dissolve The Company.

OTHER PROVISIONS

Officers—Members may agree to appoint one or more officers to be responsible for representing The Company in its due course of business. It is agreed to appoint at least a President and a Secretary. Other offices and officers may be appointed as the need arises or at the pleasure of the members. Officers may be compensated for services rendered in their prospective positions. This compensation may be in addition to any other compensation received from The Company.

The following members shall be officers of the Company:

Manager: Carolyn Dobbs

Member: Carolyn Dobbs
Company Records—The Company Secretary must maintain all records for The Company that are required by law. This may include but not be limited to a list of all members including their addresses and ownership percentage, records of ownership transfers, minutes of all member meetings, bank statements and accounting records. These records are to be kept at the principal office of The Company and may be reviewed by any member by giving at least one day’s notice to The Company’s Secretary.

Authority—Officers of the Company and or any member of The Company has authority to transact any business or enter into any transaction or carry out any act to complete the formation of the Company or further its financial interest in the due course of business with one exception: No member has authority to obtain loans, lines of credit or commit The Company to any bank or lending institution without prior written approval of all members.

Disputes—In the event of a dispute between the members regarding this operating agreement or any matter regarding The Company, the dispute shall be settled by arbitration according to the rules of the American Arbitration Association. The arbitration or mediation service hearing the dispute shall be agreed upon by the members before proceeding. The cost of the arbitration/mediation shall be borne by The Company.

If the dispute cannot be settled by arbitration, the matter may go before a court with jurisdiction in such matters. If the matter goes before a court, then the members individually shall bear the cost of the proceedings. The prevailing party may seek reimbursement of expenses related to the proceedings.

Changes—This document is the only agreement between the members of The Company and replaces any verbal or written agreement between members. It cannot be replaced, amended or altered in any way without the approval of the members of The Company that adopted and approved the agreement being replaced or amended. If any provision of this agreement is determined to be legally unenforceable, then that provision only shall be stricken from the agreement, leaving the remainder of the agreement in force.

As evidenced by their signatures below, the members hereby adopt this agreement in its entirety and agree to be bound by its terms. The signatures need not be notarized.

Date 03/30/2018

Signatures of all officers:
Signature Certificate

Document Reference: BJ TKHUI UWK5V5ZY8GDH8M2

Carolyn Dobbs
Party ID: ZTRTKMJS95X5ER4V63D2N7
IP Address: 216.67.19.19
VERIFIED EMAIL: gvpf907@gmail.com

Multi-Factor Digital Fingerprint Checksum: 0d053dd3a54520c0fb3a508818222b357d28ba47

Audit

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<thead>
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<th>Timestamp</th>
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<td>All parties have signed document. Signed copies sent to: Carolyn Dobbs and Hayden Nilson.</td>
</tr>
<tr>
<td>2018-03-30 13:08:00 -0700</td>
<td>Document signed by Carolyn Dobbs (<a href="mailto:gvpf907@gmail.com">gvpf907@gmail.com</a>) with drawn signature. - 216.67.19.19</td>
</tr>
<tr>
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<td>Document created by Hayden Nilson (<a href="mailto:hayden@nwpaak.com">hayden@nwpaak.com</a>). - 208.82.213.208</td>
</tr>
</tbody>
</table>

This signature page provides a record of the online activity executing this contract.
Alaska Marijuana Control Board

Form MJ-00: Application Certifications

What is this form?

This application certifications form is required for all marijuana establishment license applications. Each person signing an application for a marijuana establishment license must declare that he/she has read and is familiar with AS 17.38 and 3 AAC 306.

This form must be completed and submitted to AMCO’s main office by each proposed licensee (as defined in 3 AAC 306.020(b)(2)) before any license application will be considered complete.

Section 1 – Establishment Information

Enter information for the business seeking to be licensed, as identified on the license application.

<table>
<thead>
<tr>
<th>Licensee:</th>
<th>Goldstream Grown, LLC</th>
<th>License Number:</th>
<th>19473</th>
</tr>
</thead>
<tbody>
<tr>
<td>License Type:</td>
<td>Limited Marijuana Cultivation Facility</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Doing Business As:</td>
<td>Goldstream Cannabis Annex</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Premises Address:</td>
<td>2922 Parks Hwy Studio 10</td>
<td></td>
<td></td>
</tr>
<tr>
<td>City:</td>
<td>Fairbanks</td>
<td></td>
<td></td>
</tr>
<tr>
<td>State:</td>
<td>AK</td>
<td></td>
<td></td>
</tr>
<tr>
<td>ZIP:</td>
<td>99709</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Section 2 – Individual Information

Enter information for the individual licensee.

<table>
<thead>
<tr>
<th>Name:</th>
<th>Carolyn Dobbs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Title:</td>
<td>Member</td>
</tr>
</tbody>
</table>

Section 3 – Other Licenses

Ownership and financial interest in other licenses: Yes No

Do you currently have or plan to have an ownership interest in, or a direct or indirect financial interest in another marijuana establishment license?

☑

If “Yes”, which license numbers (for existing licenses) and license types do you own or plan to own?

In a few years I hope to apply for the following licenses:

Marijuana Product Manufacturing
Marijuana Retail
Section 4 – Certifications

Read each line below, and then sign your initials in the box to the right of each statement:

I certify that I have not been convicted of a felony in any state or the United States, including a suspended imposition of sentence, for which less than five years have elapsed from the time of the conviction to the date of this application.

I certify that I am not currently on felony probation or felony parole.

I certify that I have not been found guilty of selling alcohol without a license in violation of AS 04.11.010.

I certify that I have not been found guilty of selling alcohol to an individual under 21 years of age in violation of 04.16.051 or AS 04.16.052.

I certify that I have not been convicted of a misdemeanor crime involving a controlled substance, violence against a person, use of a weapon, or dishonesty within the five years preceding this application.

I certify that I have not been convicted of a class A misdemeanor relating to selling, furnishing, or distributing marijuana or operating an establishment where marijuana is consumed within the two years preceding this application.

I certify that my proposed premises is not within 500 feet of a school ground, recreation or youth center, a building in which religious services are regularly conducted, or a correctional facility, as set forth in 3 AAC 306.010(a).

I certify that my proposed premises is not located in a liquor licensed premises.

I certify that I meet the residency requirement under AS 43.23 for a permanent fund dividend in the calendar year in which I am initiating this application.

I certify that all proposed licensees (as defined in 3 AAC 306.020(b)(2)) have been listed on my online marijuana establishment license application. Additionally, if applicable, all proposed licensees have been listed on my application with the Division of Corporations.

I certify that I understand that providing a false statement on this form, the online application, or any other form provided by AMCO is grounds for denial of my application.
Alaska Marijuana Control Board

Form MJ-00: Application Certifications

Read each line below, and then sign your initials in the box to the right of each statement:

I certify and understand that I must operate in compliance with the Alaska Department of Labor and Workforce Development’s laws and requirements pertaining to employees.

I certify and understand that I must operate in compliance with each applicable public health, fire, safety, and tax code and ordinance of this state and the local government in which my premises is located.

Read each line below, and then sign your initials in the box to the right of only the applicable statement:

Only initial next to the following statement if this form is accompanying an application for a marijuana testing facility license:

I certify that I do not have an ownership in, or a direct or indirect financial interest in a retail marijuana store, a marijuana cultivation facility, or a marijuana products manufacturing facility.

Only initial next to the following statement if this form is accompanying an application for a retail marijuana store, a marijuana cultivation facility, or a marijuana products manufacturing facility license:

I certify that I do not have an ownership in, or a direct or indirect financial interest in a marijuana testing facility license.

All marijuana establishment license applicants:

As an applicant for a marijuana establishment license, I declare under penalty of unsworn falsification that I have read and am familiar with AS 17.38 and 3 AAC 306, and that the online application and this form, including all accompanying schedules and statements, is true, correct, and complete.

Signature of licensee

Notary Public in and for the State of Alaska

Printed name of licensee

Subscribed and sworn to before me this 14 day of November, 2018.
What is this form?

An operating plan is required for all marijuana establishment license applications. Applicants should review Title 17.38 of Alaska Statutes and Chapter 306 of the Alaska Administrative Code. This form will be used to document how an applicant intends to meet the requirements of those statutes and regulations. If your business has a formal operating plan, you may include a copy of that operating plan with your application, but all fields of this form must still be completed per 3 AAC 306.020(c).

What must be covered in an operating plan?

Applicants must identify how the proposed premises will comply with applicable statutes and regulations regarding the following:

- Control plan for persons under the age of 21
- Security
- Business records
- Inventory tracking of all marijuana and marijuana product on the premises
- Employee qualification and training
- Health and safety standards
- Transportation and delivery of marijuana and marijuana products
- Signage and advertising

Applicants must also complete the corresponding operating plan supplemental forms (Form MJ-03, Form MJ-04, Form MJ-05, or Form MJ-06) to meet the additional operating plan requirements for each license type.

---

Section 1 - Establishment & Contact Information

Enter information for the business seeking to be licensed, as identified on the license application.

<table>
<thead>
<tr>
<th>Licensee:</th>
<th>Goldstream Grown, LLC</th>
<th>MJ License #:</th>
<th>19473</th>
</tr>
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<tbody>
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<td>2922 Parks Hwy Studio 10</td>
<td></td>
<td></td>
</tr>
<tr>
<td>City:</td>
<td>Fairbanks</td>
<td>State: Alaska</td>
<td>ZIP: 99709</td>
</tr>
<tr>
<td>Mailing Address:</td>
<td>3875 Geist Rd Ste E #272</td>
<td>City: Fairbanks</td>
<td>State: Alaska</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Designated Licensee:</th>
<th>CAROLYN M DOBBS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Main Phone:</td>
<td>9074604619</td>
</tr>
<tr>
<td>Email:</td>
<td><a href="mailto:gvpf907@gmail.com">gvpf907@gmail.com</a></td>
</tr>
</tbody>
</table>
Section 2 – Control Plan for Persons Under the Age of 21

2.1. Describe how the marijuana establishment will prevent persons under the age of 21 from gaining access to any portion of the licensed premises and marijuana items:

No one under 21 years of age may enter the restricted access area. Any visitor will have to show valid photographic state issued identification card proving that they are over 21 years of age before they are allowed access and issued a visitors pass. The entrance to the cultivation will be locked at all times. We will maintain signage at the main entrance stating "RESTRICTED ACCESS AREA. NO PERSONS UNDER 21 ALLOWED. Visitors must be escorted". All approved visitors will be escorted by an employee at all times (not to exceed more than 5 visitors at a time per employee). Video surveillance will record all entries, exits and rooms within the licensed facility.

Section 3 – Security

Restricted Access Areas (3 AAC 306.710):

3.1. Describe how you will prevent unescorted members of the public from entering restricted access areas:

The entrance will be marked with a sign that says "RESTRICTED ACCESS AREA. NO PERSONS UNDER 21 ALLOWED. Visitors must be escorted". The entrance to the facility will remain locked at all times, with a keypad lock. Any visitor must show valid photographic identification to prove that they are 21 years of age or older. Every person on premise must have a visible employee or visitor identification badge. At no time shall any unescorted member of the public be allowed access to any restricted access areas while not under the supervision of a Goldstream Cannabis Annex staff member.

3.2. Describe your recordkeeping and processes for admitting visitors into and escorting them through restricted access areas:

Each visitor will be signed in, ID checked, and visitor identification badge issued. Each employee shall have no more than five visitors at a time, the employee will be actively engaged in supervising those visitors. A daily visitor sign in sheet shall be signed recording the following information: Name, address, state ID # and date of birth. Date and time of arrival and departure. Purpose of visit and visitor ID badge #. All visitors ID cards will be photocopied and retained with each daily visitor sign in sheet. All visitor documentation shall be logged and stored in our digital security files. Hard copies will be retained on site for a duration of no less than one year. All documentation stored will be available to the director of the MCB, and agent or employee of the board, or a member of law enforcement at any time.
3.3. Provide samples of licensee-produced identification badges that will be displayed by each licensee, employee, or agent while on the premises, and of visitor identification badges that will be worn by all visitors while in restricted access areas:

![Licensee-produced identification badges](image)

**Goldstream Cannabis**

VISITOR

#1

Security Alarm Systems and Lock Standards (3 AAC 306.715):

3.4. Exterior lighting is required to facilitate surveillance. Describe how the exterior lighting will meet this requirement:

Exterior lighting will consist of motion activated LED flood lights and will be placed in a manner to provide a clear view to facilitate video surveillance of any individual within 20 feet of the entrance to the facility. Security cameras will be infrared capable and record 24 hrs/day, 7 days/week. Video will be stored for a minimum of 40 days as per AMCO regulation. If these regulations change we will accommodate for extended video storage.
3.5. An alarm system is required for all license types that must be activated on all exterior doors and windows when the licensed premises is closed for business. Describe the security alarm system for the proposed premises, explain how it will meet all regulatory requirements, and outline your policies and procedures regarding the actions to be taken by a licensee, employee, or agent when the alarm system alerts of an unauthorized breach:

We will be utilizing SimpliSafe or similar alarm system. Alarms will be placed on the entrance and the garage door along with commercial grade, non-residential door locks. They will be activated at the end of each day and deactivated when the facility is occupied by staff. There will be a panic button (silent alarm) inside as well.

Procedures for notification of security breach: if facility is staffed, assess situation and take appropriate action. Call 911 if necessary, if the situation allows, remain at facility to assist law enforcement. If facility is vacant, licensee or authorized agent will return to the facility to assist law enforcement once the area is deemed safe. Law enforcement will be notified immediately by the alarm monitoring company should the alarm be set off or for fire or other emergency. All employees, agents of licensee and licensee will cooperate with members of law enforcement. We will notify AMCO as soon as reasonably practical and in any case not more than 24 hours after any unauthorized access to the premises or the establishments knowledge of evidence or circumstances that indicate theft, diversion or unexplained disappearance of marijuana, marijuana products, or money from the licensed premises.

3.6. Describe your policies and procedures for preventing diversion of marijuana or marijuana product, including by employees:

Video monitoring of all areas of the licensed premises will ensure that any diversion of marijuana is recorded. No personal lunch boxes, purses or bags will be allowed in the restricted access area. A notice indicating that all personnel and personal items shall be subject to search will be posted in the entrance to the facility. All product for sale will be kept in a locked storage cabinet.

3.7. Describe your policies and procedures for preventing loitering:

In addition to preventing unauthorized persons from entering the premises, a no loitering sign will be placed at the entrance. Personnel will monitor surveillance cameras and anyone identified as loitering will be asked to leave the premises. If they refuse to leave we will notify law enforcement.

You must be able to certify the statement below. Read the following and then sign your initials in the box to the right:

3.8. I certify that if any additional security devices are used, such as a motion detector, pressure switch, and duress, panic, or hold-up alarm, to enhance security of the licensed premises, I will have written policies and procedures describing their use.

Initials
3.9. The video surveillance and camera recording system for the licensed premises covers each restricted access area, and both the interior and exterior of each entrance to the facility.

3.10. Each video surveillance recording is preserved for a minimum of 40 days, in a format that can be easily accessed for viewing (consistent with the Alcohol & Marijuana Control Office’s approved format list); clearly and accurately displays the time and date; and is archived in a format that does not permit alteration of the recorded image.

3.11. The surveillance room or area is clearly defined on the Form MJ-02: Premises Diagram that is submitted with this application.

3.12. Surveillance recording equipment and video surveillance records are housed in a designated, locked, and secure area or in a lock box, cabinet, closet or other secure area where access is limited to the licensee(s), an authorized employee, and law enforcement personnel (including an agent of the Marijuana Control Board).

3.13. Describe how the video cameras will be placed to produce a clear view adequate to identify any individual inside the licensed premises, or within 20 feet of each entrance to the licensed premises:

A minimum of 2 cameras will be placed within all restricted access areas. They will face each other diagonally to provide a clear, unobstructed view of the regular activity without a sight blockage from lighting hoods, fixtures, or other equipment, in order to allow for the clear and certain identification of any person and activity in the area at all times, including cameras facing entry of all interior doors.

The main entrance and garage door will have cameras covering the interior and exterior to provide a clear view of all persons entering and exiting the facility.

Exterior camera will produce a clear view adequate to identify any individual within 20 feet of the exterior entrance. All areas within the proposed licensed premises where cannabis is grown, cured, stored or disposed of will have a video camera installed facing the primary point of entry.

All cameras will be high definition with infrared/night vision capabilities. They will be accessible remotely so we are able to view the premises from our phone or home computers.

3.14. Describe the locked and secure area where video surveillance recording equipment and original copies of surveillance records will be housed and stored, and how you will ensure the area is accessible only to authorized personnel, law enforcement, or an agent of the Marijuana Control Board. If you will be using an offsite monitoring service and offsite storage of video surveillance records, your response must include how the offsite facility will meet these security requirements:

The surveillance storage locker will be located in the front of the facility's restricted access area. It will house a hard drive containing a minimum of 40 days of surveillance footage and digital back-up of all data. The locker will have a secure door with a combination lock. Cameras will be positioned so that anyone entering (and exiting) the room containing the locker will be recorded. This area shall only be accessible to authorized personnel, law enforcement or an agent of the board. At no time will any visitors to the facility be granted access to the surveillance storage locker. All surveillance footage will be stored for a minimum of 40 days in a format that can easily accessed for viewing and will clearly and accurately display the time and date and will be archived in a format that does not permit alteration of the recorded image so that the images can be readily authenticated. All footage will made available to AMCO upon request.
Section 4 – Business Records

Review the requirements under 3 AAC 306.755. All licensed marijuana establishments must maintain, in a format that is readily understood by a reasonably prudent business person, certain business records.

4.1. I certify that the following business records will be maintained and kept on the licensed premises:

a. all books and records necessary to fully account for each business transaction conducted under my license for the current year and three preceding calendar years (records for the last six months must be maintained on the licensed premises; older records may be archived on or off-premises);

b. a current employee list setting out the full name and marijuana handler permit number of each licensee, employee, and agent who works at the marijuana establishment;

c. the business contact information for vendors that maintain video surveillance systems and security alarm systems for the licensed premises;

d. records related to advertising and marketing;

e. a current diagram of the licensed premises, including each restricted access area;

f. a log recording the name, and date and time of entry of each visitor permitted into a restricted access area;

h. accurate and comprehensive inventory tracking records that account for all marijuana inventory activity from seed or immature plant stage until the retail marijuana or retail marijuana product is sold to a consumer, to another marijuana establishment, or destroyed;

i. transportation records for marijuana and marijuana product, as required by 3 AAC 306.750(f); and

j. registration and inspection reports of scales registered under the Weights and Measures Act, as required by 3 AAC 306.745.

4.2. A marijuana establishment is required to exercise due diligence in preserving and maintaining all required records. Describe how you will prevent records and data, including electronically maintained records, from being lost or destroyed:

The following documentation will be filed securely onsite in the video storage locker (restricted access area): all books and records necessary to fully account for each business transaction conducted under our license for the current year and three preceding years, current employee list including full name and marijuana handler permit number for each employee, contact info for vendors that maintain video surveillance systems and security alarm systems for us, records related to advertising and marketing, a current diagram of the licensed premises, a log recording the name, date and time of entry for each visitor, all records normally retained for tax purposes, accurate and comprehensive inventory tracking records (METRC), transportation records as required under 3 AAC 306.750(f).

All records, data and important documents on the computer will be backed up to a separate hard drive at the end of every week. This hard drive will also be stored in the restricted access area video storage locker.
Section 5 – Inventory Tracking of All Marijuana and Marijuana Product

Review the requirements under 3 AAC 306.730. All licensed marijuana establishments must use a marijuana inventory tracking system capable of sharing information with Metrc to ensure all marijuana cultivated and sold in the state, and each marijuana product processed and sold in the state, is identified and tracked from the time the marijuana is propagated from seed or cutting, through transfer to another licensed marijuana establishment, or use in manufacturing a marijuana product, to a completed sale of marijuana or marijuana product, or disposal of the harvest batch of marijuana or production lot of marijuana product.

You must be able to certify each statement below. Read the following and then sign your initials in the corresponding box:

5.1. My marijuana establishment will be using Metrc, and if any other tracking software is used, it will be capable of sharing information with Metrc.

5.2. All marijuana delivered to a marijuana establishment will be weighed on a scale registered in compliance with 3 AAC 306.745.

5.3. My marijuana establishment will use registered scales in compliance with AS 45.75.080 (Weights and Measures Act), as required by 3 AAC 306.745.

Section 6 – Employee Qualification and Training

Review the requirements under 3 AAC 306.700. A marijuana establishment and each licensee, employee, or agent of the marijuana establishment who sells, cultivates, manufactures, tests, or transports marijuana or a marijuana product, or who checks the identification of a consumer or visitor, must obtain a marijuana handler permit from the board before being licensed or beginning employment at a marijuana establishment.

You must be able to certify each statement below. Read the following and then sign your initials in the corresponding box:

6.1. Each licensee, employee, or agent of the marijuana establishment who sells, cultivates, manufactures, tests, or transports marijuana or marijuana product, or who checks the identification of a consumer or visitor, shall obtain a marijuana handler permit from the board before being licensed or beginning employment at the marijuana establishment.

6.2. Each licensee, employee, or agent who is required to have a marijuana handler permit shall keep that person’s marijuana handler permit card in that person’s immediate possession (or a valid copy on file on the licensed premises) when on the licensed premises.

6.3. Each licensee, employee, or agent who is required to have a marijuana handler permit shall ensure that that person’s marijuana handler permit card is valid and has not expired.

6.4. Describe any in-house training that will be provided to employees and agents (apart from a marijuana handler course):

Employees will be trained on cultivation and trimming techniques. There will be required reading, and a hands on instructional session with each new employee. Aside from the marijuana handler’s course and required testing, licensees, employees and agents will be kept current as to any changes in regulation from AMCO, law enforcement (state, local or federal), as well as industry changes.
Section 7 – Health and Safety Standards

Review the requirements under 3 AAC 306.735.

You must be able to certify each statement below. Read the following and then sign your initials in the corresponding box: Initials

7.1. I understand that a marijuana establishment is subject to inspection by the local fire department, building inspector, or code enforcement officer to confirm that health or safety concerns are not present.

7.2. I have policies regarding health and safety standards (including: ensuring a person with an illness or infection does not come into contact with marijuana or marijuana product; good hygienic practices; cleaning and maintenance of equipment and the premises; pest deterrence; chemical storage; sanitation principles; and proper handling of marijuana and marijuana product) and will take all reasonable measures and precautions to ensure that they are met or exceeded.

7.3. I have policies to ensure that any marijuana or marijuana product that has been stored beyond its usable life, or was stored improperly, is not salvaged and returned to the marketplace.

7.4. I have policies to ensure that in the event information about the age or storage conditions of marijuana or marijuana product is unreliable, the marijuana or marijuana product will be handled in accordance with 3 AAC 306.735(d).

Answer “Yes” or “No” to each of the following questions:

7.5. Adequate and readily accessible toilet facilities that are maintained and in good repair and sanitary condition are clearly indicated on my Form MJ-02: Premises Diagram.

7.6. Convenient handwashing facilities with running water at a suitable temperature are clearly indicated on my Form MJ-02: Premises Diagram.

7.7. If you answered “No” to either 7.5 or 7.6 above, describe how toilet and/or handwashing facilities are made accessible, as required by 3 AAC 306.735(b)(2):

Section 8 – Transportation and Delivery of Marijuana and Marijuana Products

Review the requirements under 3 AAC 306.750.

8.1. Describe how marijuana or marijuana product will be prepared, packaged, and secured for shipment. Include a description of the type of locked, safe, and secure storage compartments to be used in vehicles transporting marijuana or marijuana product:

We will package cannabis in wholesale packages not to exceed five pounds. Five pound wholesale packages will contain either a single strain or a mixture of strains as identified on the label. Each package will be labeled with a specific tracking label generated for tracking purposes by the marijuana inventory tracking system. We will record the type, amount and weight of the marijuana product being transported, the name of the transporter, the time of departure and expected delivery, and the make, model and license plate number of the transporting vehicle. A complete printed transport manifest on a form approved by the board will be kept with marijuana at all times.

Continued on last page....
You must be able to certify each statement below. Read the following and then sign your initials in the corresponding box:

8.2. The marijuana establishment from which a shipment of marijuana or marijuana product originates will ensure that any individual transporting marijuana shall have a marijuana handler permit required under 3 AAC 306.700.

8.3. The marijuana establishment that originates the transport of any marijuana or marijuana product will use the marijuana inventory tracking system to record the type, amount, and weight of marijuana or marijuana product being transported, the name of the transporter, the time of departure and expected delivery, and the make, model, and license plate number of the transporting vehicle.

8.4. The marijuana establishment that originates the transport of any marijuana or marijuana product will ensure that a complete printed transport manifest on a form prescribed by the board must be kept with the marijuana or marijuana product at all times during transport.

8.5. During transport, any marijuana or marijuana product will be in a sealed package or container in a locked, safe, and secure storage compartment in the vehicle transporting the marijuana or marijuana product, and the sealed package will not be opened during transport.

8.6. Any vehicle transporting marijuana or marijuana product will travel directly from the shipping marijuana establishment to the receiving marijuana establishment, and will not make any unnecessary stops in between except to deliver or pick up marijuana or marijuana product at any other licensed marijuana establishment.

8.7. When the marijuana establishment receives marijuana or marijuana product from another licensed marijuana establishment, the recipient of the shipment will use the marijuana inventory tracking system to report the type, amount, and weight of marijuana or marijuana product received.

8.8. The marijuana establishment will refuse to accept any shipment of marijuana or marijuana product that is not accompanied by the transport manifest.

Section 9 – Signage and Advertising

9.1. Describe any signs that you intend to post on your establishment with your business name, including quantity, dimensions, graphics, and location on your establishment (photos or drawings may be attached):

There will be no signage on the outside of the building or the entrance to the cultivation, other than the RESTRICTED ACCESS signs. If, at some point in time we do choose to display signage we would not use more than 3 signs attached to the building and shall not exceed 4800 Sq. inches. The sign would depict the name of the grow facility, address, phone number and any logo. The signage including logo would not be enticing towards children.
9.2. Describe any advertising you intend to distribute of your establishment. Include medium types and business logos (photos or drawings may be attached):

Advertising may consist of local magazines, trade magazines, social media and items listed below:

- All social media posts will include the warning statements required by the MCB.
- Lighters
- Clothing
- Stickers
- Glass Jars
- Water Bottles
- Herb grinders

All merchandise and business cards will have the same logo, Goldstream Cannabis.

I declare under penalty of unsworn falsification that this form, including all accompanying schedules and statements, is true, correct, and complete.

Signature of licensee

Carolyn Dobbs

Printed name of licensee

Subscribed and sworn to before me this 14th day of November, 2018.
The marijuana will be (during transport) in a sealed container and in a locked, safe, and secure storage compartment with fixed labels in accordance with 3 AAC 306.475. The sealed package will not be opened or removed from the lock box during transport. Transport manifests listing each prepared package of cannabis will be generated from our tracking system and will remain with the manifested packages for the duration of the transport or transfer.

We will utilize Pelican 1780T hard shell transport case for the transportation of our products. This case is unbreakable, watertight, crushproof and dust proof. Lock will be affixed before transport. The vehicle transporting the marijuana will not make unnecessary stops and will travel directly to the licensed marijuana establishment that is making the purchase.
Alaska Marijuana Control Board  
Form MJ-02: Premises Diagram

What is this form?

A detailed diagram of the proposed licensed premises is required for all marijuana establishment license applications, per 3 AAC 306.020(b)(8). All areas designated as the licensed premises of a single license must be contiguous.

What must be submitted with this form?

Applicants must attach multiple diagrams to this form, including (as applicable):

- **Diagram 1:** a diagram showing only the licensed premises areas that will be ready to be operational at the time of your preliminary inspection and license issuance;

- **Diagram 2:** if different than Diagram 1, a diagram outlining all areas for which the licensee has legal right of possession (a valid lease or deed), and clearly showing those areas’ relationship to the current proposed licensed premises (details of any planned expansion areas do not need to be included; a complete copy of Form MJ-14: Licensed Premises Diagram Change must be submitted and approved before any planned expansion area may be added to the licensed premises);

- **Diagram 3:** a site plan or as-built of the entire lot, showing all structures on the property and clearly indicating which area(s) will be part of the licensed premises;

- **Diagram 4:** an aerial photo of the entire lot and surrounding lots, showing a view of the entire property and surrounding properties, and clearly indicating which area(s) will be part of the licensed premises (this can be obtained from sources like Google Earth); and

- **Diagram 5:** a diagram of the entire building in which the licensed premises is located, clearly distinguishing the licensed premises from unlicensed areas and/or premises of other licenses within the building. If your proposed licensed premises is located within a building or building complex that contains multiple business and/or tenants, please provide the addresses and/or suite numbers of the other businesses and/or tenants (a separate diagram is not required for an establishment that is designating the entire building as a single licensed premises).

This form, and all necessary diagrams that meet the requirements on Page 2 of this form, must be completed and submitted to AMCO’s main office before any new or transfer license application will be considered complete.

### Section 1 – Establishment Information

Enter information for the business seeking to be licensed, as identified on the license application.

<table>
<thead>
<tr>
<th>Licensee:</th>
<th>Goldstream Grown, LLC</th>
<th>MJ License #:</th>
<th>19473</th>
</tr>
</thead>
<tbody>
<tr>
<td>License Type:</td>
<td>Limited Marijuana Cultivation Facility</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Doing Business As:</td>
<td>Goldstream Cannabis Annex</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Premises Address:</td>
<td>2922 Parks Hwy Studio 10</td>
<td></td>
<td></td>
</tr>
<tr>
<td>City:</td>
<td>Fairbanks</td>
<td>State:</td>
<td>Alaska</td>
</tr>
<tr>
<td></td>
<td></td>
<td>ZIP:</td>
<td>99709</td>
</tr>
</tbody>
</table>

[Form MJ-02] (rev 01/10/2018)
Section 2 – Required Information

For your security, do not include locations of security cameras, motion detectors, panic buttons, and other security devices.

The following details must be included in all diagrams:

- License number and DBA
- Legend or key
- Color coding
- Dimensions
- Labels
- True north arrow

The following additional details must be included in Diagram 1:

- Surveillance room
- Restricted access areas
- Storage areas
- Entrances, exits, and windows
- Walls, partitions, and counters
- Any other areas that must be labeled for specific license types

The following additional details must be included in Diagram 2:

- Areas of ingress and egress
- Entrances and exits
- Walls and partitions

The following additional details must be included in Diagrams 3 and 4:

- Areas of ingress and egress
- Cross streets and points of reference

The following additional details must be included in Diagram 5:

- Areas of ingress and egress
- Entrances and exits
- Walls and partitions
- Cross streets and points of reference

I declare under penalty of unsworn falsification that I have attached all necessary diagrams that meet the above requirements, and that this form, including all accompanying schedules, statements, and depictions is true, correct, and complete.

Signature of licensee:

Carlynn Dobbs

Printed name of licensee:

Notary Public in and for the State of Alaska

My commission expires: Aug 24, 2020

Subscribed and sworn to before me this 14th day of November, 2018.
Goldstream Grown, LLC
dba Goldstream Cannabis Annex
2922 Parks Hwy Studio 10
Fairbanks, AK 99709
License #19473
Diagram 1 & 2
Licensed Premises and Legal Right of Possession

Diagrams 1 and 2 Legend
Licensed Premises/Restricted Access Area outlined in RED
Areas of ingress/egress marked in GREEN
Handwashing Sink marked in PURPLE
Secure surveillance storage locker marked in BLUE
Restroom located on second floor (not restricted access)
NO WINDOWS in licensed premises
What is this form?

This operating plan supplemental form is required for all applicants seeking a marijuana cultivation facility license and must accompany Form MJ-01: Marijuana Establishment Operating Plan, per 3 AAC 306.020(b)(11). Applicants should review Chapter 306: Article 4 of the Alaska Administrative Code. This form will be used to document how an applicant intends to meet the requirements of the statutes and regulations.

If your business has a formal operating plan, you may include a copy of that operating plan with your application, but all fields of this form must still be completed per 3 AAC 306.020 and 3 AAC 306.420(2).

What additional information is required for cultivation facilities?

Applicants must identify how the proposed establishment will comply with applicable regulations regarding the following:

- Prohibitions
- Cultivation plan
- Waste disposal
- Odor control
- Testing procedure and protocols
- Packaging and labeling

This form must be completed and submitted to AMCO’s main office before any new or transfer application for a standard marijuana cultivation facility or limited marijuana cultivation facility license will be considered complete.

### Section 1 – Establishment Information

Enter information for the business seeking to be licensed, as identified on the license application.

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</table>
Section 2 – Overview of Operations

2.1. Provide an overview of your proposed facility’s operations. Include information regarding the flow of marijuana from seed or clone to harvest and transfer from your premises:

Seeds or clones will be entered into METRC as immature plants. Once they reach 8” tall they will be assigned a tag number which will be entered into METRC.
Each new growing phase will be logged into METRC (vegetative, flowering, harvest).
All waste from pruning, destroyed or harvested plants, or plant waste by room will be recorded into METRC. 72 hour waste notice will be sent to AMCO enforcement prior to removal from site.
Each plant will be harvested with its perspective batch and given a batch number. Each individual plant will be weighed and recorded before being trimmed and waste for that batch will be logged into METRC.
All batches of cannabis will receive required testing. Once it passes testing it will be packaged into flower or trim, given a package tag number and logged into METRC. Packages sold will be accompanied by a METRC manifest and test results during transport to a retailer or testing lab.

Section 3 – Prohibitions

Review the requirements under 3 AAC 306.405 and 3 AAC 306.410.

3.1. I certify that the marijuana cultivation facility will not:

a. sell, distribute, or transfer any marijuana or marijuana product to a consumer, with or without compensation;

b. allow any person, including a licensee, employee, or agent, to consume marijuana or marijuana product on the licensed premises or within 20 feet of the exterior of any building or outdoor cultivation facility; or

c. treat or otherwise adulterate marijuana with any organic or nonorganic chemical or compound to alter the color, appearance, weight, or odor of the marijuana.

Section 4 – Cultivation Plan

Review the requirements under 3 AAC 306.420 and 3 AAC 306.430.

4.1. Describe the size of the space(s) the marijuana cultivation facility intends to be under cultivation, including dimensions and overall square footage. Provide your calculations below:

Vegetative Room is 5'x10'. There will be one (3 tier) rack that is 3'x8'. A total of 72 sq ft under cultivation.
Flower Room 1 is 9'x10' totaling 90 sq. ft.
Flower Room 2 is 13'x10' totaling 130 sq. ft.
Total area under cultivation will be 270 sq. feet.
4.2. The proposed area(s) for cultivation are clearly identified on the Form MJ-02: Premises Diagram that is submitted with this application.

Answer “Yes” or “No” to the following question:

4.3. Will the marijuana cultivation facility include outdoor production?

If “Yes”, describe the outdoor structure(s) or the expanse of open or clear ground and how it is fully-enclosed by a physical barrier:

N/A

4.4. Describe the method(s) used to ensure that any marijuana at the marijuana cultivation facility, whether indoors or outdoors, cannot be observed by the public from outside the facility:

There will be no windows in this facility. No plants or finished product will be visible when the garage door is opened for moving in supplies as they are located in back rooms with separate doors.

4.5. Describe the marijuana cultivation facility’s growing medium(s) to be used:

Soil: coco fiber, peat moss, worm castings, Alaskan humus, pumice, perlite, diatomaceous earth, feather meal, kelp meal, excelerite clay, mycorrhizae, paramagnetic rock, granulated bone meal. ProMix HP and perlite.

4.6. Provide the complete product name and EPA registration # (if applicable) for each of the cultivation facility’s pesticides and pest control products to be used. All proposed products must be on DEC’s list of approved pesticides in the state of Alaska:

SNS 217 RTU Spider Mite Control 0-25B
Organocide 3 in 1 Garden Spray Concentrate 70179-25B

4.7. Describe all other fertilizers, chemicals, gases, and delivery systems, including carbon dioxide management, to be used at the marijuana cultivation facility:

Fertilizers: soybean extract, feather meal, bone meal, worm castings, potassium phosphate, magnesium sulfate, potassium sulfate, calcium nitrate, humic and fulvic acids, kelp extract, calcium phosphate, amino acids derived from protein hydrolysate, limestone, crab shell, shrimp shell, phosphoric acid, dextrose, sucrose and glucose derived from mono-potasium phosphate, seabird guano, calcium sulfate, fish bone meal, yucca extract, citric acid, ferrous sulfate, alfalfa meal, kelp meal, rock dust, soybean meal, beneficial bacteria, cottonseed meal, algae extract, zinc, boron, chelated calcium, aloe vera extract. We will notify AMCO prior to any implementation of new fertilizers used during the cultivation process. No carbon dioxide will be used at this facility.

Fertilizers will include one or more of the following lines or similar lines/additives: Nectar For The Gods, Cultured Biologix instant microbial teas, or Nature’s Pride.
4.8. Describe the marijuana cultivation facility’s irrigation and waste water systems to be used:

Nutrients will be mixed in a large tank and delivered immediately via irrigation lines that will run to each plant. Runoff will be minimal and will run into a tub placed on the heated floors to evaporate.

Section 5 – Waste Disposal

Review the requirements under 3 AAC 306.740.

You must be able to certify the statement below. Read the following and then sign your initials in the box to the right: Initials

5.1. The marijuana cultivation facility shall give the board at least three days written notice required under 3 AAC 306.740(c) before making marijuana waste unusable and disposing of it.

5.2. Describe how you will store, manage, and dispose of any solid or liquid marijuana waste, including wastewater generated during marijuana cultivation, in compliance with any applicable laws. Include details about the material(s) you will mix with ground marijuana waste and the processes that you will use to make the marijuana waste unusable for any purpose for which it was grown:

Waste will be weighed and recorded immediately and stored in a cool, dry place, in bags labeled accordingly. We will, via the marijuana inventory tracking system, give the board notice a minimum of 3 days before making the waste unusable and removing it from the facility for transfer to the local waste disposal site. Waste from cultivation, such as stems, leaves and roots, will be run through a wood chipper and mixed with an equal amount of household waste or soil in accordance with 3 AAC 306.740. We will keep a record of marijuana waste made unusable in the METRC system and its final destination. Any runoff from watering will be minimal and will drain into a tub for evaporation.
Section 6 – Odor Control

Review the requirements under 3 AAC 306.430.

Answer “Yes” or “No” to the following question:

6.1. Have you received an exemption from your local government for the odor control requirement set forth in 3 AAC 306.430(c)(2)?

☐ Yes ☐ No

If “Yes”, you must be able to certify the statement below. Read the following and then sign your initials in the box:

Initials

I am attaching to this form documentation of my odor control exemption from the local government.

If “No” to question 6.1., describe the odor control method(s) to be used and how the marijuana cultivation facility will ensure that any marijuana at the facility does not emit an odor that is detectable by the public from outside the facility:

Carbon filters will be placed on every exhaust fan, the carbon will be replaced as necessary, a minimum of every 6 months to ensure that no odor will be detectable by the public outside of the facility.

Section 7 – Testing Procedure and Protocols

Review the requirements under 3 AAC 306.455 and 3 AAC 306.465.

You must be able to certify each statement below. Read the following and then sign your initials in the corresponding box:

Initials

7.1. I understand and agree that the board or director will, from time to time, require the marijuana cultivation facility to provide samples of the growing medium, soil amendments, fertilizers, crop production aids, pesticides, or water for random compliance checks.

7.2. I will ensure that any individual responsible for collecting random, homogenous samples for required laboratory testing under 3 AAC 306.455 will prepare the necessary accompanying signed statement, provide the signed statement to the marijuana testing facility, and maintain a copy as a business record under 3 AAC 306.755.

7.3. Describe the testing procedures and protocols the marijuana cultivation facility will follow:

Samples for routine required testing will be collected by separating the harvested marijuana into batches of individual strains of flower and randomly selecting the amount required by the testing facility. Marijuana and marijuana products will be tested for a battery of state required impurities and/or contaminants by a state licensed lab. The entire harvest batch will remain segregated (in up to 5lb lots) in the curing tent (cool and dark), until testing reports are received. We will maintain the testing results as part of our business records. Marijuana batches that fail testing will be disposed of after rendering the marijuana unusable and disposal will be documented using METRC. Upon notification that the board or director requires samples for random compliance checks, a licensee or authorized agent of our facility will notify an independent testing lab to send a representative to collect the required samples. This will establish a chain of custody and the possibility of unintentional contamination due to improper sample collection practices is minimized.
Section 8 – Packaging and Labeling

Review the requirements under 3 AAC 306.470 and 3 AAC 306.475.

Answer “Yes” or “No” to the following question:

8.1. Will the marijuana cultivation facility be packaging marijuana for a retail marijuana store to sell to a consumer without repackaging?

If “Yes”, describe how the marijuana cultivation facility will ensure that the marijuana sold will meet the packaging requirements in 3 AAC 306.470, and provide a sample label that the facility will use to meet the labeling requirements set forth in 3 AAC 306.475:

Marijuana and marijuana products that are sold to retail stores will be in a package not exceeding one ounce and will not have any printed images (including cartoon characters) that target persons under 21 years of age. Packaging will protect the product from contamination and will not impart any toxic or damaging substance to the marijuana. Each package will be identified by a tracking label generated by our marijuana inventory tracking system. Labels will include all required warning statements. Continued on supplemental page with SAMPLE RETAIL LABEL.

Answer “Yes” or “No” to the following question:

8.2. Will the marijuana cultivation facility be packaging marijuana in wholesale packages?

If “Yes”, describe how the marijuana cultivation facility will ensure that the marijuana sold will meet the packaging requirements in 3 AAC 306.470, and provide a sample label that the facility will use to meet the labeling requirements set forth in 3 AAC 306.475:

Marijuana and marijuana products will be sold in wholesale packages that do not exceed 5 lbs and may consist of one or more strains labeled accordingly. Packaging will protect the product from contamination and will not impart any toxic or damaging substance to the marijuana. Each package will be identified by a tracking label generated by our marijuana inventory tracking system. Labels will contain a range of percentages for that strain for the last 3 months, a statement that it has been tested for required microbial contamination, and a statement listing all contaminants for which it has been tested including molds, mildews and filth, herbicides, fungicides and pesticides, harmful chemicals. Sample label attached on supplemental forms.

I certify that as a marijuana cultivation facility, I will submit monthly reports to the Department of Revenue and pay the excise tax required under AS 43.61.010 and AS 43.61.020 on all marijuana sold or provided as a sample to a marijuana establishment, as required under 3 AAC 306.480.

I declare under penalty of unsworn falsification that this form, including all accompanying schedules and statements, is true, correct, and complete.

Signature of licensee

Carolyn Dobbs

Printed name of licensee

Notary Public in and for the State of Alaska

My commission expires: Aug 24, 2020

Subscribed and sworn to before me this 14 day of November 2018.
MJ-04 8.1 continued
Each harvest batch will be accompanied by a letter disclosing the following information:
- each soil amendment, fertilizer, and other crop production aids applied to the growing medium or marijuana plant included in the batch, including any pesticides, herbicides or fungicides used.
- the name of the licensed marijuana testing facility that performed and required laboratory test and the results of each required test.

SAMPLE RETAIL LABEL

Goldstream Cannabis Annex
2922 Parks Hwy Studio 10
Fairbanks, AK 99709
License # 19473

Strain-
Net Weight- 1 gram
Harvest Batch-
Testing Lab-

METRC ID:
THC: CBD: CBN:
THCA: CBDA:
Total THC%
Total CBD%
Total Cannabinoid%

Herbicides: NONE
Fungicides: NONE
Pesticides: NONE

"Marijuana has intoxicating effects and may be habit forming and addictive. Marijuana impairs concentration, coordination and judgement. Do not operate a vehicle or machinery under its influence. There are health risks associated with consumption of marijuana. For use only by adults 21 and older. Keep out of the reach of children. Marijuana should not be used by women who are pregnant or breastfeeding"
Goldstream Cannabis Annex
2922 Parks Hwy Studio 10
Fairbanks, AK 99709
License # 19473

Harvest Batch- #1234
Strain-
Gross Weight- 1234 grams
Package Weight- 123 grams
Net Weight- 1111 grams
Packaged by- EMPLOYEE NAME
Package Date- 10/10/2020

"Marijuana has intoxicating effects and may be habit forming and addictive. Marijuana impairs concentration, coordination and judgement. Do not operate a vehicle or machinery under its influence. There are health risks associated with consumption of marijuana. For use only by adults 21 and older. Keep out of the reach of children. Marijuana should not be used by women who are pregnant or breastfeeding."

The harvest batch(es) in this package have been grown with love in soil with the following amendments and fertilizers:
Soil: coco fiber, peat moss, worm castings, Alaskan humus, Pumice, perlite, diatomaceous earth, feather meal, kelp meal, exceleite clay, mycorrhizae, paramagnetic rock, granulated bone meal.Fertilizers: Soybean extract, feather meal, bone meal, worm castings, potassium phosphate, magnesium sulfate, potassium sulfate, calcium nitrate, humic and fulvic acids, kelp extract, calcium phosphate, amino acids derived from protein hydrolysate, limestone, crab shell, shrimp shell, phosphoric acid, dextrose, sucrose and glucose derived from mono-potassium phosphate, seabird guano, calcium sulfate, fish bone meal, yucca extract, citric acid, ferrous sulfate, alfalfa meal, kelp meal, rock dust, soybean meal, beneficial bacteria, cottonseed meal, algae extract, zinc, boron, chelated calcium, aloe vera extract.

<table>
<thead>
<tr>
<th>TESTING FACILITY: NAME</th>
<th>Date Received</th>
<th>METRC ID</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sample ID:</td>
<td>Product Type:</td>
<td>Moisture Content:</td>
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<tr>
<td>Test Results:</td>
<td></td>
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</tr>
<tr>
<td>THC:</td>
<td>CBG:</td>
<td>Total THC%</td>
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<tr>
<td>CBN:</td>
<td>THCA:</td>
<td>Total CBD%</td>
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<tr>
<td>Total Cannabinoid%</td>
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<td></td>
</tr>
<tr>
<td>Microbial Results</td>
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</tr>
<tr>
<td>Overall: Passed</td>
<td></td>
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</tr>
<tr>
<td>Salmonella; Passed</td>
<td>Aspergillus Fumigatus: Passed</td>
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</tr>
<tr>
<td>Aspergillus Flavus:</td>
<td>Aspergillus Niger: Passed</td>
<td></td>
</tr>
<tr>
<td>Herbicides: NONE</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fungicides: NONE</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pesticides: NONE</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

SAMPLE LABEL
WHOLESALE
Alaska Marijuana Control Board

Form MJ-07: Public Notice Posting Affidavit

What is this form?

A public notice posting affidavit is required for all marijuana establishment license applications, per 3 AAC 306.020(b)(10). As soon as practical after initiating a marijuana establishment license application, an applicant must give notice of the application to the public by posting a true copy of the application for ten (10) days at the location of the proposed licensed premises and one other conspicuous location in the area of the proposed premises, per 3 AAC 306.025(b)(1).

This form must be completed and submitted to AMCO’s main office before any new or transfer license application will be considered complete.

Section 1 – Establishment Information

Enter information for the business seeking to be licensed, as identified on the license application.

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<td>99709</td>
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</table>

Section 2 – Certification

I certify that I have met the public notice requirement set forth under 3 AAC 306.025(b)(1) by posting a copy of my application for the following 10-day period at the location of the proposed licensed premises and at the following conspicuous location in the area of the proposed premises:

Start Date: 10/9/2018
End Date: 10/22/2018

Other conspicuous location: Ester Post Office

I declare under penalty of unsworn falsification that this form, including all accompanying schedules and statements, is true, correct, and complete.

Signature of licensee: Carolyn Dobbs
Printed name of licensee

Subscribed and sworn to before me this 14 day of November, 2018.
Public Notice
Application for Marijuana Establishment License

License Number: 19473
License Status: Initiated
License Type: Limited Marijuana Cultivation Facility
Doing Business As: GOLDSTREAM CANNABIS ANNEX
Business License Number: 1082714
Email Address: gvpf907@gmail.com
Latitude, Longitude: 64.509570, -147.554720
Physical Address: 2922 Parks Hwy Studio 10
Fairbanks, AK 99709
UNITED STATES

Licensee #1
Type: Entity
Alaska Entity Number: 10081414
Alaska Entity Name: Goldstream Grown, LLC
Phone Number: 907-460-4619
Email Address: gvpf907@gmail.com
Mailing Address: 3875 Geist Rd
Ste E #272
Fairbanks, AK 99709
UNITED STATES

Entity Official #1
Type: Individual
Name: Carolyn Dobbs
Phone Number: 907-460-4619
Email Address: gvpf907@gmail.com
Mailing Address: 3875 Geist Rd
Ste E #272
Fairbanks, AK 99709
UNITED STATES

Affiliate #1
Type: Individual
Name: Carolyn Dobbs
Phone Number: 907-460-4619
Email Address: gvpf907@gmail.com
Mailing Address: 3875 Geist Rd
Ste E #272
Fairbanks, AK 99709
UNITED STATES

Interested persons may object to the application by submitting a written statement of reasons for the objection to their local government, the applicant, and the Alcohol & Marijuana Control Office (AMCO) not later than 30 days after the director has determined the application to be complete and has given written notice to the local government. Once an application is determined to be complete, the objection deadline and a copy of the application will be posted on AMCO’s website at https://www.commerce.alaska.gov/web/amco. Objections should be sent to AMCO at marijuana.licensing@alaska.gov or to 550 W 7th Ave, Suite 1600, Anchorage, AK 99501.

POSTING DATE 10/9 - 10/22/2018 (CD)
Form MJ-08: Local Government Notice Affidavit

What is this form?

A local government notice affidavit is required for all marijuana establishment license applications with a proposed premises that is located within a local government, per 3 AAC 306.025(b)(3). As soon as practical after initiating a marijuana establishment license application, an applicant must give notice of the application to the public by submitting a copy of the application to each local government and any community council in the area of the proposed licensed premises. For an establishment located inside the boundaries of city that is within a borough, both the city and the borough must be notified.

This form must be completed and submitted to AMCO’s main office before any new or transfer license application will be considered complete.

Section 1 - Establishment Information

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Section 2 - Certification

I certify that I have met the local government notice requirement set forth under 3 AAC 306.025(b)(3) by submitting a copy of my application to the following local government (LG) official(s) and community council (if applicable):

Local Government(s): FNSB Dept. of Community Planning   Date Submitted: 11/10/2018
Name/Title of LG Official 1: Manish Singh   Name/Title of LG Official 2: 

Community Council:
(Municipality of Anchorage and Matanuska-Susitna Borough only)
Date Submitted:

I declare under penalty of unsworn falsification that this form, including all accompanying schedules and statements, is true, correct, and complete.

Signature of licensee: Carolyn Dobbs
Printed name of licensee: Carolyn Dobbs
Subscribed and sworn to before me this 14th day of November, 2018.

Notary Public in and for the State of Alaska
My commission expires: Aug 24, 2020
Fairbanks North Star Borough
Department of Community Planning
P.O. Box 71267
Fairbanks, Alaska 99707-1267
Zoning Permit Number: 18189

General Information

Date: 11/6/2018
Applicant: DOBBS CAROLYN
Business Name: GOLDSTREAM CANNABIS ANNEX

Mailing Address: 3875 GEIST RD STE E # 272, FAIRBANKS AK 99709
Property Owner: CAMERON DONALD BRUCE

Property Description: 0459909 LOT 2B GOLD CHANNEL
Site Address: 2922 PARKS HWY

Existing Use: Commercial
Proposed Use: Commercial
Structure: Distillery, Art Gallery and Virtual Reality Gaming
Structures: Marijuana cultivation facility, indoor small: 480 sq.ft.

Dwelling Units: 0 New: N/A Existing: N/A Building Type: Principal
Building Height: 27'4" (feet)
Stories: 2
Total Area of Structure: 480 SF New: 0 SF Existing: 480 SF
Lot Size: 2.52 AC

Notes: Arctic Sun Virtual Reality does not meet the Title 18 definition of "Arcade" because it does not contain a minimum of 10 pinball and/or video machines.
Conditions: N/A

Zoning Specifications

Existing Zone: GU-1 (100%)
Flood Zone: X (100%)

Minimum Lot Size: 40,000
Front Yard Req: 0
Side Yard Req: 0
Rear Yard Req: 0
Floodplain Permit Required: No
FSNB Driveway Permit Required: No
Road Service Area Name: NONE
Parking Spaces Req: 0

The holder of this permit is the property owner or is authorized to act for the property owner and the info provided is true and complete.
The holder of this permit is required to comply with all other applicable laws, including city, borough, state and federal laws.
The holder of this permit shall submit current and accurate documents if the site plans or other application materials are changed subsequent to issuance of this permit.
This permit is appealable and the appeal must be submitted and perfected within 15 days of the date of the decision in accordance with FNSBC 18.104.090.
This permit is issued contingent upon the applicant obtaining the appropriate State of Alaska Commercial Marijuana Facility License.

Reasons: Marijuana cultivation facility, indoor small is a permitted use in the GU-1 zone
Permit Approval: Approved

Zoning Official: Singh, M
Date: 11/6/2018

LICENSE# 19473
Alaska Marijuana Control Board

Form MJ-09: Statement of Financial Interest

What is this form?

A statement of financial interest completed by each proposed licensee (as defined in 3 AAC 306.020(b)(2)) is required for all marijuana establishment license applications, per 3 AAC 306.020(b)(4). A person other than a licensee may not have direct or indirect financial interest (as defined in 3 AAC 306.015(e)(1)) in the business for which a marijuana establishment license is issued, per 3 AAC 306.015(a).

This form must be completed and submitted to AMCO's main office by each proposed licensee before any license application will be considered complete.

Section 1 – Establishment Information

Enter information for the business seeking to be licensed, as identified on the license application.

<table>
<thead>
<tr>
<th>Licensee:</th>
<th>Goldstream Grown, LLC</th>
<th>License Number:</th>
<th>19473</th>
</tr>
</thead>
<tbody>
<tr>
<td>License Type:</td>
<td>Limited Marijuana Cultivation Facility</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Doing Business As:</td>
<td>Goldstream Cannabis Annex</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Premises Address:</td>
<td>2922 Parks Hwy Studio 10</td>
<td></td>
<td></td>
</tr>
<tr>
<td>City:</td>
<td>Fairbanks</td>
<td>State:</td>
<td>AK</td>
</tr>
<tr>
<td></td>
<td></td>
<td>ZIP:</td>
<td>99709</td>
</tr>
</tbody>
</table>

Section 2 – Individual Information

Enter information for the individual licensee.

<table>
<thead>
<tr>
<th>Name:</th>
<th>Carolyn M Dobbs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Title:</td>
<td>Manager</td>
</tr>
<tr>
<td>SSN:</td>
<td></td>
</tr>
<tr>
<td>Date of Birth:</td>
<td></td>
</tr>
</tbody>
</table>
Alaska Marijuana Control Board

Form MJ-09: Statement of Financial Interest

Section 3 – Certifications

I certify that no person other than a proposed licensee listed on my marijuana establishment license application has a direct or indirect financial interest, as defined in 3 AAC 306.015(e)(1), in the business for which a marijuana establishment license is being applied for.

I further certify that any ownership change shall be reported to the board as required under 3 AAC 306.040.

I understand that my fingerprints will be used to check the criminal history records of the Federal Bureau of Investigation (FBI), and that I have the opportunity to complete or challenge the accuracy of the information contained in the FBI identification record.

The procedures for obtaining a change, correction, or updating an FBI identification record are set forth in Title 28, CFR, 16.34.

I declare under penalty of unsworn falsification that this form, including all accompanying schedules and statements, is true, correct, and complete.

[Signature]
Signature of licensee

[State of Alaska]
Notary Public in and for the State of Alaska

R. Beal
My Commission Expires August 24, 2020

[Signature]
Printed name of licensee

[Signature]
Notary Public in and for the State of Alaska

My commission expires: Aug 24 2020

Subscribed and sworn to before me this 14 day of November 2018.
<table>
<thead>
<tr>
<th>Licensee #1</th>
<th>Entity Official #1</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Type:</strong> Entity</td>
<td><strong>Type:</strong> Individual</td>
</tr>
<tr>
<td><strong>Alaska Entity Number:</strong> 10081414</td>
<td><strong>Name:</strong> Carolyn Dobbs</td>
</tr>
<tr>
<td><strong>Alaska Entity Name:</strong> Goldstream Grown, LLC</td>
<td><strong>Phone Number:</strong> 907-460-4619</td>
</tr>
<tr>
<td><strong>Phone Number:</strong> 907-460-4619</td>
<td><strong>Email Address:</strong> <a href="mailto:gvpf907@gmail.com">gvpf907@gmail.com</a></td>
</tr>
</tbody>
</table>
| **Email Address:** gvpf907@gmail.com | **Mailing Address:** 3875 Geist Rd  
Ste E #272  
Fairbanks, AK 99709  
UNITED STATES |
| **Mailing Address:** 3875 Geist Rd  
Ste E #272  
Fairbanks, AK 99709  
UNITED STATES |  |

<table>
<thead>
<tr>
<th>Affiliate #1</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Type:</strong> Individual</td>
</tr>
<tr>
<td><strong>Name:</strong> Carolyn Dobbs</td>
</tr>
<tr>
<td><strong>Phone Number:</strong> 907-460-4619</td>
</tr>
<tr>
<td><strong>Email Address:</strong> <a href="mailto:gvpf907@gmail.com">gvpf907@gmail.com</a></td>
</tr>
</tbody>
</table>
| **Mailing Address:** 3875 Geist Rd  
Ste E #272  
Fairbanks, AK 99709  
UNITED STATES |
AMENDMENT TO REAL ESTATE LEASE

THIS AMENDMENT is entered into between Landlord and Tenant effective as of the ___ day of March 26, 2019 under that certain Real Estate Lease originally dated Oct 2017, related to the property commonly known as 2922 Parks Highway Studio 10, Fairbanks, AK 99709.

NOW, THEREFORE, FOR GOOD AND VALUABLE CONSIDERATION, RECEIPT OF WHICH IS ACKNOWLEDGED BY BOTH LANDLORD AND TENANT, THE PARTIES HEREBY AGREE THAT THE LEASE IS AMENDED AS FOLLOWS.

1. USE of Premises: Landlord is aware and agrees to the commercial cultivation of marijuana and the use of the property as a state licensed marijuana establishment.

2. Default: Landlord shall not take into its possession any marijuana or marijuana product and shall contact the State of Alaska AMCO prior to any access to the licensed premises if Tenant cannot be reached, abandons the property, or similar event.

Except to the extent that the terms and conditions of this Lease Amendment are to the contrary, all other terms and conditions of the original Lease Agreement and any amendments thereto remain in full force and effect.

DATED effective as of the year and date above set forth.

LANDLORD:

By: [Signature]

TENANT: Goldstream Grown. LLC

By: [Signature]
Carolyn Dobbs, Member
the ANNEX LEASE

This LEASE AGREEMENT made between Goldstream Grow, LLC (Tenant) and Nancy Burnham (Landlord), entered into on Oct 4, 2018 (Date).

1. ADDRESS: Tenant agrees to lease the space known as Studio 10 located at 2922 Parks Highway, Fairbanks, AK.

2. TERM of Lease is for a period of __12__ days /weeks /months. Rent is due the first day of rental period (for daily or weekly rental) or the first day of the month.

3. RENT: $650.00 /month

4. SECURITY AND KEY DEPOSIT: $NA

5. USE OF PROPERTY: Limited Cultivation

6. REPAIRS AND MAINTENANCE: Tenant will keep the premises in a clean and safe condition. The landlord will keep the structure, heating and electrical systems in good repair. The landlord may enter the premises for inspection and repair at any time with reasonable notice to tenant and without notice in cases of emergency or probable cause to avoid property damages.

7. DAMAGE: The unit is in excellent condition as of the inception of this lease. Any change in this condition, unless agreed to by the Landlord, will be considered damage with replacement or repair the responsibility of the Tenant.

8. ALTERATIONS AND ADDITIONS: Any construction fastened in any way within a unit shall require approval in advance by the Landlord.

9. JANITORIAL: Tenants are responsible for keeping the public toilet and common washbasin in hallway clean. The Landlord will provide all cleaning and paper products. The Landlord will be responsible for trash removal. TENANTS WILL USE RED TRASH CONTAINER for disposal of toxic /flammable products (ie.solvents).

10. Tenant shall not perform any act or practices which may create a hazard for the occupants or building or be a nuisance (odors/noises) to others occupying the building. Tenants shall not use the premises for any business or purpose that is unlawful or in violation or any laws. This is not a residential space.

11. Signage will be limited to tenant's window or with prior agreement of the Landlord.
12. The Tenant waives all claims against the landlord for damages to goods or for injuries to persons on or about the demised premises from any cause arising at any time.

13. The tenant will indemnify and hold harmless landlord on account of damage or injury to any person or to the goods of any person, arising from the use of the demised premises by tenant or arising from failure of tenant to keep the demised premises in good condition as provided in this agreement.

14. The landlord shall not be liable to tenant for damage by or from any act or negligence of adjoining or contiguous property.

15. To implement the provisions of this section the tenant shall maintain a liability policy in an amount of N/A per person or per incident, with landlord being named as an additional insured under said policy within 30 days of the execution of this document.

16. DEFAULT: Failure to observe, keep and perform any of the terms of this lease.

17. REMEDIES: In the event of default, landlords Nancy or Don may serve written notice that she/he elects to terminate this lease in ten days unless such default has been cured.

Owner's signature: ____________________________  Tenant's signature: ____________________________

Tenant's address: ____________________________

Carolyn Dobbs - Goldstream Brown, LLC
3875 Geist Rd Ste E #272
Ft. Bragg, AK 97709
(907) 460 4619  gvpf9072@gmail.com

Please make checks out to: the ANNEX.

Po Box 95
Ester, AK 99725

Please mail checks to above address
AFFP
AMCO License #19473 Transfer

Affidavit of Publication

UNITED STATES OF AMERICA
STATE OF ALASKA
FOURTH DISTRICT

} SS.

Before me, the undersigned, a notary public, this day personally appeared Jackeline Parham, who, being first duly sworn, according to law, says that he/she is an Advertising Clerk of the Fairbanks Daily News-Miner, a newspaper (i) published in newspaper format, (ii) distributed daily more than 50 weeks per year, (iii) with a total circulation of more than 500 and more than 10% of the population of the Fourth Judicial District, (iv) holding a second class mailing permit from the United States Postal Service, (v) not published primarily to distribute advertising, and (vi) not intended for a particular professional or occupational group. The advertisement which is attached is a true copy of the advertisement published in said paper on the following day(s):

October 14, 2018, October 21, 2018, October 28, 2018

and that the rate charged thereon is not excess of the rate charged private individuals, with the usual discounts.

Advertising Clerk

Subscribed to and sworn to me this 28th day of October 2018.

Marena Burnell, Notary Public in and for the State Alaska.

My commission expires: December 07, 2021

00010221 00047694

Carolyn Dobbs
GOLDSTREAM GROWN
2922 PARKS HWY STUDIO 10
FAIRBANKS, AK 99709

47694
Goldstream Grown, LLC is applying under 3 AAC 306.400(a)(29) for a new Limited Marijuana Cultivation Facility license, license #19473, d.b.a. GOLDSTREAM CANNABIS ANNEX, located at 2922 Parks Hwy Studio 10, Fairbanks, AK, 99709, UNITED STATES.

Interested persons may object to the application by submitting a written statement of reasons for the objection to their local government, the applicant, and the Alcohol & Marijuana Control Office (AMCO) not later than 30 days after the director has determined the application to be complete and has given written notice to the local government. Once an application is determined to be complete, the objection deadline and a copy of the application will be posted on AMCO’s website at https://www.commerce.alaska.gov/web/amco. Objections should be sent to AMCO at marijuana.licensing @alaska.gov or to 550 W 7th Ave, Suite 1600, Anchorage, AK 99501.

Publish: 10-14, 10-21, & 10-28-2018
Fairbanks North Star Borough  
Department of Community Planning  
P.O. Box 71267  
Fairbanks, Alaska 99707-1267  
Zoning Permit Number: 18189

General Information

Date: 11/6/2018  
Applicant: DOBBS CAROLYN  
Business Name: GOLDSTREAM CANNABIS ANNEX

Mailing Address: 3875 GEIST RD STE E # 272, FAIRBANKS AK 99709  
Property Owner: CAMERON DONALD BRUCE  
Property Description: 0469909 LOT 2B GOLD CHANNEL  
Site Address: 2922 PARKS HWY

Existing Use: Commercial  
Structure: Distillery, Art Gallery and Virtual Reality Gaming

Proposed Use: Commercial  
Structure: Marijuana cultivation facility, indoor small: 480 sq. ft.

Dwelling Units: 0  
New: N/A  
Existing: N/A  
Building Type: Principal

Building Height: 27'4" (feet)  
Stories: 2

Total Area of Structure: 480 SF  
New: 0 SF  
Existing: 480 SF  
Lot Size: 2.52 AC

Notes: Arctic Sun Virtual Reality does not meet the Title 18 definition of "Arcade" because it does not contain a minimum of 10 pinball and/or video machines.

Conditions: N/A

Zoning Specifications

Existing Zone: GU-1 (100%)  
Flood Zone: X (100%)

Minimum Lot Size: 40,000  
Floodplain Permit Required: No

Front Yard Req: 0  
FNSB Driveway Permit Required: No

Side Yard Req: 0  
Road Service Area Name: NONE

Rear Yard Req: 0  
Parking Spaces Req: 0

The holder of this permit is the property owner or is authorized to act for the property owner and the info provided is true and complete.

The holder of this permit is required to comply with all other applicable laws, including city, borough, state and federal laws.

The holder of this permit shall submit current and accurate documents if the site plans or other application materials are changed subsequent to issuance of this permit.

This permit is appealable and the appeal must be submitted and perfected within 15 days of the date of the decision in accordance with FNSBC 18.104.090.

This permit is issued contingent upon the applicant obtaining the appropriate State of Alaska Commercial Marijuana Facility License.

Reasons: Marijuana cultivation facility, indoor small is a permitted use in the GU-1 zone

Permit Approval: Approved  
Signed:  
Zoning Official: Singh, M

Date: 11/6/2018

116
Goldstream Cannabis Annex Floor Plan

Section of building proposed to be used for limited cultivation facility is outlined in red.

Total area = 4800 sq. ft.

Section of building proposed to be used for limited cultivation facility is outlined in red.

Separation from other units in building are 1 hour fire walls and ceilings. Doors and frame assemblies are 45 minute fire rated at closers.
MEMORANDUM

To: Fairbanks North Star Borough Assembly
From: Bryce Ward, Mayor
Date: April 11, 2019
Subject: Ordinance No. 2019-19
IGU Line of Credit

Attached is an ordinance that alters the terms of the FNSB’s line of credit to the Interior Gas Utility (IGU). Ordinance 2014-18 authorized a line of credit to the IGU of up to $7.5 million in order to cover short-term cash needs as IGU worked through the implementation of the natural gas distribution system.

IGU recently requested a draw on the $7.5 million line of credit – however, conditions relating to terms of the 2014 line of credit authorization have changed. This ordinance, if adopted by the Assembly, will amend the line of credit authorization terms in Ordinance 2014-18.

Of note, the $7.5 million line of credit funds were set aside by the assembly - utilization of the IGU line of credit will not impact the unassigned fund balance.

I urge your support adoption of this ordinance.

Attachment: Ordinance
FAIRBANKS NORTH STAR BOROUGH

ORDINANCE NO. 2019-19

AN ORDINANCE AMENDING ORDINANCE NO. 2014-18 TO ALTER THE TERMS OF THE AUTHORIZATION FOR THE LINE OF CREDIT TO THE INTERIOR ALASKA NATURAL GAS UTILITY AND ACKNOWLEDGE CHANGED CONDITIONS

WHEREAS, The Interior Alaska Natural Gas Utility (IGU) was created in 2012 by the Fairbanks North Star Borough (Borough) as a wholly-owned entity of the Borough but with a legal existence independent of and separate from the Borough; and

WHEREAS, Ordinance No. 2014-18 authorized a line of credit of up to $7.5 million to IGU from the Borough’s general fund for capitalization needs of IGU, subject to certain repayment terms including interest; and

WHEREAS, Conditions have significantly changed since the authorization of the line of credit, including that IGU has purchased Pentex and its subsidiary, Fairbanks Natural Gas, and entered into a Financing Agreement (FA) with the Alaska Industrial Development and Export Authority (AIDEA), thereby forming a single integrated natural gas utility within the Borough; and

WHEREAS, Work is underway to expand liquefied natural gas (LNG) storage capacity, thereby allowing IGU to ensure uninterrupted service to additional customers and expand its service to new customers; and

WHEREAS, The Environmental Protection Agency reclassified the Borough PM 2.5 Nonattainment Area from moderate to serious with an effective date of June 9,

AMENDMENTS ARE SHOWN IN LEGISLATIVE FORMAT
Text to be added is underlined
Text to be deleted is [BRACKETED, CAPITALIZED]
2017; the Borough Nonattainment Area, which includes all portions of IGU’s service
territory, does not meet federal health-based air quality standards for PM 2.5, which is
found in wood smoke and fuel oil emissions; and

WHEREAS, The expansion of natural gas usage for space heating is
predicted to reduce reliance on the use of wood and oil, thereby reducing the amount
of PM 2.5 generated during the winter season; and

WHEREAS, The Assembly desires to support IGU in obtaining conversions
to natural gas in as timely a manner as possible, and recognizes that the completion of
two LNG storage projects located in Fairbanks and North Pole, the completion of the
Front-End Engineering and Design for LNG production facilities located in Port
McKenzie, and the installation of service lines to new customers in Fairbanks and North
Pole will assist in expanding IGU’s ability to add customers in existing piped areas; and

WHEREAS, IGU has requested draws on the line of credit in the total
amount of $7,500,000 and proposes to repay this amount from the proceeds of revenue
bonds; and

WHEREAS, The FA between IGU and AIDEA provides for the issuance of
revenue bonds as part of its integrated utility financing plan; AIDEA’s issuance of
revenue bonds is subject to terms and conditions in the FA, including that IGU must
establish itself as an investment-grade municipal utility prior to the issuance of the
revenue bonds, which has not yet occurred; and

WHEREAS, In approving this ordinance, the Assembly recognizes that
there is a risk of non-repayment if IGU is unable to meet the requirements for AIDEA to
issue revenue bonds on its behalf; this risk is greater than the risk of non-repayment

AMENDMENTS ARE SHOWN IN LEGISLATIVE FORMAT
Text to be added is underlined
Text to be deleted is [BRACKETED, CAPITALIZED]
that was acknowledged when the line of credit in Ordinance No. 2014-18 was authorized; and

WHEREAS, If AIDEA does not issue revenue bonds so that IGU can finance its capital program, IGU may have difficulty meeting the terms of the line of credit agreement; and

WHEREAS, As the Assembly acknowledged in Resolution No. 2019-05 and Resolution No. 2019-11, Governor Dunleavy’s proposed budget and associated proposed legislation creates fiscal uncertainty, and this combined with a draw of $7,500,000 on the general fund may create “negative impacts to borough operations”; and

WHEREAS, It is the intent of the Assembly that the passage of this ordinance does not create any future liability beyond the scope of this amended line of credit authorization and the Assembly expressly is not authorizing any debt or liability of IGU.

NOW, THEREFORE, BE IT ORDAINED by the Assembly of the Fairbanks North Star Borough:

Section 1. This ordinance is not of a general and permanent nature and shall not be codified.

Section 2. Amendment to Ordinance 2014-18. Ordinance No. 2014-18 is hereby amended by adding a new section as follows:

Notwithstanding other sections in this ordinance and recognizing the risk of non-repayment if revenue bonds are not issued by AIDEA, the Chief Financial Officer of the Borough, with the concurrence of the Borough Mayor, is authorized to:

AMENDMENTS ARE SHOWN IN LEGISLATIVE FORMAT
Text to be added is underlined
Text to be deleted is [BRACKETED, CAPITALIZED]
A. Approve financing from the line of credit as bridge financing to be used to fund the completion of two liquefied natural gas storage projects located in Fairbanks and North Pole, the completion of the Front-End Engineering and Design for LNG production facilities located in Port McKenzie, and the installation of service lines to new customers in Fairbanks and North Pole;

B. Determine that a proposed repayment plan from proceeds of revenue bonds intended to be issued in the future is an acceptable method of repayment for the purposes set forth in subsection A; and

C. Extend the repayment of withdrawals and accrued interest beyond three (3) years following the date of withdrawal or June 30, 2024 if revenue bonds have not been issued by that date and doing so is necessary to ensure the Borough will be repaid from revenue bonds or other sources.

Section 3. Contingency. The amendment authorized herein is contingent upon (1) execution of an amendment to the Line of Credit Agreement approved by the IGU Board of Directors and (2) AIDEA's approval for IGU to use the proceeds of future revenue bonds to repay the authorized letter of credit withdrawals.

Section 4. Effective Date. This ordinance is effective at 5:00 p.m. on the first Borough business day following its adoption.

PASSED AND APPROVED THIS _____ DAY OF ___________, 2019.

Matt Cooper
Presiding Officer
ATTEST:

April Trickey, CMC
Borough Clerk

APPROVED:

Jill S. Dolan
Borough Attorney
LINE OF CREDIT AGREEMENT
BETWEEN THE FAIRBANKS NORTH STAR BOROUGH
AND THE INTERIOR GAS UTILITY

Agreement Overview
This Line of Credit Agreement (the "Agreement") is executed by and between the Fairbanks North Star Borough ("Lender"/"Borough") and the Interior Gas Utility ("Borrower"/"IGU"). Lender agrees to lend to Borrower for the purpose of developing, constructing and operating a gas distribution utility within the Fairbanks North Star Borough. The maximum outstanding balance due at any time under this loan shall not exceed seven million five hundred thousand dollars ($7,500,000.00). The proceeds of loan withdrawals may be used to pay for short-term operations, capital expenses, or to provide capital with which IGU can provide security for committing to, or make payments on, a take-or-pay agreement for LNG. This loan will be structured as a letter of credit (LOC) upon which the Borrower can withdraw funds subsequent to an application from the Borrower and approval by the Lender. Terms and conditions applicable to withdrawals from the LOC were established by FNSB Ordinance No. 2014-18. This agreement is intended to incorporate the terms and conditions of FNSB Ordinance No. 2014-18 and add additional, consistent terms.

Specific Terms and Conditions
A. Line of Credit Amount: The line of credit shall not exceed $7,500,000. The amounts made available to IGU will be determined by the Chief Financial Officer based on his/her judgment of the availability of funds in the General Fund — Operating without jeopardy or harm to the Borough, the status and timing of the Superior Court of Alaska's release of the Borough's funds from the Court's account for the 2006 TAPS valuation, and any other directly relevant considerations. Such amounts may be increased up to the maximum amount as circumstances change and uncertainties diminish. This line of credit is revolving in nature until its expiration. Once authorized, funds will be available for use based on the terms of the line of credit agreement for the full period of that authorization.

B. Financing Authorizations: The Borough processes payments every Thursday (except during Thanksgiving and Christmas weeks) for distribution each Friday after 3:00 p.m. Financing requests by IGU must be made ten (10) business days in advance of when the funds are needed, must state a specific amount, must be within the line of credit limit, and must include a description of the method of repayment and the desired repayment schedule for that amount, with a final due date not to exceed three (3) years from the date of payment. The Chief Financial Officer of the Borough, with the approval of the Mayor, may limit, delay, or deny financing from the line of credit if the authorization of such funds has the potential to negatively impact Borough operations based on the considerations listed in A., above. Any such limitation, delay, or denial will be explained, in writing, to the representative named at the address in the General Provisions section below.
In accordance with Ordinance No. 2014-18, the Borough will make no payment to IGU until the following two conditions are met: 1) IGU must provide the Borough with evidence of the Alaska Industrial Development and Export Authority’s (AIDEA) participation in IGU’s activities with at least $7.5 million in funding; and 2) IGU must provide the Borough with evidence of AIDEA’s approval for IGU to use AIDEA funding to repay letter of credit withdrawals and accrued interest for allowable project expenses.

C. Interest: Interest shall accrue on the unpaid principal amounts from the date each withdrawal from the LOC was actually paid to IGU, using a 365-day year and the actual number of days outstanding. The interest rate shall be the federal funds rate on the date of the payment to IGU, adjusted annually on January 1 to the annual rate for the preceding year.

D. Repayment: Each withdrawal amount, along with its accrued interest, shall be repaid within three (3) years following the date the withdrawal was actually paid to IGU. Payments shall be applied first to accrued unpaid interest, if any, and then to principal. The specifics of the repayment schedule shall be determined by the Chief Financial Officer of the Borough and approved by the Mayor, with consideration given to the IGU’s desired schedule. However, payment of unpaid balances may be accelerated without penalty.

E. Pledge of IGU Resources: Timely repayment of the line of credit withdrawals and payment of accrued interest, in accordance with the line of credit agreement, shall have precedence over all other unsecured debt of IGU. IGU pledges, for as long as there are outstanding amounts owed under the line of credit agreement, that it will make provision for the payment of the principal and interest in its annual budget as the same shall become due. IGU will seek approval to use anticipated State grants and long-term loans to repay the Borough and such grant and loan proceeds shall be used to pay the principal of, and interest on, the line of credit withdrawals if receipts from gas sales are not sufficient to make the required payments.

F. Assignment Prohibition. The line of credit may not be assigned by IGU.

G. Expiration of the Line of Credit: No withdrawal requests may be made by IGU after June 30, 2021. All repayments of withdrawals and accrued interest shall be made by June 30, 2024. The Borough may cancel all or any part of the unauthorized amounts remaining in the line of credit if the financial position of IGU has, in the opinion of the Borough, suffered a materially adverse change or if continuation impairs the Borough’s ability to meet its financial, legal, or fiduciary obligations.

General Provisions
A. Any notice, demand, request, consent, or approval that either party desires or is required to give the other party pursuant to this Agreement shall be in writing and either served personally or sent by the other party to the designated person at the address stated below:
Borough Representative: Debra L. R. Brady, Chief Financial Officer
Fairbanks North Star Borough
809 Pioneer Road
PO Box 71267
Fairbanks, AK 99707

IGU Representative: Steve Haagenson, General Manager
Interior Gas Utility
PO Box 70200
Fairbanks, AK 99707

B. In the event of a default hereunder and the necessity of litigation to enforce any
provision of this Agreement, the nonprevailing party in any litigation shall pay, in addition to any
other damages awarded to the prevailing party, the prevailing party's reasonable actual
attorney's fees.

C. In the event of default, the entire unpaid principal and accrued interest shall be
immediately due and payable.

D. This agreement constitutes the full Agreement by and between the parties and no other
representations have been made regarding the contents of this agreement.

E. This agreement shall not be amended, modified, or altered in any respect unless such
amendment, modification or alteration has been reduced to writing and executed by the
parties.

FOR THE INTERIOR GAS UTILITY:

Steve Haagenson, General Manager
Date: May 14, 2014

FOR THE FAIRBANKS NORTH STAR BOROUGH:

Luke Hopkins, Borough Mayor
Date: 5/15/14

APPROVED:

Cynthia M. Kolepski
Borough Attorney
Date: 5-15-14

ATTEST:

Nanci Gaudet Brigham
Borough Clerk
Date: 5-15-14

Interior Gas Utility Line of Credit with Fairbanks North Star Borough
Sent To:
Steve Haagenson, General Mgr.
Interior Gas Utility
PO Box 70200
Fairbanks, AK 99707

Fairbanks North Star Borough
PO Box 71267
Fairbanks, AK 99707

(907) 451-1000
March 5, 2019

Mayor Bryce Ward
Fairbanks North Star Borough
809 Pioneer Road
Fairbanks, Alaska 99701

Dear Mayor Ward,

Pursuant to the letter of credit agreement (LOC) between the Interior Alaska Natural Gas Utility (IGU) and the Fairbanks North Star Borough (FNSB), IGU requests a LOC withdrawal of $7,500,000. The specifics of the withdrawal, as required by the LOC Agreement, are as follows:

1. Funds Requested: $7,500,000
2. Distribution Dates:
   - 10/1/2019 ($2,000,000)
   - 11/1/2019 ($3,500,000)
   - 12/1/2019 ($2,000,000)
3. LOC Amount Available: $7,500,000
4. Desired Repayment Schedule: Single Payment on 6/30/21
5. Method of Repayment: Single payment from proceeds of Revenue Bond issuance
6. Purpose of Loan: Bridge financing will be used for the completion of two liquefied natural gas (LNG) storage projects located in Fairbanks and North Pole, the completion of the Front-End Engineering and Design for LNG production facilities to be located in Pt McKenzie and installation of service lines to new customers in Fairbanks and North Pole.

IGU has selected a repayment date of 6/30/2021 to ensure there will be sufficient time for placement of long-term bond financing. Evidence of financing in an amount exceeding $7,500,000 is contained in the attached Financing Agreement (FA) between IGU and Alaska Industrial Development and Export Authority at Section 6.1.1. We have a request pending with AIDEA for approval to enter into indebtedness of $15,000,000 in accordance with Section 8.1.3 of the FA. In addition to this LOC we are in discussion with local banking institutions to acquire an additional $7,500,000 in bridge financing.

Thank you,

Daniel W. Britton
General Manager
Interior Alaska Natural Gas Utility

Cc:
Ms. Debbie Brady, CFO, FNSB
Ordinance No. 2019-19

FAIRBANKS NORTH STAR BOROUGH

ORDINANCE NO. 2014-18

AN ORDINANCE AUTHORIZING A LINE OF CREDIT OF UP TO $7.5 MILLION TO THE INTERIOR ALASKA NATURAL GAS UTILITY FROM THE GENERAL FUND

WHEREAS, in Ordinance No. 2012-52, the Interior Alaska Natural Gas Utility (IGU) was created by the Fairbanks North Star Borough (Borough) as a wholly-owned entity of the Borough effective November 15, 2012 and IGU is a discretely-presented component unit of the Borough for purposes of financial reporting in accordance with generally accepted accounting principles; and

WHEREAS, in April 2013, IGU applied for a certificate of public convenience and necessity to distribute natural gas to the North Pole and medium-density population areas of the Borough; and

WHEREAS, on December 20, 2013, the Regulatory Commission of Alaska granted IGU’s application for a new certificate of public convenience and necessity to distribute natural gas to the North Pole and medium-density population areas of the Borough, with the condition that IGU maintain a minimum five-day liquefied natural gas storage reserve in Fairbanks based on the projected daily demand of non-interruptible customers; and

WHEREAS, on January 14, 2014, the Alaska Industrial Development and Export Authority (AIDEA) Board of Directors (Board) selected a group headed by MWH Americas, Inc. (MWH) as the commercial participant to develop a North Slope liquefaction plant to produce liquefied natural gas (LNG) for delivery to the Fairbanks North Star Borough via trucking, with partial public financing made possible by Senate Bill 23 of the 2013 Alaska State Legislature; and

WHEREAS, in the report on its commercial participant selection, the AIDEA Board stated that in order for the LNG plant to be financially viable, the core space-heating demand market must be developed and market viability of the plant is markedly improved by securing other utility and industrial customers before construction, including the ability of
the commercial participant (MWH) to secure long-term LNG take-or-pay sales agreements
with Fairbanks Natural Gas (FNG), IGU, and Golden Valley Electric Association (GVEA);
and

WHEREAS, near-term capitalization requirements to be met by the Borough
range from $3.0 million to $7.5 million, but it is anticipated that IGU will not require all of
these funds in a lump sum in advance, but rather over a period of time as needs arise; and

WHEREAS, the citizens of the Borough pay some of the highest utility costs
in the nation; and

WHEREAS, current modeling predicts air quality in the Borough’s non-
attainment area can reach the U.S. Environmental Protection Agency’s (EPA) 24-hour
PM2.5 standard between now and 2019 (presuming EPA grants deadline extensions) with
the expansion of natural gas usage for space heating into the North Pole and medium-
density population areas of the Borough; and

WHEREAS, it is in the best interest of the citizens of the Fairbanks North Star
Borough for the Borough government to financially assist its wholly-owned entity, IGU, in
carrying out its purpose of facilitating and providing affordable natural and/or manufactured
gas to the largest number of people in the Borough in the shortest amount of time; and

WHEREAS, at June 30, 2013, the audited, unassigned fund balance of the
Borough’s General Fund - Operating was $21,874,921; after Assembly appropriations since
July 1 and with the anticipated receipt resulting from the recent Supreme Court ruling on
the 2006 TAPS valuation, the estimated balance will be $26,500,000; unassigned fund
balance is used for cash flow requirements and can be reduced by future Assembly
actions; and

WHEREAS, the Borough has the financial capacity to establish a line of credit
to IGU to supply a portion of IGU’s capitalization needs, subject to certain conditions; and

WHEREAS, while funds are loaned to IGU, the Borough will be unable to
invest those funds in interest-bearing accounts or instruments until the loaned funds are
repaid; hence, IGU should pay the Borough a rate of interest approximately equivalent to
what the Borough will forego, which will vary in response to market conditions over the
period of the line of credit agreement; and

WHEREAS, the federal funds rate is a readily available and publically
disseminated interest rate that is approximately equivalent to the rate of interest the
Borough would forego; and

WHEREAS, in approving this ordinance the Assembly recognizes that, even
with protections in place, risk of non-repayment exists with any loan; and
WHEREAS, it is the intent of the Assembly that the passage of this ordinance does not create any future liability beyond the scope of this line of credit authorization.

NOW, THEREFORE, BE IT ORDAINED by the Assembly of the Fairbanks North Star Borough:

Section 1. Classification. This ordinance is not of a general and permanent nature and shall not be codified.

Section 2. Authorization and Purpose of the Intra-Entity Line of Credit. The Mayor is authorized to enter into a loan agreement with IGU, subject to the purpose, terms and conditions imposed by this ordinance. The proceeds of the loan may be used to pay for short-term operations, capital expenses, or to provide capital with which IGU can provide security for committing to, or make payments on, a take-or-pay agreement for LNG.

Section 3. Terms and Conditions of the Intra-Entity Line of Credit Agreement. The following shall be the minimum terms and conditions of the intra-entity line of credit.

A. Line of Credit Amount: The line of credit shall not exceed $7,500,000. The amounts made available to IGU will be determined by the Chief Financial Officer based on his/her judgment of the availability of funds in the General Fund – Operating without jeopardy or harm to the Borough, the status and timing of the Superior Court of Alaska’s release of the Borough’s funds from the Court’s account for the 2006 TAPS valuation, and any other directly relevant considerations. Such amounts may be increased up to the maximum amount as circumstances change and uncertainties diminish. This line of credit is revolving in nature until its expiration. Once authorized, funds will be available for use based on the terms of the line of credit agreement for the full period of that authorization.

B. Financing Authorizations: Financing requests by IGU must state a specific amount, must be within the line of credit limit, and must include a description of the method of repayment. The Chief Financial Officer of the Borough, with the approval of the Mayor, may limit, delay, or deny financing from the line of credit if the authorization of such funds has the potential to negatively impact Borough operations based on the considerations listed in A., above. The Chief Financial Officer shall notify the assembly of all approved authorizations of funds.

C. Interest: Interest shall accrue on the unpaid principal amounts from the date each withdrawal was actually paid to IGU, using a 365-day year and the actual number of days outstanding. The interest rate shall be the federal funds rate on the date of the withdrawal, adjusted annually on January 1 to the annual rate for the preceding year.

D. Repayment: Each withdrawal amount, along with its accrued interest, shall be repaid within three (3) years following the date the withdrawal was actually paid to IGU. Payments shall be applied first to accrued unpaid interest, if any, and then to principal. The specifics of the repayment schedule shall be determined by the Chief Financial Officer of the Borough and approved by the Mayor. However, payment of unpaid balances may be accelerated without penalty.

E. Pledge of IGU Resources: Timely repayment of the line of credit withdrawals and payment of accrued interest, in accordance with the line of credit agreement, shall have precedence over all other unsecured debt of IGU. IGU pledges, for as long as there
are outstanding amounts owed under the line of credit agreement, that it will make
provision for the payment of the principal and interest in its annual budget as the same
shall become due. IGU will seek approval to use anticipated State grants and long-term
loans to repay the Borough and such grant and loan proceeds shall be used to pay the
principal of, and interest on, the line of credit withdrawals if receipts from gas sales are not
sufficient to make the required payments.
F. Assignment Prohibition. The line of credit may not be assigned by IGU
without the written consent of the Mayor.
G. Expiration of the Line of Credit: No withdrawal requests may be made by IGU
after June 30, 2021. All repayments of withdrawals and accrued interest shall be made by
June 30, 2024. The Borough may cancel all or any part of the unauthorized amounts
remaining in the line of credit if the financial position of IGU has, in the opinion of the
Borough, suffered a materially adverse change or if continuation impairs the Borough’s
ability to meet its financial, legal, or fiduciary obligations.

Section 4. General Fund Authorization. Up to $7,500,000 of equity in central
treasury cash of the Borough General Fund – Operating is authorized to be loaned to IGU,
subject to the purpose, terms and conditions described in Sections 2 and 3 above and
more fully described in the line of credit agreement. No appropriation is made for this
balance-sheet only transaction. Equity in central treasury cash shall be reduced for each
line of credit withdrawal and a receivable from IGU shall be recognized for a like amount.

Section 5. Classification for Constraints of Fund Balance in the General Fund
– Operating. In accordance with generally accepted accounting principles:
A. “Committed Fund Balance – IGU Line of Credit” will be recorded in the
amount of $7,500,000 and “Committed Fund Balance – Pipeline Valuation Deposit” shall be
reduced by a like amount.
B. For each outstanding IGU withdrawal under the line of credit agreement:
1. a corresponding amount shall be recorded as “Committed Fund
Balance – Intra-Entity Loan Receivable” and
2. “Committed Fund Balance – IGU Line of Credit” shall be reduced by a
like amount.

Section 6. Contingencies. This ordinance is contingent on the following:
A. Participation of AIDEA in IGU’s activities with at least $7.5 million in funding;
B. AIDEA’s approval for IGU to use its funding to repay letter of credit
withdrawals and accrued interest for allowable project expenses; and
C. Execution of a line of credit agreement between the Borough and IGU.

Section 7. Expiration of General Fund Authorization. The authorization in
Section 4 shall expire no later than June 30, 2021.

Section 8. Effective Date. This ordinance is effective at 5:00 p.m. on the first
Borough business day following its adoption.
PASSED AND APPROVED THIS 27th DAY OF MARCH, 2014.

Karl Kassel
Presiding Officer

ATTEST:

Nanci Ashford-Bingham
Borough Clerk

Ayes: Golub, Sattley, Lawrence, Hutchison, Dodge, Davies, Kassel
Noes: Roberts
Excused: Dukes
FINANCING AGREEMENT

between the

ALASKA INDUSTRIAL DEVELOPMENT AND EXPORT AUTHORITY

as Lender

and the

INTERIOR ALASKA NATURAL GAS UTILITY

a/k/a INTERIOR GAS UTILITY

as Borrower

December 13, 2017
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FINANCING AGREEMENT

THIS FINANCING AGREEMENT, dated as of December 13, 2017, is entered into by and between the ALASKA INDUSTRIAL DEVELOPMENT AND EXPORT AUTHORITY, a public corporation of the State of Alaska with a primary place of business in Anchorage, Alaska, and the INTERIOR ALASKA NATURAL GAS UTILITY, which is also known as the INTERIOR GAS UTILITY, a public corporation of the Fairbanks North Star Borough with a primary place of business in Fairbanks, Alaska.

RECsITALS

A. The Alaska State Legislature, in SB 23 authorized the Authority to provide financing for the development, construction, and installation of, and the start-up costs of operation and maintenance for, a liquefied natural gas production plant and system and affiliated infrastructure in the State of Alaska that will provide natural gas to Interior Alaska as a primary market and natural gas delivery and distribution systems and affiliated infrastructure that will provide natural gas to Interior Alaska.

B. The financing the Legislature authorized in SB 23 is to be provided partially through the Authority's sustainable energy transmission and supply development program and fund, established under AS 44.88.850 – 44 88.690.

C. IGU is a public corporation and an instrumentality of the Fairbanks North Star Borough that holds a certificate of public convenience and necessity from the Regulatory Commission of Alaska to operate as a public utility distributing natural gas in Fairbanks and North Pole, Alaska.

D. Pentex Alaska Natural Gas Company, LLC, is a Delaware limited liability company, which operates through its Subsidiaries including FNG, an Alaska limited
liability company that holds a certificate of public convenience and necessity from the Regulatory Commission of Alaska and distributes natural gas in Fairbanks, Alaska.

E. The Authority previously provided financing to FNG pursuant to a Loan Agreement, dated as of May 19, 2014.

F. The Authority previously provided financing to IGU pursuant to an Amended and Restated Loan Agreement, dated as of April 2, 2015.

G. AIDEA and IGU entered into a non-binding Utility Integration Memorandum of Understanding dated January 25, 2017 ("MOU"), wherein among other things the Parties set forth their mutual understandings with respect to the Authority's proposed sale of Pentex to IGU, the transfer of the North Slope Pad from the Authority to IGU, the Authority's financing of IGU, and the establishment of the process and timelines to accomplish the foregoing. This Financing Agreement arises out of the understandings as stated in the MOU.

H. Pursuant to the Purchase Agreement entered into contemporaneously with this Financing Agreement, the Authority is selling to IGU all of the Authority's right, title, and interest in and to the membership interests in Pentex.

I. The Purchase Agreement and this Financing Agreement are entered into with the ultimate intention of financing the purchase of Pentex by IGU, refinancing the FNG Loan and the IGU Loan, and furthering the establishment and financing of an integrated natural gas utility in the Fairbanks North Star Borough.

NOW, THEREFORE, for and in consideration of the promises and the mutual covenants hereinafter contained, the Parties hereto agree as follows:
1. DEFINITIONS. In this Financing Agreement, the following terms shall have the respective meanings set forth below:

1.1 “Appendices” means Appendix A, Appendix B, and Appendix C, attached hereto and incorporated herein by reference.

1.2 “Authority” means the Alaska Industrial Development and Export Authority, a public corporation of the State of Alaska, its agents, employees, successors, and assignees.

1.3 “Bond Credit Facility” means the anticipated Bond financing described in Section 6 of this Financing Agreement.

1.4 “Bond Issuance Deadline” means June 30, 2018, or, if the Alaska State Legislature extends the deadline for the Authority to issue Bonds under SB 23, the deadline as extended.

1.5 “Bonds” means the Authority’s conduit revenue bonds, secured by a capital reserve fund supported by the State of Alaska’s moral obligation, issued to make a loan or loans to IGU as authorized by, and subject to, SB 23.

1.6 “Closing” means the date on which advances on the Term Loan are available in accordance with the terms of this Financing Agreement, subject to the fulfillment of the conditions precedent to Closing contained in this Financing Agreement, the Closing will occur concurrently with the closing under the Purchase Agreement.

1.7 “Closing Costs” means all costs incurred by the Authority in order to close the Loan, including, without limitation, attorneys’ fees, title examination fees, title insurance premiums, appraisal fees, survey costs, and filing and recording fees incurred by the Authority, subject to the limitation set forth in Section 4.1.3A.
1.8 "Closing Date" means the date on which the Closing occurs.

1.9 "Code" means the Federal Internal Revenue Code of 1986, as amended, together with corresponding and applicable final, temporary, or proposed regulations and revenue rulings issued or amended with respect to the Code by the United States Treasury Department or the Internal Revenue Service, to the extent applicable to the Bonds.

1.10 "Collateral" is defined in Section 10

1.11 "Commercial Security Agreement" means a security agreement or agreements granting the Authority a security interest in the Collateral.

1.12 "CPCN" means a Certificate of Public Convenience and Necessity issued by the RCA.

1.13 "Debt Service" means the principal and interest payments required under the terms of the Loan, the Bonds, the Other Bonds, and any other long term financing of IGU.

1.14 "Default Interest Rate" means three percent (3%) per annum.

1.15 "Deferral Period" means the period of time commencing with the Closing Date and ending fifteen (15) years after the Closing Date.

1.16 "Demand Deferral Period" means the five (5) years of deferral described in Section 4.3.

1.17 "Effective Date" means the date upon which both Parties have signed this Financing Agreement and the Purchase Agreement, which signatures by both Parties must have been obtained on or before the close of business on December 13, 2017.
1.18 "Event of Default" means those events described in Section 11.1.

1.19 "Financing Agreement" means this agreement between the Authority and IGU.

1.20 "FNG" means Fairbanks Natural Gas, LLC, an Alaska limited liability company, which is one of the Pentex Subsidiaries.

1.21 "FNG Loan" means financing previously provided to FNG pursuant to a Loan Agreement, dated as of May 19, 2014.

1.22 "FNSB" means the Fairbanks North Star Borough.

1.23 "GAAP" means United States generally accepted accounting principles as established by the Government Accounting Standards Board (GASB), as in effect from time to time, consistently applied.

1.24 "IGU" means the Interior Alaska Natural Gas Utility, which is also known as the Interior Gas Utility, a public corporation and instrumentality of the Fairbanks North Star Borough. After Closing, "IGU" shall mean the Integrated Utility that encompasses Pentex and the Subsidiaries, as well as the pre-existing IGU. If, after the Closing, IGU obtains permission from the RCA to merge the two utilities of FNG and IGU under a single CPCN, "IGU" for purposes of this Financing Agreement shall include the merged utilities.

1.25 "IGU Loan" means financing previously provided to IGU by the Authority pursuant to an Amended and Restated Loan Agreement, dated as of April 2, 2015.

1.26 "Integrated Utility" means the combination, under IGU’s sole ownership, of FNG and IGU as the natural gas utilities serving Fairbanks and North Pole, Alaska, together with the LNG production, transportation, refueling, storage, and re-gasification
facilities now serving FNG and IGU or hereafter constructed to serve FNG and IGU; the
"Integrated Utility" encompasses Pentex and its Subsidiaries and all of their respective
assets, properties, facilities, and businesses.

1.27 "Integrated Utility Capital Program" means the utility system developed
for the Integrated Utility pursuant to the Appendices and as described in Sections 5.1
and 5.2.

1.28 "Integrated Utility Financing Plan" means the financing program
developed for the Integrated Utility pursuant to the Appendices and as described in
Section 5.3,

1.29 "Interest Rate" means the rate of interest per annum charged on the
Term Loan Note.

1.30 "Investment Grade" shall mean either a BBB- or higher rating by
Standard & Poor's Financial Services LLC, BBB- or higher rating by Fitch Ratings Inc.,
or a Baa3 or higher rating by Moody's Investor Services.

1.31 "LNG Storage Tax Credits" means the liquefied natural gas storage
facility tax credits established pursuant to AS 43.20.047.

1.32 "Loan" means the Term Loan from the Authority to IGU under the SETS
Credit Facility as described in this Financing Agreement and as evidenced by the Term
Loan Note.

1.33 "Loan Officer" means the person at the Authority designated to monitor
the Project and the use of the proceeds of the Loan.
1.34  "Maturity Date" means the date that is fifty (50) years after the Closing Date which is the date upon which the full amount of principal and interest owed on the Term Loan Note is fully due and payable.

1.35  "Net Operating Income" means net cash flows from operating activities as set out in the Statement of Cash Flows of the audited financial statements of IGU. Operating inflows shall exclude the proceeds of any debt issuance and operating outflows will exclude Debt Service payments. Net Operating Income will be calculated on a cash basis, not an accrual basis, and shall be as reflected on the annual audited financial statements of IGU.

1.36  "North Slope Pad" means: (a) the leasehold estate in ADL 419409, Right-Of-Way Lease for North Slope Natural Gas Pipeline and LNG Facility, by and between the State of Alaska, Department of Natural Resources, and the Authority, dated July 31, 2014; (b) the gravel pad and other improvements constructed on the leasehold estate; (c) the engineering reports, plans, and analyses that the Authority had prepared regarding the potential development of the gravel pad; and (d) the Authority’s interest in the Material Sale Contract, designated ADL 419981, by and between the State of Alaska, Department of Natural Resources, and the Authority, dated May 2, 2014. The leasehold estate concerns real property described on Exhibit B to ADL 419409, which real property is located in Section 3 of Township 10 North, Range 14 East, Umlat Meridian, Barrow Recording District, Second Judicial District, State of Alaska.
1.37 "Other Bonds" means any Investment Grade revenue bonds that may be issued by IGU or FNSB for IGU's benefit to finance the Integrated Utility Capital Program.

1.38 "Party" and "Parties" mean the signatories to this Financing Agreement.

1.39 "Payment Default" means failure to make any payment to the Authority on the Term Loan Note within thirty (30) days after the date the payment is due as provided in Section 11.1.1.

1.40 "Pentex" means the Pentex Alaska Natural Gas Company, LLC, a Delaware limited liability company.

1.41 "Permits" means all federal, state, and local permits required to own, construct, operate, and maintain the Project, but does not include IGU's or FNG's CPCN.

1.42 "Project" means all properties, facilities, and equipment of IGU's planned Integrated Utility for the production, transport, storage, re-gasification, and natural gas distribution in the FNSB, all of which shall constitute utility capital improvements and related development costs.

1.43 "Purchase Agreement" means the LLC Membership Purchase and Sale Agreement, executed contemporaneously with this Financing Agreement, between the Authority and IGU, providing, among other things, for the sale and purchase of the membership interests in Pentex.

1.44 "RCA" means the Regulatory Commission of Alaska.

1.45 "Related Documents" means the Term Loan Note, any Commercial Security Agreement, any assignment of contracts, licenses, and permits, and all other
contracts, escrow instructions, certificates, applications, affidavits, and other instruments that the Authority, IGU, Pentex, or the Subsidiaries are executing or have executed in connection with the transactions contemplated by this Financing Agreement, including the Purchase Agreement and all documents executed in connection with the Purchase Agreement.

1.46 “SB 23” means Chapter 26 of the 2013 Session Laws of Alaska (HCS CSSB 23 (FIN)), as it exists on the Effective Date.

1.47 “Scope of Work and Schedule of Advances” is as described on Exhibit C.

1.48 “SETS” means the Authority's sustainable energy transmission and supply development program and fund, as established under AS 44.88.650 – 44.88.690.

1.49 “SETS Credit Facility” means the Loan that the Authority is extending, or committing to extend, to IGU under SETS. The terms and conditions of the SETS Credit Facility are as set out in this Financing Agreement.

1.50 “Subsidiaries” means the subsidiary entities owned by Pentex, which are: (a) FNG; (b) Polar LNG, LLC, a Delaware limited liability company; (c) Arctic Energy Transportation, LLC, a Delaware limited liability company; (d) Titan Alaska LNG, LLC, a Delaware limited liability company; and (e) Cassini LNG Storage, LLC, a Delaware limited liability company.

1.51 “Term” means the term of this Financing Agreement, which shall be as long as the Term Loan Note or any Bond is outstanding.

1.52 “Term Loan” means the SETS Credit Facility as described in Section 4.
1.53 "Term Loan Note" means the promissory note evidencing the Term Loan in the form attached as Exhibit A.

1.54 "Transaction Costs" means those actual and reasonable costs and expenses incurred by the Authority as a result of the management, monitoring, and administration of the Bonds and the Loan. Transaction Costs during the first three (3) years after Closing (the construction period) are limited to One Hundred Thousand Dollars ($100,000) per year. During that time period, Transaction Costs will include construction oversight commonly performed by lending institutions, including the use of third-party contractors. Thereafter, Transaction Costs include actual and reasonable costs and expenses incurred by the Authority to manage, monitor, and administer the Loan and Bonds.

1.55 "Unallowable Costs" means those expenses IGU has, may have, or may hereafter incur that are listed on Exhibit B.

2. FINANCING TERMS; SOURCE OF FUNDS; CAPITAL FINANCING. The sources and uses of funds for the financing of IGU's efforts to create the Integrated Utility shall be as described on the attached Appendix C. Although Appendix C references the issuance of Bonds after the currently existing Bond Issuance Deadline, the dates in Appendix C are based on an expectation that IGU and the Authority will be successful in having the Alaska State Legislature extend the Bond Issuance Deadline. IGU and the Authority shall cooperate with each other and engage in a joint effort to obtain such extension. However, neither the Authority nor IGU are promising that the Bond Issuance Deadline will be extended, and neither the Authority nor IGU shall have any liability if the Bond Issuance Deadline is not extended.
2.1 Capital Appropriation. The remaining unexpended and unobligated amount of the appropriation the Alaska State Legislature made to the Authority by section 26(b) of the State of Alaska capital budget for FY2014, as set out in HCS CSSB 18 (FIN) (chapter 16, Session Laws of Alaska 2013), shall be made available at Closing for use as a portion of the purchase price for Pentex as described in the Purchase Agreement.

2.2 SETS. The Authority shall lend to IGU amounts available through SETS pursuant to the Loan described in Section 4 of this Financing Agreement.

2.3 Bond Credit Facility. Subject to applicable law and the Authority's Bond issuance requirements, the Authority shall issue Bonds as described in Section 6 of this Financing Agreement.

2.4 LNG Storage Tax Credits The Integrated Utility will apply for LNG Storage Tax Credits available to it under Alaska State law and utilize the credits or payments received in the business of the Integrated Utility.

3. CLOSING. The Closing shall take place within thirty (30) days after all conditions precedent set forth in Section 7 have been satisfied or waived and in no event after May 31, 2018. The Closing shall be held at such time and place as agreed to in writing by the Authority and IGU. The Parties shall use reasonable efforts to satisfy the conditions precedent to Closing on or before April 30, 2018.
4. SETS CREDIT FACILITY

4.1 Term Loan. The Authority agrees to lend and IGU agrees to borrow, on the terms and conditions provided in this Financing Agreement and the Related Documents, the sum of One Hundred Twenty-Five Million Dollars ($125,000,000). Upon the execution of this Financing Agreement, IGU shall execute and deliver to the Authority the Term Loan Note, the form of which is attached to this Financing Agreement as Exhibit A, due in full on the Maturity Date.

4.1.1 Interest Rate. Under the Term Loan Note, Interest shall accrue at the rate of zero percent (0%) per annum during the Deferral Period, unless the Default Rate of Interest has been imposed as provided in this Financing Agreement. Commencing upon the expiration of the Deferral Period and continuing until the Maturity Date, the Interest Rate on the principal amount of the Term Loan Note shall be one quarter of one percent (0.25%) per annum, unless the Default Rate of Interest has been imposed as provided in this Financing Agreement.

4.1.2 Payments. Under the Term Loan Note, IGU shall not be required to make any payments during the Deferral Period. In the event that the Demand Deferral Period commences as provided in Section 4.3, IGU shall pay interest only at the Interest Rate commencing on the first day of the first calendar month after commencement of the Demand Deferral Period. Commencing on the first day of the first calendar month after the expiration of the Deferral Period or, if applicable, after the expiration of the Demand Deferral Period, whichever is later, IGU shall pay equal monthly payments on the first day of each month sufficient to fully amortize the Term Loan over a period of thirty (35) years. All payments shall be applied first to interest,
and then to principal. If not sooner paid, the Term Loan shall be paid in full by the Maturity Date.

4.1.3 Initial Advances. Advances shall be made under the Term Loan at Closing equal to the following, all of which shall be considered funds advanced under the Term Loan Note:

A. Closing Costs. The Authority will advance an amount equal to all Closing Costs up to a maximum of Seventy-Five Thousand Dollars ($75,000).

B. Payment of FNG Loan. The Authority will advance funds necessary to pay all amounts due and payable under the FNG Loan.

C. Payment of IGU Loan. The Authority will advance funds necessary to pay all amounts due and payable under the IGU Loan.

D. Pentex Payment. The Authority will advance funds necessary to pay the purchase price due from IGU to the Authority for Pentex, in accordance with the Purchase Agreement.

4.1.4 Balance of Loan Proceeds. On the Closing Date, the Authority shall set aside monies from the SETS fund in a separate account known as the "IGU Loan Account". The Authority shall deposit into such separate account an amount equal to the difference between the One Hundred Twenty Five Million Dollars ($125,000,000) Term Loan and the disbursements described in Section 4.1.3. The IGU Loan Account shall be held by the Authority in a segregated account within the SETS fund, shall be committed and obligated to the funding of the balance of the Term Loan, and shall be available to IGU for this purpose only. Monies in the IGU Loan Account will remain committed to and obligated for funding the Term Loan as long as the
Authority is committed to advances under the Term Loan. The Authority shall be entitled to all interest earned on the IGU Loan Account. IGU shall apply to the Authority for disbursements under the IGU Loan Account under the Term Loan, pursuant to a draw request and accounting in a form reasonably acceptable to the Authority, and, following approval by the Authority, the Authority shall disburse the amounts requested pursuant to the following provisions of this Section 4.1.4:

A. IGU must use the Loan funds only to pay costs of the Project and for no other purpose. The Scope of Work and Schedule of Advances shall be used by the Loan Officer to determine the Project schedule, the Project deliverables, and the amount to be advanced for each task defined in that Scope of Work and Schedule of Advances. The Loan Officer shall authorize the payment of Loan advances to IGU for work reasonably determined to be within the Scope of Work and Schedule of Advances. No more frequently than once every three (3) months, IGU shall submit a draw request to the Loan Officer for Project costs based on the projected Scope of Work and Schedule of Advances for the succeeding three (3) month period and for Project costs actually incurred by IGU during the preceding three (3) month period; provided, however, that no funds may be used to reimburse IGU for Unallowable Costs. Each draw request will include copies of all paid invoices, estimates of future work, and other contracts reasonably requested by the Authority.

B. The Loan Officer shall determine, based on the Scope of Work and Schedule of Advances, whether any draw request and/or invoice IGU submits qualifies for an advance or reimbursement under the terms of the Loan. Subject to approval of disbursement requests by the Loan Officer, the Authority will advance to
IGU from the available Loan funds the amount of the approved advance and reimbursement. If any portion of a request for an advance or reimbursement includes expenses that are deemed Unallowable Costs, the Authority will pay the amount of the approved advance and/or reimbursement and withhold only the amount that is an Unallowable Cost. IGU must be in compliance with all financial reporting requirements under this Financing Agreement.

C. Each draw request shall set forth the amount of all prior Loan advances and an accounting of how such Loan advances were applied. If the amounts advanced have not been expended as scheduled, the excess funds shall be deducted from the amount of any future Loan advance. If the Authority reasonably determines that any unexpended portion of prior Loan advances will not be used by IGU under the Scope of Work and Schedule of Advances for a period of 180 days or more, IGU shall return such unexpended portion of the prior Loan advances upon the Authority's written request for the same, the outstanding balance of the Loan will be reduced by the returned amounts, and the Authority will hold the returned amounts in the IGU Loan Account for possible future advancement in accordance with this Section 4.1.4.

D. IGU shall pay upon presentation of an invoice from the Authority all Transaction Costs.

E. The Authority will have no obligation to advance funds on the Loan if the conditions precedent described in Section 7 have not been satisfied or if any Event of Default has occurred and is continuing.
4.1.5 **Termination of Commitment to Advances.** The Authority will have no obligation to advance funds on the Loan after ten (10) years from the Closing Date, even if the full amount of the monies in the IGU Loan Account have not been advanced.

4.2 **Refinance or Prepayment.** If required to facilitate issuance of Bonds, but not otherwise, IGU will be prohibited from refinancing the Loan and prepaying the Loan and the Term Loan Note, in whole or in part, and any attempted refinancing or prepayment will not be accepted or given effect.

4.3 **Demand Growth Deferral.**

4.3.1 In the event that, after the expiration of the Deferral Period and the sale of Bonds, natural gas demand growth does not meet projected levels as set forth in Appendix A, the principal amount of the Term Loan payments due from IGU under the Term Loan Note will be deferred for an additional five years. During such Demand Deferral Period, all accrued interest shall be paid on the scheduled payment dates as provided in the Term Loan Note.

4.3.2 If, after any deferral occurs under this Section 4.3, natural gas demand meets or exceeds projected levels, IGU shall begin payments on the deferred amounts of principal on the next scheduled payment date.

4.3.3 IGU must be in compliance with the covenants set forth in Sections 8.1.1, 8.1.2, 8.1.3, and 8.1.6 before the commencement of and during any deferral of principal under this Section 4.3.
5. INTEGRATED UTILITY.

5.1 Integrated Utility Capital Program. The Integrated Utility Capital Program is designed to support the projected Integrated Utility Natural Gas Demand Forecast set forth in Appendix A. IGU, in consultation with the Authority, will implement the Integrated Utility Capital Program as set forth in Appendix B to establish an Integrated Utility (inclusive of natural gas purchase, LNG production, transport, storage, re-gasification, and natural gas distribution) in the FNSB, including plans for utility capital improvements, organization, and all required regulatory approvals.

5.2 Integrated Utility Capital Program Staging. The Integrated Utility Capital Program will be implemented in stages as described in the table below:

<table>
<thead>
<tr>
<th>Stage 1</th>
<th>Stage 2</th>
<th>Stage 3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Funded at Closing with Appropriations and SETS Loan</td>
<td>Funded with remaining SETS Loan and First Bond Sale</td>
<td>Funded with Bonds, Other Bonds, or other funding or financing Demand Driven Work Items</td>
</tr>
<tr>
<td>Pentex Acquisition</td>
<td>Titan 2 Completion (incl. Titan 1 upgrades)</td>
<td>Additional LNG trailers &amp; equipment</td>
</tr>
<tr>
<td>5.25mg Fairbanks Storage</td>
<td></td>
<td>Distribution system extension / buildout</td>
</tr>
<tr>
<td>Titan 2 FEED (incl. Titan 1 upgrades)</td>
<td></td>
<td>Titan 3</td>
</tr>
<tr>
<td>North Pole Storage &amp; Re-gas</td>
<td></td>
<td>Services &amp; meters in buildout areas</td>
</tr>
<tr>
<td>Services &amp; meters for existing piped areas</td>
<td></td>
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</tbody>
</table>

5.3 Integrated Utility Financing Plan. The Integrated Utility will be financed using the capital appropriation and proceeds of the Loan and the Bonds as provided in this Financing Agreement, and set forth in the Sources & Uses of Funds described in Appendix C. As set forth in Section 10, the obligation of, and security for, payment of the Bonds and the Other Bonds, will be superior to the Loan and Collateral for the Loan.
6. BOND CREDIT FACILITY. IGU, in consultation with the Authority, through the Purchase Agreement, this Financing Agreement, and the advancement of the Project, will establish IGU as an Investment Grade municipal utility prior to the issuance of the revenue Bonds described in Section 6.1.

6.1 Bond Issuance. After the Closing but not later than the Bond Issuance Deadline, at IGU's request, the Authority shall issue Bonds, in one or more series, in the form of conduit revenue bonds supported by the State of Alaska's moral obligation; proceeds of such Bonds will be loaned to IGU to finance component parts of the Project. The issuance of the Bonds shall be subject to the terms and conditions of a trust indenture and loan agreement and, including the following:

6.1.1 The aggregate amount of Bonds to be issued may not exceed One Hundred Fifty Million Dollars ($150,000,000) (which sum is inclusive of debt service reserves and capital reserves), plus the costs of capitalized interest and the actual reasonable bond counsel fees, trustee fees, rating fees, financial advisor fees, escrow fees, and other bond issuance costs actually incurred by the Authority.

6.1.2 In connection with the issuance of the Bonds, or each series of Bonds, IGU shall pay the actual reasonable fees and expenses of the Authority's bond counsel and IGU shall pay the Authority the issuance fee as provided in the Authority's regulations (3 AAC 99.140) then in effect. Unless IGU elects to pay the fees and expenses of the Authority's bond counsel and the issuance fee for the Bonds directly to the Authority, the same shall be paid from the proceeds of the Bonds. After issuance of the Bonds (or a series of Bonds), IGU shall be responsible for any direct, out-of-pocket costs the Authority incurs with respect to the Bonds as provided in the Authority's
regulations (3 AAC 99.140) then in effect, subject to SB 23. The Authority shall not otherwise charge IGU any points or percentage fee with respect to the Bonds.

6.1.3 The Bonds may be issued in one or more series as IGU determines based on its consultation with IGU's financial advisors. The Bonds shall be secured by a capital reserve fund supported by the State of Alaska moral obligation in accordance with SB 23. IGU shall inform the Authority as soon as reasonably possible with respect to all withdrawals from, and all other activity taking place with respect to, the capital reserve fund established for the Bonds.

6.1.4 No Bonds may be issued after the Bond Issuance Deadline. IGU understands and agrees that IGU shall solely be responsible for ensuring that any request IGU makes to the Authority for the issuance of Bonds is made sufficiently in advance of the Bond Issuance Deadline so as to allow the Authority a reasonable period of time to authorize and issue such Bonds.

6.1.5 The Bonds shall be authorized and issued pursuant to the terms and conditions of documents distinct and separate from this Financing Agreement, including a trust indenture, loan agreement, and federal tax certificates if such Bonds are issued on a tax-exempt basis under the Code. IGU acknowledges that the Authority makes no representations with respect to the terms of the Bonds, including interest rates and fees, other than the Authority's own fees as provided for in Section 6.1.2. IGU accepts the risk that the underwriters of the Bonds, or the investors in the Bonds, or the trustee or paying agent appointed with respect to the Bonds, may require interest rates, fees, terms, or conditions that are unacceptable to IGU or that make issuance of the Bonds impossible or commercially unreasonable.
6.1.6 The Bonds shall be issued as conduit revenue bonds; principal and interest on the Bonds will be payable solely from assets and revenues of IGU, secured by a capital reserve fund supported by the State of Alaska moral obligation. The Bonds shall not be a general obligation of the Authority or payable from any assets or revenues of the Authority. Except for funds that the Alaska State Legislature may appropriate to the Authority in accordance with AS 44.88.105(d) to restore the required balance of the capital reserve fund established for the Bonds, the Authority shall not be obligated to fund the capital reserve fund for the Bonds from its own assets or revenues.

6.1.7 At IGU's request, the Authority shall execute any documents necessary to: (1) ensure the Bonds and the Other Bonds have priority of payment over the Loan; and (2) subordinate any lien or security interest the Authority holds against IGU, Pentex, or the Subsidiaries, or their assets or revenues, to any lien or security interest that supports the payment of the Bonds and any Other Bonds.

6.1.8 Issuance of any Bonds is subject to the requirements and restrictions of applicable law, including any amendment to SB 23 that may be made after the Effective Date. Before Bonds in excess of Ten Million Dollars ($10,000,000) may be issued, the Authority must have received a certified copy of a resolution of the local government in which the facilities to be financed are located consenting to the facilities being located in its jurisdiction in accordance with AS 44.88.095(c).

6.2 Cooperation IGU and the Authority shall reasonably cooperate with one another with respect to the issuance and placement of the Bonds. IGU, however, shall be principally responsible, in consultation with the Authority, for securing an underwriter
(or underwriters) for the Bonds and for carrying out the tasks necessary to place the Bonds with investors, including: (i) participating in the preparation of, and authorizing the publication of, any official statement or other offering document needed in connection with the issuance of such Bonds; (ii) entering into any continuing disclosure obligation that may be required under Securities and Exchange Commission Rule 15c2-12 with respect to such Bonds; (iii) executing any tax, arbitrage, or similar agreement pertaining to the exemption of interest on such Bonds from gross income for federal income tax purposes, as applicable; (iv) taking such actions as may be necessary to establish or maintain the exemption of interest on such Bonds from gross income for federal income tax purposes; (v) having IGU’s legal counsel deliver such legal opinions, in a form acceptable to the Authority and the Bond underwriters, as are required to support the issuance of the Bonds, similar to the opinions required under Section 7.4 of this Financing Agreement and that such opinions were accurate when made and remain accurate as of the date such Bonds are issued; and (vi) such other actions as the Authority’s bond counsel may reasonably require in connection with the issuance of such Bonds and consistent with the Authority’s standard practice, including review and approval of documents by the Authority’s bond and disclosure counsel.

7. CONDITIONS PRECEDENT TO CLOSING AND ADVANCES. The Authority and IGU shall be obligated to consummate the Closing in accordance with the terms of this Financing Agreement only if each of the following conditions precedent has been satisfied in full as or before the Closing Date, unless waived in writing by both the Authority and IGU, in their sole discretion, respectively. The Authority shall have no obligation to make any advances under the Term Loan unless each and every material
requirement and condition of this Financing Agreement, including those set forth in this Section 7 and elsewhere in this Financing Agreement, is satisfied or waived.

7.1 Execution of Documents. This Financing Agreement and the Related Documents shall have been duly executed and delivered to the Authority and IGU by the appropriate persons and all such Related Documents shall be in form and substance satisfactory to the Authority and IGU, in their sole discretion, respectively.

7.2 Other Documents. The Authority and IGU shall each receive such other certificates, documents, and instruments regarding IGU, Pentex, and the Subsidiaries as the Authority and IGU may reasonably require.

7.3 Authority Documents.

7.3.1 The Authority shall have received certificates by an authorized officer or representative of IGU upon which the Authority may conclusively rely, certifying that: (i) all requisite action taken in connection with the Loan has been duly authorized; (ii) the names, signatures, and authority of IGU’s authorized signers executing the Related Documents; and (iii) such other documents as the Authority may reasonably require to be executed by, or delivered on behalf of, IGU.

7.3.2 IGU shall have received certificates by an authorized officer or representative of the Authority upon which IGU may conclusively rely, certifying that: (i) all requisite action taken in connection with the Loan has been duly authorized; (ii) the names, signatures, and authority of the Authority’s authorized signers executing the Related Documents; and (iii) such other documents as the IGU may reasonably require to be executed by, or delivered on behalf of, the Authority.
7.4 Legal Opinions.

7.4.1 The Authority shall have received the written opinion(s) of legal counsel for the IGU, selected by the IGU and satisfactory to the Authority, dated as of the Closing Date or at such other times as may reasonably be requested by the Authority, and covering the due execution and delivery of the Related Documents and such other matters as the Authority may reasonably require; including, without limitation, the following:

A. IGU is a public corporation and an instrumentality of the FNSB which has been duly created and organized, and is validly existing as a public corporation and government instrumentality in good standing under the laws of the State of Alaska and of FNSB.

B. This Financing Agreement, the Term Loan Note, and the other Related Documents have been duly authorized, executed, and delivered by IGU and constitute valid and binding obligations of IGU, enforceable against IGU in accordance with their terms.

C. Neither the execution and delivery of this Financing Agreement and the Related Documents, nor the performance of IGU's obligations under these documents: (i) violates any provision of the governing instruments of IGU or the FNSB; (ii) breaches or constitutes a default under any agreement or commitment to which IGU is a party; or (iii) violates any statute, law, regulation, or rule, or any judgment, decree, or order of any court or governmental authority applicable to IGU;

D. No consent, approval or authorization of, or declaration, filing or registration with, any governmental authority is required in connection with the
execution, delivery, or performance of this Financing Agreement or the Related Documents; and

E. No litigation, claim, investigation, administrative proceeding, or similar proceeding is pending or threatened against IGU or the Project.

7.4.2 IGU shall have received the written opinion(s) of legal counsel for the Authority, selected by the Authority and satisfactory to IGU, dated as of the Closing Date or at such other times as may reasonably be requested by the IGU, and covering the due execution and delivery of the Related Documents and such other matters as IGU may reasonably require; including, without limitation, the following:

A. The Authority is a public corporation of the State of Alaska which has been duly created and organized, and is validly existing as a public corporation and government instrumentality in good standing under the laws of the State of Alaska.

B. This Financing Agreement and the other Related Documents have been duly authorized, executed, and delivered by the Authority and constitute valid and binding obligations of the Authority, enforceable against Authority in accordance with their terms.

C. Neither the execution and delivery of this Financing Agreement and the Related Documents, nor the performance of the Authority's obligations under these documents: (i) violates any provision of the governing instruments of the Authority; (ii) breaches or constitutes a default under any agreement or commitment to which the Authority is a party; or (iii) violates any statute, law,
regulation, or rule, or any judgment, decree, or order of any court or governmental authority applicable to the Authority;

D. No consent, approval or authorization of, or declaration, filing or registration with, any governmental authority is required in connection with the execution, delivery, or performance of this Financing Agreement or the Related Documents; and

E. No litigation, claim, investigation, administrative proceeding, or similar proceeding is pending or threatened against the Authority or the Project.

7.5 Security. The Authority shall have received all security instruments necessary to perfect a security interest in the Collateral duly executed by all parties thereto, which security instruments shall have been properly filed or recorded.

7.6 Representations and Warranties. The obligation of the Authority to make any Loan advance shall be subject to satisfaction of the following conditions that, at the date of making such Loan advance, and after giving effect thereto: (i) no Event of Default shall have occurred and continue to exist; and (ii) each representation and warranty set forth in this Financing Agreement and the Related Documents is materially true and correct as if then made.

7.7 Closing on Purchase Agreement. The closing of the Purchase Agreement must occur concurrently with the Closing under this Financing Agreement.

7.8 Transfer of the North Slope Pad. The Authority must execute and deliver the documents necessary to transfer the North Slope Pad to IGU and the Department of Natural Resources must have approved the transfer to IGU.
7.9 Change in Law. The consummation of the transactions contemplated by this Financing Agreement must not be prohibited by any statute, regulation, order, or directive of any government or governmental agency. The source of funds the Authority expects to use as authorized under SB 23 must remain legally available for use in the SETS financing and for paying the Purchase Price for Pentex.

8. COVENANTS OF IGU. IGU covenants and agrees to the following during the Term:

8.1 Investment Grade Integrated Utility Financing. Each Bond financing will be premised on a third party determination that the capital program and pro forma financial projections meet all standards for feasibility as an Investment Grade municipal utility financing on that Bond Financing.

8.1.1 Debt Service Coverage Ratio. In addition to any debt service coverage requirements on any outstanding Bonds or Other Bonds, IGU shall maintain an overall Debt Service Coverage Ratio of not less than 1.0 to 1.0, calculated at the end of each fiscal year of IGU. "Debt Service Coverage Ratio" shall mean the ratio of Net Operating Income to Debt Service. Within the first three (3) months of the fiscal year following any fiscal year in which IGU is unable to maintain the Debt Service Coverage Ratio, IGU shall reset rates and charges as required under Section 8.1.2 and take such other reasonable action as IGU expects in good faith will result in IGU achieving the Debt Service Coverage Ratio.

8.1.2 Rate Covenant. Rates and charges for natural gas and all other services or facilities furnished or supplied by IGU shall be set to generate annual net revenues sufficient to maintain a Debt Service Coverage Ratio of not less than 1.0
to 1.0 for Investment Grade municipal utility financing on the Bonds and the Other Bonds, plus the amount, if any, required to be deposited in any operating, debt service, capital, or other reserves.

8.1.3 Additional Indebtedness. IGU will not enter into any indebtedness in excess of One Million Dollars ($1,000,000) for any particular indebtedness or more than Five Million Dollars ($5,000,000) in the aggregate, except for the Bonds, the Other Bonds, and the Loan, without the prior written consent of the Authority.

8.1.4 Operating Covenant. IGU will operate the Integrated Utility consistent with prudent utility practices and IGU's CPCN will be maintained in good standing, as it exists on the Effective Date or as it may be amended thereafter to incorporate FNG's business or service territory. Among other things required by the preceding sentence, IGU will establish and execute policies to operate the Integrated Utility in an efficient manner and at a reasonable cost, to maintain, preserve, and keep the Project and all component parts of the Project in good repair, working order, and condition; and to, from time to time, make or cause to be made all necessary and proper repairs, renewals, and replacements so that the business carried on in connection with the Project will be conducted in a manner consistent with the operations of Investment Grade utilities.

8.1.5 Economically Sound System. IGU will extend utility service and make extensions and improvements to IGU's systems consistent with prudent utility practices. Among other things required by the preceding sentence, IGU will establish and execute policies to ensure its system remains economically sound, to encourage
economic extensions and improvements, and to discourage extensions and improvements financed through additional debt that will hinder the efficient and economical operation of the Integrated Utility overall, unless such extensions or improvements are required for operational or safety purposes, or by law, or by any regulatory body having jurisdiction over IGU.

8.1.6 Sale, Lease, or other Disposition of IGU Assets. IGU will only sell, lease, or otherwise dispose of IGU assets consistent with prudent utility practices and the Commercial Security Agreement. Among other things required by the preceding sentence, IGU will establish and execute policies to limit the sale, lease, or other disposal of IGU assets material to the production of revenues unless the remaining Integrated Utility assets will generate revenues sufficient to result in compliance with the operating and financial covenants.

8.2 Commencement of Construction Work. The Parties agree that the Integrated Utility Capital Program attached as Appendix B, the Integrated Utility Sources & Uses of Funds attached as Appendix C, and the Scope of Work and Schedule of Advances attached as Exhibit C, collectively, constitute a reasonable and adequate financial plan to commence construction of the Stage 1 elements of the Project as presently planned.

Before commencing the construction of any major component part of Stage 2 or Stage 3 of the Project (as referenced in Section 5.2), IGU must have the financial resources in place, as demonstrated by committed funds available to IGU. For this purpose, "construction" includes the ordering of any equipment or materials for the construction of a component part of the Project, clearing, excavation, or other physical
preparation work, and any building work; however, "construction" does not including engineering work, preparing plans and specifications or bid or contract documents, or applying for or otherwise seeking any necessary Permits.

8.3 Permits; CPCN. IGU, Pentex, and the Subsidiaries, as appropriate, shall apply for and obtain federal, state, and local permits, including any CPCN, required to own, construct, operate, and maintain all of the component parts of the Integrated Utility.

8.4 North Slope Pad. IGU covenants to use the North Slope Pad, any revenues derived from the North Slope Pad that are net of the costs of operating and maintaining the North Slope Pad, and the proceeds received from the sale or other disposition of the North Slope Pad net of the cost of selling or disposing of the North Slope Pad only for the following purposes and no other purposes: to advance an Alaska liquefied natural gas production plant, and distribution systems as necessary to serve Interior Alaska as a primary market.

8.5 Financial Statements and Records.

8.5.1 While the Loan is outstanding, IGU, on its own behalf and on behalf of Pentex and the Subsidiaries, will furnish to the Authority within one hundred twenty (120) days after the close of IGU's fiscal year annual financial statements, on a consolidated and consolidating basis, reporting IGU's, Pentex's, and the Subsidiaries' assets, liabilities, and cash flows, audited by an independent certified public accountant. The financial statements will be prepared in accordance with GAAP, applied on a consistent basis throughout the periods involved, and will fairly present
the financial position of IGU, Pentex, and the Subsidiaries as of their respective dates and the results of operations and cash flows for the periods reported.

8.5.2 To the extent required to be filed, IGU, Pentex, and the Subsidiaries shall annually provide the Authority with copies of their federal and state tax returns thirty (30) days after the same have been completed.

8.5.3 The Authority shall be entitled to rely on the financial statements, tax returns, and other documentation provided in accordance with this Section 8.5 to determine whether an Event of Default has occurred under Section 11 of this Financing Agreement.

8.6 Books and Records. IGU will keep and maintain proper books and accounts with respect to the Project, its operations, and the operations of Pentex and the Subsidiaries, in accordance with GAAP.

8.7 Inspection. IGU will permit employees and agents of the Authority to inspect the Project and IGU's, Pentex's, and the Subsidiaries' business and operations, and their business records, wherever located, during normal business hours or at any other reasonable time agreed to between the Parties.

8.8 Development Process. The development process for the Project is as set forth in the Scope of Work and Schedule of Advances, and any material changes to the Scope of Work and Schedule of Advances must be agreed to by both Parties. In the event either Party desires changes to the Scope of Work and Schedule of Advances due to practical concerns related to the Project, including unforeseen circumstances or events, the Parties shall promptly meet and confer to consider alternatives and determine, if possible, a change to the Scope of Work and Schedule of Advances. For
purposes of this Section 8.8, "material" shall be defined as the lesser of: (i) a change valued at Two Hundred Fifty Thousand Dollars ($250,000) or more; or (ii) two and one-half percent (2.5%) of any particular line item in the Scope of Work.

8.9 LNG Storage Tax Credits. IGU, Pentex, and the Subsidiaries, as appropriate, shall apply for LNG Storage Tax Credits available to them as a result of the operation of the Project and the Integrated Utility and request a cash payment from the State of Alaska for such LNG Storage Tax Credits, if available under applicable law. IGU, Pentex, and the Subsidiaries, as appropriate, shall perform all required activities to qualify for available LNG Storage Tax Credits.

8.10 Reporting Until June 30, 2025, IGU, Pentex, and the Subsidiaries shall furnish to the Authority, at its request, the information and reports the Authority reasonably requires in order to provide the quarterly reports to the Alaska State Legislature mandated under section 13 of chapter 39 of the 2015 Session Laws of Alaska (SCS CSHB 105(FIN) am S).

8.11 Transaction Costs. IGU will reimburse the Authority for all Transaction Costs within thirty (30) days of presentation of an invoice from the Authority

9. REPRESENTATIONS AND WARRANTIES OF IGU. IGU represents and warrants to the Authority that the statements contained in this Article 9 are correct and complete as of the date of this Financing Agreement, will be correct and complete as of the Closing Date (as though made then), and will be correct and complete as of the date of any advance (as though made then).

9.1 Existence. IGU is a public corporation and instrumentality of the FNSB, established by law. IGU is duly organized and validly existing under the laws of the
State of Alaska with full power: (a) to carry on its business as currently conducted and to own, lease and operate all property and assets now owned, leased, or operated by it, (b) to enter into this Financing Agreement and to perform its obligations under this Financing Agreement, and (c) to incur debt and borrow money.

9.2 Authorization. The execution and delivery by IGU of this Financing Agreement, and the performance by IGU of its obligations under this Financing Agreement, have been duly and validly authorized by all necessary organizational action of IGU and the FNSB. This Financing Agreement has been duly executed and validly delivered by IGU and is legally binding on IGU, enforceable against IGU in accordance with its terms, except as may be limited by bankruptcy, insolvency, or other laws affecting the enforcement of creditors' rights generally, by general principles of equity (regardless of whether considered in a proceeding in equity or one at law), and by public policy.

9.3 No Conflict. The execution and delivery of this Financing Agreement by IGU, and the performance by IGU of its obligations under this Financing Agreement, do not and will not (a) conflict with IGU's governing ordinances or bylaws, or (b) result in the breach of any of the provisions of, or constitute a default under, any judgment, writ, order, decree, or agreement to which IGU is a party or by which IGU is bound, which breach or default would reasonably be expected to materially adversely affect the transactions contemplated by this Financing Agreement.

9.4 Gas Supply Contract. IGU has been provided with an executed copy of the gas supply contract between Titan Alaska LNG, LLC, a Delaware limited liability company, and Hilcorp Alaska LLC. IGU hereby acknowledges and affirms that this
natural gas supply contract is an acceptable gas supply contract for purposes of due diligence and Closing.

10. PRIORITY OF PAYMENT AND COLLATERAL. The Bonds, the Other Bonds, and the Loan will be secured by all of the following Collateral and with the following payment priority:

10.1 Payment and Collateral Security Priority. The Bonds and the Other Bonds will have priority over the Loan both for payment of debt service and in the Collateral. As necessary, the Authority and IGU each agree to execute any necessary agreements to establish the senior lien position of the holders of the Bonds and the Other Bonds with respect to both revenues and Collateral pledged by IGU for the Loan.

10.2 IGU Assets. The Bonds and the Loan will be secured by all of IGU's revenues and assets, including all bank and investment accounts, the LLC membership interests in Pentex, the assets of Pentex and the Subsidiaries, and the North Slope Pad; excluding, however, any CPCN which cannot be assigned to the Authority. IGU shall cause Pentex and the Subsidiaries to execute and deliver all agreements, documents, and instruments necessary to create and perfect a security interest and lien against their respective assets in favor of the Authority. The Commercial Security Agreement and other documents executed in connection with the IGU Loan, the FNG Loan, and the UCC-1 financing statements filed in connection with the IGU Loan and the FNG Loan shall continue in effect and the collateral pledged under the IGU Loan and the FNG Loan shall continue to be collateral for the Loan.

10.3 LNG Storage Tax Credits. The Authority shall have a security interest in the LNG Storage Tax Credits and the payments received for such LNG Storage Tax Credits.
Credits, pursuant to a security agreement in the form required by the State of Alaska and approved by the Authority.

10.4 Permits, Licenses, and Contracts. At Closing, IGU shall assign to the Authority for security purposes all of IGU’s rights, title, and interest in and to any Permits, licenses, or contracts concerning or affecting the construction or operation or use of the Project, the assets of Pentex and its Subsidiaries, and the revenue from the operations of IGU, Pentex, the Subsidiaries, and the Integrated Utility.

11. EVENTS OF DEFAULT AND REMEDIES.

11.1 Events of Default. Subject to any obligation of the Authority to defer IGU payment obligations under this Financing Agreement, IGU will be in default under the terms of the Loan if any of the following events occur and continue after any applicable cure period as provided in Section 11.2 of this Financing Agreement, each of which will be an Event of Default:

11.1.1 IGU fails to make any payment to the Authority on the Term Loan Note within thirty (30) days after the date the payment is due (a Payment Default);

11.1.2 IGU fails to pay the Authority any other sum owed under this Agreement within thirty (30) days of the date the Authority has notified IGU that the payment is due;

11.1.3 IGU, Pentex, or any of the Subsidiaries breaches any promise made to the Authority in this Financing Agreement or any Related Documents, or IGU, Pentex, or any of the Subsidiaries fails to comply with or to perform when due any other term, obligation, covenant, or condition contained in this Financing Agreement, including the Appendices and Exhibits attached hereto and incorporated herein, or any
Related Documents, or in any other agreement IGU, Pentex, or any of the Subsidiaries has with the Authority:

11.1.4 IGU, Pentex, or any of the Subsidiaries defaults under any loan extension of credit, security agreement, or any other agreement, made in favor of any other creditor or person which materially affects such entity's business or any of its properties or assets or the repayment of the Loan or such entity's ability to perform such entity's obligations under this Financing Agreement or any of the Related Documents;

11.1.5 Any representation or statement made or furnished to the Authority by IGU or on IGU's behalf in this Financing Agreement or any of the Related Documents is false or misleading in any material respect either now or at the time made or furnished;

11.1.6 A receiver is appointed for any part of the property or business of IGU, Pentex, or any of the Subsidiaries, or IGU, Pentex, or any of the Subsidiaries makes an assignment for the benefit of creditors, or any proceeding is commenced either by or against IGU, Pentex, or any of the Subsidiaries under any bankruptcy or insolvency laws;

11.1.7 Any other creditor successfully executes on any property or assets of IGU, Pentex, or any of the Subsidiaries, in which the Authority has a lien or security interest;

11.1.8 IGU, Pentex, or any of the Subsidiaries ceases to operate its business in the normal course or liquidates, dissolves, merges, transfers its assets other than in the ordinary course of business, or consolidates with another entity, with
the exception of a consolidation or merger between IGU, Pentex, and/or any of the Subsidiaries; or

11.1.9 FNSB rescinds or withdraws the authority of the IGU board to set rates and charges for natural gas and all other services or facilities furnished or supplied by IGU, or to manage or operate IGU as a public corporation with an existence separate from FNSB, or the FNSB Assembly acts or purports to act to set or approve rates and charges for IGU; provided, however, if FNSB or IGU elects to make IGU's rates and charges subject to RCA regulation, that shall not constitute a default under this Section 11.1.9.

11.2 Cure. A Payment Default may be cured by payment in full of the amount due within thirty (30) days after the date the payment is due. If any Event of Default, other than a Payment Default, is curable, including without limitation failure to meet the covenants contained in Section 8.1, that Event of Default may be cured (so long as no other Event of Default has occurred) if IGU, after receiving written notice from the Authority demanding cure of such default: (1) cures the default within thirty (30) days; or (2) if the cure requires more than thirty (30) days, immediately initiates reasonable steps under the circumstances sufficient to cure the default and IGU thereafter continues and completes all reasonable and necessary steps sufficient to produce compliance as soon as reasonably practical; or (3) if IGU disputes the Authority's belief that an Event of Default has occurred, IGU timely initiates the dispute resolution procedures provided under Section 11.4.

11.3 Notice by IGU. As soon as possible after IGU knows of or has reason to know that any Event of Default specified in Section 11.1 (other than a Payment Default),
or any event which with notice or lapse of time or both would become an Event of Default, has occurred, IGU shall furnish to the Authority written notice of such occurrence, together with a statement describing the action, if any, IGU proposes to take with respect to such Event of Default.

11.4 Dispute Resolution with Respect to Events of Default.

11.4.1 Payment Default. In the event of a Payment Default under Section 11.1.1, the Authority shall not be required to participate in dispute resolution under Sections 11.4 or 13.9. In such event, the Authority, at its option and in its sole discretion, shall have all rights and remedies available to it under this Financing Agreement, any Related Document, or applicable law, including, but not limited to, the right to foreclose upon the Collateral or to exercise any other self-help remedies.

11.4.2 In the event of a dispute relating to the Events of Default contained in this Financing Agreement (other than a Payment Default), the Parties shall engage in good faith discussions in an effort to resolve the dispute. If such discussions are not successful in resolving the dispute to the satisfaction of the Parties, the Parties shall attempt to settle the dispute by mediation, administered by the American Arbitration Association ("AAA") under its Mediation Rules, or by such other method as may be agreed to in writing between the Parties. If settlement is not reached within one hundred twenty (120) days after service of a written demand for mediation, either Party may commence a lawsuit to resolve such dispute. In the event that: (i) the Parties are unable to reach a mutually agreeable resolution of the dispute under the provisions of this Section 11.4; or (ii) one hundred twenty (120) days after service of a written demand for mediation without a settlement of the dispute having been reached,
whichever shall first occur; the Authority shall have all rights granted to it to foreclose upon the Collateral or exercise any other self-help remedies provided to the Authority in this Financing Agreement, any agreements related to the Collateral, any Related Documents, or under applicable law.

11.4.3 Notwithstanding any other provision of this Section 11.4, if any Event of Default occurs that causes or threatens to cause the Authority irreparable harm, or that causes or threatens to cause the loss of or any material impairment or reduction in the value of any Collateral, the Authority, at its option and in its sole discretion, may seek and obtain injunctive relief, a decree of specific performance, the appointment of a receiver, or any other equitable remedy, without the necessity of first engaging in good faith discussions with IGU or participating in any mediation.

11.5 Action on Default. Subject to the terms and conditions of a trust indenture for the Bonds, the Other Bonds, and the terms of this Financing Agreement, including the dispute resolution provisions of Section 11.4, if any Event of Default shall occur, and any applicable cure period has expired, then, and in each and every case during the continuance of the Event of Default, the Authority may take any or all of the actions permitted by law, including the following:

11.5.1 As the holder of the Term Loan Note, the Authority may accelerate IGU's indebtedness and declare the entire principal sum of the Loan (even if then deferred) and all accrued interest then unpaid immediately due and payable;

11.5.2 By suit, action, or proceeding at law or in equity, enforce all rights of the Authority and require IGU, Pentex, or the Subsidiaries, as appropriate, to carry out any agreement with or for the benefit of the Authority and to perform its duties.
under this Financing Agreement, provided that any such remedy may be taken only to the extent permitted under this Financing Agreement;

11.5.3 Bring suit upon the Term Loan Note or any of the Related Documents;

11.5.4 By action or suit in equity, to enjoin any acts or things that may be unlawful or in violation of the rights of the Authority and the Authority shall not be required to post any bond or other security for the injunction;

11.5.5 Enforce the Authority's security interest in the Collateral in any manner permitted under any security agreement or applicable law, and, in that event, IGU shall support any RCA application made by the Authority or a purchaser at any foreclosure sale for the transfer of IGU's CPCN to the successor operator of the Integrated Utility;

11.5.6 The Authority shall be entitled, as a matter of right, to the extent permitted by applicable law, to seek to have a receiver appointed for IGU, Pentex, or any of the Subsidiaries, or for all or any part of the Project, or for all or any part of their assets, facilities, or businesses, to seek to take control of the leases, rents, revenues, and contracts, and the proceeds, issues and profits thereof, with the rights and powers referenced below and such other rights and powers as the court making such appointment shall confer. Such appointed receiver shall have all powers and duties prescribed by applicable law, all other powers that are necessary or usual in such cases for the protection, possession, control, management, and operation of the assets, facilities, or businesses or the Project, and such rights and powers as the Authority would have, upon entering and taking possession of the Collateral. IGU will
not oppose any RCA application made by the Authority or a purchaser at any foreclosure sale for the transfer of IGU’s CPCN to the successor operator of the Integrated Utility.

11.5.7 The Authority, by its agent or any court-appointed receiver, may enter, take possession of, manage, and operate all or any part of the Project or the Collateral, and may also do any and all other things in connection with those actions that the Authority may, in its sole discretion, consider necessary and appropriate to protect the Collateral. Such other things may include: taking and possessing all of IGU’s or the then owner’s books and records, entering into, enforcing, modifying, or canceling contracts or leases on such terms and conditions as the Authority may consider proper; collecting and receiving any payment of money owing to IGU, Pentex or the Subsidiaries; completing any unfinished construction; and/or contracting for and making repairs and alterations. IGU agrees that it will not oppose any RCA application made by the Authority or a purchaser at any foreclosure sale for the transfer of IGU’s CPCN to the successor operator of the Integrated Utility; or

11.5.8 Pursue any other right or remedy available to the Authority in law or equity.

11.6 Default Interest; Remedies on Default

11.6.1 In the case of a Payment Default or failure to comply with the provisions of Sections 8.1.1, 8.1.2, 8.1.3, or 8.1.6, but only after the applicable cure period under Section 11.2 has ended, the amounts due under the Term Loan Note shall incur interest at the Default Interest Rate from the date of default for as long as such an
Event of Default exists. After such Events of Default are cured, the original terms and conditions of the Term Loan Note shall apply.

11.6.2 In the case of an Event of Default due to non-payment of any other amounts due under this Financing Agreement, other than as a result of a Payment Default, only the amount due shall bear interest at the Default Interest Rate from the date of default, which interest shall be due in full with the payment of any such amount due.

11.6.3 If suit is commenced on the Term Loan Note, IGU shall pay to the holder of said Term Loan Note actual reasonable attorneys’ fees and court costs and the costs of any receivership.

11.7 Cumulative Rights; No Marshaling Required.

11.7.1 No remedy of the Authority under this Financing Agreement is exclusive of any other remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Financing Agreement, the Term Loan Note, the Commercial Security Agreement, or any of the Related Documents, or now or hereafter existing at law or in equity.

11.7.2 Under no circumstances shall the Authority be required to marshal assets, collateral, or security for the benefit of IGU, Pentex, the Subsidiaries, or any third persons.

12. DAMAGE OR DESTRUCTION.

12.1 IGU Assumes Risk of Damage or Destruction. Damage to the Project, any portion of the Project, or the Collateral shall not terminate this Financing Agreement or cause any abatement of or reduction in the payments IGU must make to the
Authority, or otherwise affect the obligations of the IGU, Pentex, or the Subsidiaries to the Authority.

12.2 Required Insurance. IGU will maintain fire and extended coverage casualty insurance on the Project up to its full replacement value, which insurance must list the Authority as "Mortgagee Loss Payee" for real property assets and "Lender Loss Payee" for personal property assets. IGU shall maintain public liability insurance on its operations and business, with all such insurance being in the form, amounts, and coverages, and with insurance companies, that are reasonably acceptable to the Authority. The Authority will be named as an additional insured on the public liability insurance. IGU will provide to the Authority copies of all of the required insurance policies. All insurance policies shall require notice to the Authority at least 20 days in advance of any cancellation or reduction in coverage.

12.3 Insurance Proceeds. IGU shall promptly notify the Authority of any loss or damage to the Collateral, whether or not such casualty or loss is covered by any insurance. The Authority may make proof of loss if IGU fails to do so within 15 days of the casualty. IGU shall use all amounts collected by IGU under any fire or other insurance to restore the damaged or destroyed property. All amounts collected by IGU under any fire or other insurance policy that are not used by IGU to restore the damaged or destroyed property shall be payable to or otherwise provided to the Authority and may be applied by the Authority towards the outstanding indebtedness owed on the Loan, and in such order as the Authority may determine. If the Authority reasonably estimates that the amount collected from insurance will not be sufficient to complete the restoration work, the Authority may require that IGU provide adequate
proof that it has the additional funds necessary to fully and completely finish the work necessary to restore the damaged or destroyed property. All work to restore the damaged or destroyed property shall be conducted pursuant to written contracts approved by the Authority in writing. This Section 12.3 will be subject to the terms and conditions of any trust indenture for the Bonds.

13. MISCELLANEOUS.

13.1 No Pledge of the State or FNSB. No obligation of the Authority hereunder shall be deemed to constitute a pledge of the full faith and credit or taxing power of the State of Alaska or of any political subdivision thereof, except that the Bonds shall be secured by a capital reserve fund supported by the State of Alaska’s moral obligation. No obligation of IGU hereunder shall be deemed to constitute a pledge of the full faith and credit or taxing power of the FNSB. Under the applicable implementing and creating ordinance that authorized IGU’s formation, IGU may contract only on its own behalf and not on behalf of the FNSB. The FNSB is not liable for the debts or liabilities of the IGU unless such debts and/or liabilities are specifically authorized by the FNSB Assembly or law.

13.2 Non-Waiver. No waiver by either Party of any breach of any obligations, agreements, or covenants under this Financing Agreement, or under the Term Loan Note, or under any of the Related Documents, shall be a waiver of any subsequent breach. No delay or omission to exercise any right or power on either Party’s part shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient.
13.3 Severability. Any provision of this Financing Agreement determined to be invalid by a court of competent jurisdiction shall not invalidate the remaining provisions of the Financing Agreement. If any provision of this Financing Agreement is held to be illegal, invalid, or unenforceable under any present or future law, then that provision will be fully severable. This Financing Agreement will be construed and enforced as if the illegal, invalid, or unenforceable provision had never comprised a part of this Financing Agreement, and the remaining provisions of this Financing Agreement will remain in full force and effect and will not be affected by the illegal, invalid, or unenforceable provision or by its severance from this Financing Agreement. Furthermore, in lieu of each illegal, invalid, or unenforceable provision, there will be added automatically, as a part of this Financing Agreement, a provision as similar in terms to the illegal, invalid, or unenforceable provision as may be possible and be legal, valid and enforceable.

13.4 Integration. This Financing Agreement, all exhibits, appendices, addendums, schedules, and amendments to this Financing Agreement, and all of the Related Documents constitute the complete and final agreement of the Parties relating to the subject matter addressed in this Financing Agreement or the Related Documents, and supersede all prior communications, understandings, and agreements between the Parties, whether oral or written. The Parties hereby acknowledge and represent, by executing this Financing Agreement, that said Parties have not relied on any representation, assertion, guarantee, warranty, collateral contract, or other assurance, except those set out in this Financing Agreement or the Related Documents, made by or on behalf of any other Party or any other person or entity whatsoever, prior to the execution of this Financing Agreement.
13.5 Amendment; Assignment. The provisions of this Financing Agreement may only be reformed, altered, or modified by a writing that indicates it is intended to amend the terms of this Financing Agreement and is signed by duly authorized representatives of each Party. This Financing Agreement shall be binding upon and inure to the benefit of the Parties and their respective successors and permitted assigns, but IGU shall not assign its rights or delegate its duties under this Agreement without the prior written consent of the Authority, which consent shall not be unreasonably withheld. Any attempted assignment or delegation of IGU’s rights or obligations under this Financing Agreement by IGU, or its successors or permitted assigns, without the prior written consent of the Authority shall be absolutely void, not merely voidable, and shall constitute an Event of Default under this Agreement.

13.6 Construction and Interpretation. This Financing Agreement will in all events be construed as a whole, according to its fair meaning, and not strictly for or against a Party because that Party (or the Party’s legal representative) drafted the Financing Agreement. The headings, titles, and captions contained in this Financing Agreement are merely for reference and do not define, limit, extend, or describe the scope of this Financing Agreement or any provision of it. Unless the context requires otherwise, the gender (or lack of gender) of all words used in this Financing Agreement includes the masculine, feminine, and neuter, and the word “including” means “including, without limitation.”

13.7 Advice of Counsel. The Parties represent and warrant that they have read and fully understand all of the terms and provisions of this Financing Agreement and the Related Documents. The Parties affirm that they have had an opportunity to
review this Financing Agreement and all the transaction documents related to this Financing Agreement with legal counsel of their own choosing, and that they have executed this Financing Agreement based upon their own judgment and advice of independent legal counsel (if sought).

13.8 Notices. Notice shall be given in writing, either by certified mail, to be deemed effective on receipt or by facsimile, addressed as follows:

If to IGU:
Interior Gas Utility
P.O. Box 70200
Fairbanks, AK 99707
Attn: General Manager
Fax: (907) 374-4473
Email: jstewart@interiorgas.com

With a copy to:
Zane D. Wilson, Esq.
Rene A. Broker, Esq.
714 4th Ave., Suite 200
Fairbanks, AK 99707
Fax: (907) 452-8154
Email: zane@alaskalaw.com
reneh@alaskalaw.com

If to the Authority:
Executive Director
Alaska Industrial Development and Export Authority
813 West Northern Lights Boulevard
Anchorage, Alaska 99503
Fax: (907) 771-3044
Email: jspringsteen@aidea.org
With a copy to:
Jerome H. Juday
Senior Assistant Attorney General
1031 West 4th Avenue, Suite 200
Anchorage, Alaska 99501
Fax: (907) 375-8282
Email: jerry.juday@alaska.gov

Each Party shall notify the other in writing of any change of address.

13.9 Dispute Resolution; Venue; Jurisdiction; Attorneys' Fees.

13.9.1 In the event of a dispute arising out of or relating to this Financing Agreement, other than disputes related to Events of Default as set forth in Section 11.4, the Parties shall engage in good faith discussions in an effort to resolve the dispute. If such discussions are not successful in resolving the dispute to the satisfaction of the Parties, the Parties shall attempt to settle the dispute by mediation, administered by the American Arbitration Association ("AAA") under its Mediation Rules, or by such other method as may be agreed to in writing between the Parties. If settlement is not reached within one hundred twenty (120) days after service of a written demand for mediation, either Party may commence a lawsuit to resolve such dispute.

13.9.2 Venue for any suit, legal action, or other legal proceeding arising out of or relating to this Financing Agreement, including disputes relating to Events of Default, shall be brought exclusively in the Superior Court for the State of Alaska, Third Judicial District, at Anchorage, Alaska, and not in any other court. Each Party irrevocably consents to the jurisdiction of such court in any such suit, action, or proceeding and waives any objection or defense which such Party may have to the laying of venue of any such suit, action, or proceeding in such court, including the defense of an inconvenient forum to the maintenance in such court of such suit, action,
or proceeding. The Parties agree that a final and non-appealable judgment in any such suit, action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or by any other manner provided by law. The prevailing Party in any court proceeding shall be entitled to recover its actual reasonable attorneys' fees in addition to any other relief the court awards.

13.9.3 In the event of unsuccessful mediation under the provisions of Section 11.4 or this Section 13.9, the Authority shall have all rights granted to it to foreclose upon the Collateral or exercise any other self-help remedies provided to the Authority in this Financing Agreement, any agreements related to the Collateral, any Related Documents, or under applicable law.

13.10 Authority Liability. In all circumstances, the Authority's liability to IGU, or its successors or assigns, for the Authority's failure to perform or fulfill any obligation created under or arising out of this Financing Agreement shall be limited to the SETS fund established under AS 44.88.660, or the assets the Authority holds in the SETS program or fund, or any specific appropriation the Alaska State Legislature made to the Authority for the purpose of satisfying the Authority's liability to IGU. IGU shall have no recourse against the Authority's revolving fund established under AS 44.88.060 to enforce or compensate for any liability of the Authority to IGU. The restrictions of this Section 13.10 apply to a monetary award of damages, an equitable recovery of restitution, any other type of compensation, a decree of specific performance, and any other relief or remedy that may be available to IGU under applicable law. IGU shall have a right of offset against any amount owed under the Loan for any liability the Authority has to IGU for breach or non-performance of this Agreement. Prior to
exercising the right of offset, IGU must give the Authority written notice of the claimed breach or non-performance and IGU must afford the Authority an opportunity to cure the breach or non-performance consistent with Section 11.2. If the Authority disputes the breach or non-performance, the Parties must comply with the dispute resolution process provided for in Sections 11.4 or 13.9 before IGU may exercise the right of offset.

13.11 Time of the Essence. Time is of the essence in the performance of this Financing Agreement, the Term Loan Note, and all the Related Documents.

13.12 Counterparts. This Financing Agreement may be signed in counterparts all of which when taken together shall constitute one and the same documents. Signature pages for this Financing Agreement may be delivered and exchanged by electronic means, which shall be effective for purposes of binding the Parties to this Financing Agreement.

IN WITNESS WHEREOF, the Parties have caused this Financing Agreement to be executed by the duly authorized representatives as of the day and year first hereinabove set forth.

[Signature Pages Follow]
THE AUTHORITY: THE ALASKA INDUSTRIAL DEVELOPMENT AND EXPORT AUTHORITY, a public corporation of the State of Alaska

December 13, 2017

By: [Signature]

Its: [Title]

IGU

THE INTERIOR ALASKA NATURAL GAS UTILITY d/b/a INTERIOR GAS UTILITY, a public corporation and an instrumentality of the Fairbanks North Star Borough

December 13, 2017

By: [Signature]

Its: [Title]
EXHIBIT A
FORM OF TERM PROMISSORY NOTE

$125,000,000

Fairbanks, Alaska

Promise to Pay. The INTERIOR ALASKA NATURAL GAS UTILITY d/b/a INTERIOR GAS UTILITY, a public corporation and instrumentality of the Fairbanks North Star Borough ("IGU"), promises to pay to the Alaska Industrial Development and Export Authority (the "Authority"), or order, the principal sum of One Hundred Twenty-Five Million Dollars ($125,000,000) or so much of that amount as may be advanced under the Financing Agreement, together with Interest (if any) on the unpaid principal balance. This note (the "Term Loan Note") is executed and delivered pursuant to the provisions of the Financing Agreement between the IGU and the Authority of even date herewith. Capitalized terms in this Term Loan Note shall have the meaning ascribed to them in the Financing Agreement. In the event of differences between the terms of this Term Loan Note and the Financing Agreement, the Financing Agreement shall control.

Interest Rate; Payments. Under this Term Loan Note, interest (the "Interest Rate") shall accrue as described in Section 4.1.1 of the Financing Agreement. Payments under this Term Loan Note shall be made according to the provisions of Section 4.1.2 of the Financing Agreement. Commencing on the first day of the first calendar month after the expiration of the Deferral Period or the Demand Deferral Period, whichever is later, IGU shall pay equal monthly payments on the first day of each month sufficient to fully amortize the Term Loan by the Maturity Date. All payments shall be applied first to interest, and then to principal. If not sooner paid, the Term Loan shall be paid in full by the Maturity Date.

Default. IGU will be in default if any of the Events of Default under the Financing Agreement have occurred and continue after any applicable cure period has expired. Upon the occurrence of an Event of Default and after any applicable cure period has expired, the Authority, at its sole option, may declare the entire unpaid principal balance on this Term Loan Note and all accrued unpaid interest immediately due, without notice, and exercise such remedies and take such actions as are provided for in the Financing Agreement.

Holder's Rights. IGU is personally obligated and fully liable for the amount due under this Term Loan Note. The holder of this Term Loan Note has the right to sue on this Term Loan Note and obtain a personal judgment against IGU for satisfaction of the amount due under this Term Loan Note either before or after a judicial foreclosure of the Deed of Trust, Security Agreement, and Fixture Filing under AS 09.45.170 - 09.45.220. Also, the holder of this Term Loan Note, at its sole option, has the right to sue on this Term Loan Note either before or after the exercise by the holder of any other right or remedy it may have to proceed against any of the collateral securing this Term Loan.
Note. The holder of this Term Loan Note may hire or pay someone else to help collect this Term Loan Note if IGU does not pay. The holder of this Term Loan Note shall be entitled to collect all reasonable resulting costs and expenses, including but not limited to reasonable attorney's fees, whether or not there is a lawsuit.

**Governance Law: Forum Selection.** This Term Loan Note has been delivered to the Authority and accepted by the Authority in the State of Alaska. If there is a lawsuit, IGU shall submit to the jurisdiction of the Alaska state courts in the Third Judicial District, at Anchorage, in accordance with the provisions of the Financing Agreement. This Term Loan Note shall be governed by and construed in accordance with the laws of the State of Alaska.

**Collateral.** This Term Loan Note is secured by the Collateral described in the Financing Agreement.

**General Provisions.** The holder of this Term Loan Note may delay or forgo enforcing any of its rights or remedies under this Term Loan Note without losing them. IGU and any other person who signs, guaranties, or endorses this Term Loan Note, to the extent allowed by law, waive presentment, demand for payment, protest, and notice of dishonor. Upon any change in the terms of this Term Loan Note, and unless otherwise expressly stated in writing, no party who signs this Term Loan Note, whether as maker, guarantor, accommodation maker, or endorser, shall be released from liability. All such parties agree that the holder of this Term Loan Note may renew or extend (repeatedly and for any length of time) the Loan represented by this Term Loan Note, or release any party or guarantor or collateral; or impair, fail to realize upon or perfect the holder's security interest in the collateral, and take any other action deemed necessary by the holder without the consent of or notice to anyone. All such parties also agree that the holder may modify the loan represented by this Term Loan Note without the consent of or notice to anyone other than IGU and the party with whom the modification is made.

**PRIOR TO SIGNING THIS TERM LOAN NOTE, IGU HAS READ AND UNDERSTOOD ALL THE PROVISIONS OF THIS TERM LOAN NOTE. IGU AGREES TO THE TERMS OF THIS TERM LOAN NOTE AND ACKNOWLEDGES RECEIPT OF A COMPLETED COPY OF THIS TERM LOAN NOTE.**

---

**IGU**

**THE INTERIOR ALASKA NATURAL GAS UTILITY d/b/a INTERIOR GAS UTILITY,** a public corporation and an Instrumentality of the Fairbanks North Star Borough

---

**By:**

**Its:**

---

FINANCING AGREEMENT

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EXHIBIT B – UNALLOWABLE COSTS

1. Bad debts of IGU, including IGU’s expenses of collection.

2. Bonuses, commissions, and similar compensation under any other name, which provide compensation to an employee or agent of IGU in excess of reasonable compensation for the services rendered, or are in connection with obtaining or negotiation for a State of Alaska loan or grant, or a modification thereto.

3. Contingency reserves and provisions.

4. Entertainment expenses. All entertainment expenses are disallowed without regard to the purpose. State employees are not to be entertained by IGU for any business or social purpose.

5. Fines and penalties, including assessed interest, resulting from violation or failure of IGU to comply with federal, state, or local laws or regulations.


7. Legal, accounting, and consulting services and related costs incurred in connection with prosecution of claims of IGU against the Authority or the State of Alaska or contesting actions or proposed actions of the Authority or State of Alaska against IGU.

8. Lobbying expenses of IGU and agents of IGU.

9. Maintenance, depreciation, and other costs incidental to IGU’s idle or excess facilities (including machinery and equipment) other than reasonable standby facilities.

10. Membership in trade, business, and professional organizations.

11. Patronage capital credits or other capital distributions of IGU.
12. Payment to any board member or employee of IGU, except for documented
reimbursement of actual out-of-pocket expense relating solely to the Project and
approved by the Authority.

EXHIBIT C – SCOPE OF WORK AND SCHEDULE OF ADVANCES

Scope of Work

The scope of work (SOW) is detailed in the following documents:

A. Utility Integration Memorandum of Understanding (MOU) as approved by AIDEA and IGU dated January 25, 2017 including MOU Appendix A and B

B. Financing Agreement Appendix B, Integrated Gas Utility Capital Program
   
   a. Work items include Titan 2 LNG Plant, Titan 3 LNG Plant, High-Capacity LNG Trailers & Equipment, Fairbanks Storage Facility, North Pole Storage Facility, IGU Phase 1, 2 & 3 Distribution, FNG Distribution Infill, FNG Peak Shaving Plant, Services and Meters, Program Management, and Customer Conversion Program

C. Scope of work and costs for Titan 2 construction activities (to be provided after contracts are executed)

D. Scope of work and costs for FNG storage facility construction activities in Fairbanks (to be provided after contracts are executed)

E. Scope of work and costs for IGU storage facility construction activities in North Pole (to be provided after contracts are executed)

F. Scope of work for other work items included in B. a above shall be provided after contracts are executed

Costs directly billed to the specific tasks identified in the scope of work documents (and verified by IGU as appropriate and reasonable to the SOW) are considered eligible expenses of the Project. Costs directly billed to conduct due diligence in conjunction with the Purchase Agreement and this Financing Agreement are considered eligible expenses of the Project only if Closing occurs and may be advanced under the Loan after Closing pursuant to the provisions of this Financing Agreement.

IGU will not assign any additional tasks or modify the statement of work without written authorization of the Authority. Authorization for task additions and modifications shall not be unreasonably withheld as long as the changes do not exceed the $125,000,000 SETS financing and $150,000,000 Bond financing as authorized in SB 23.
Schedule of Advances

The term "advances" only applies to Term Loan (SETS financing)

Lender will advance amounts under the Term Loan according to the schedule below, which amounts are an estimate, based on a May 31, 2018 Closing, to be adjusted as of the Closing Date:

<table>
<thead>
<tr>
<th>Advance</th>
<th>Elements</th>
<th>Timing / Period</th>
<th>SETS Loan</th>
<th>Capital Appropriation</th>
<th>Total</th>
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<tr>
<td>1</td>
<td>IGU LOC</td>
<td></td>
<td>$27,412,000</td>
<td>$27,412,000</td>
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<tr>
<td></td>
<td>FNG LOC</td>
<td></td>
<td>$14,806,000</td>
<td>$14,806,000</td>
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<tr>
<td></td>
<td>Pentex Purchase</td>
<td></td>
<td>$20,694,010</td>
<td>$40,597,381</td>
<td>$61,291,391</td>
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<tr>
<td>Total - Advance 1</td>
<td>At Closing (5/31/18)</td>
<td></td>
<td>$62,912,010</td>
<td>$40,597,381</td>
<td>$103,509,391</td>
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<table>
<thead>
<tr>
<th>Advance</th>
<th>Elements</th>
<th>Timing / Period</th>
<th>SETS Loan</th>
<th>% of SETS Balance</th>
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</thead>
<tbody>
<tr>
<td>2</td>
<td>Costs - Quarter 1</td>
<td>6/1/18 thru 8/31/18</td>
<td>$9,313,199</td>
<td>15%</td>
</tr>
<tr>
<td></td>
<td>Post-Closing</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Costs - Quarter 2</td>
<td>9/1/18 thru 11/30/18</td>
<td>$9,313,199</td>
<td>15%</td>
</tr>
<tr>
<td></td>
<td>Post-Closing</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>Costs - Quarter 3</td>
<td>12/1/18 thru 2/28/19</td>
<td>$15,521,998</td>
<td>25%</td>
</tr>
<tr>
<td></td>
<td>Post-Closing</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>Costs - Quarter 4</td>
<td>3/1/19 thru 5/31/19</td>
<td>$15,521,998</td>
<td>25%</td>
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<td></td>
<td>Post-Closing</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>Costs - Quarter 5</td>
<td>6/1/1 thru 8/31/19</td>
<td>$12,417,598</td>
<td>20%</td>
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<tr>
<td></td>
<td>Post-Closing</td>
<td></td>
<td></td>
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<tr>
<td>Total of SETS Loan Advances</td>
<td></td>
<td></td>
<td>$125,000,000</td>
<td></td>
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</table>

$62,087,990 SETS Balance After Advance 1

* Assumes May 31, 2018, Closing Date
** Based on Capital Program, Appendix B
APPENDIX A
INTEGRATED UTILITY NATURAL GAS DEMAND FORECAST

Natural Gas Demand Estimated Forecast (BCF/YR)

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<tr>
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</thead>
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<tr>
<td>IGU Phase 1-3</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>0.07</td>
<td>0.22</td>
<td>0.40</td>
<td>0.58</td>
<td>0.76</td>
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<td>FNG</td>
<td>0.75</td>
<td>0.75</td>
<td>0.75</td>
<td>1.12</td>
<td>1.61</td>
<td>2.15</td>
<td>2.67</td>
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<td>Total Demand</td>
<td>0.75</td>
<td>0.75</td>
<td>0.75</td>
<td>1.19</td>
<td>1.83</td>
<td>2.55</td>
<td>3.25</td>
<td>3.90</td>
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<th>Item</th>
<th>2025</th>
<th>2026</th>
<th>2027</th>
<th>2028</th>
<th>2029</th>
<th>2030</th>
<th>2031</th>
<th>2032</th>
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<tbody>
<tr>
<td>IGU Phase 1-3</td>
<td>0.89</td>
<td>0.98</td>
<td>1.04</td>
<td>1.09</td>
<td>1.12</td>
<td>1.14</td>
<td>1.14</td>
<td>1.14</td>
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<tr>
<td>FNG</td>
<td>3.53</td>
<td>3.77</td>
<td>3.90</td>
<td>4.02</td>
<td>4.08</td>
<td>4.12</td>
<td>4.14</td>
<td>4.15</td>
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<tr>
<td>Total Demand</td>
<td>4.41</td>
<td>4.75</td>
<td>4.95</td>
<td>5.11</td>
<td>5.20</td>
<td>5.26</td>
<td>5.29</td>
<td>5.29</td>
</tr>
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# APPENDIX B – Integrated Utility Capital Program

## APPENDIX B-1

<table>
<thead>
<tr>
<th>Item</th>
<th>Stage 1</th>
<th>Stage 2</th>
<th>Stage 3</th>
<th>Total</th>
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<td><strong>INTEGRATED GAS UTILITY CAPITAL PROGRAM</strong></td>
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<td>LNG Supply</td>
<td>24,350,000</td>
<td>21,850,000</td>
<td>25,000,000</td>
<td>46,200,000</td>
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<tr>
<td>Titan 3 LNG Plant [inc. Titan 1 upgrades]</td>
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<tr>
<td>ST - LNG Supply</td>
<td>24,350,000</td>
<td>21,850,000</td>
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<td>71,200,000</td>
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<td>Transportation</td>
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<td>LNG High-capacity Trailers &amp; Equip</td>
<td>1,095,000</td>
<td>730,000</td>
<td>2,920,000</td>
<td>4,745,000</td>
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<td>Storage and Vaporization</td>
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<td>TPR &amp; LPG Storage</td>
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<td>10,000,000</td>
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<tr>
<td>ST - Storage</td>
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<td>Pentex Acquisition</td>
<td>59,575,000</td>
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<td>IGU Acquisition of Pentex from MDLX</td>
<td>59,575,000</td>
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<td>Distribution</td>
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<td>Phase 1 IGU Buildout</td>
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<td>Phase 2 IGU Buildout</td>
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<td>Phase 3 IGU Buildout</td>
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<td>FNG Expansion - Gas Mains</td>
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<td>FNG Expansion - Future Peak Shaving Plant</td>
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<td>IGU &amp; FNG - New Services &amp; Meters</td>
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<td>Program Management</td>
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<td>ST - Distribution</td>
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<td>Customer Conversion Program</td>
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<td>ST - Program Management</td>
<td>7,320,000</td>
<td>7,320,000</td>
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<td>Total Capital Program</td>
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<td>182,745,000</td>
<td>124,012,000</td>
<td>331,229,000</td>
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<td>Sources of Funds</td>
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<td>MDLX Bonds</td>
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<td>Commercial Financing (Bridges &amp; LNG Trailers)</td>
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<td>331,229,000</td>
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FINANCING AGREEMENT
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## APPENDIX C
### INTEGRATED UTILITY SOURCES & USES OF FUNDS

<table>
<thead>
<tr>
<th>Item</th>
<th>FY 2018</th>
<th>FY 2019</th>
<th>FY 2020</th>
<th>FY 2021</th>
<th>FY 2022</th>
<th>FY 2023</th>
<th>FY 2024</th>
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<th>FY 2026</th>
<th>FY 2027</th>
<th>FY 2028</th>
<th>Total</th>
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**Notes:**
1. Actual bond financing amounts and timing to be determined up to $180 million plus inflationary increase, bond counsel fees, issue fees, financial advisory fees, closing costs, and other bond issuance costs.
2. Utility revenues to be used as needed for operational needs.
3. Snow removal requirement to be determined on-line of bond issue.
4. Cost of financing to be determined pre-financing.
MEMORANDUM

TO:         Fairbanks North Star Borough Assembly
THROUGH:    Bryce Ward, Mayor
            Jim Williams, Chief of Staff
FROM:       Christine Nelson, AICP
            Community Planning Director
DATE:       April 11, 2019

SUBJECT:   ORDINANCE NO. 2019-01 AN ORDINANCE AMENDING FNSBC TITLE 17
            REGARDING LEGAL AND CONSTRUCTED ROAD ACCESS FOR SUBDIVISIONS

Ordinance 2019-01 is sponsored by FNSB Administration and was referred to the Platting
Board on January 10, 2019 for review and recommendation. This ordinance will amend Title
17 of the Code of Ordinances to simplify and ensure legal road access and road construction
standards for subdivision development. The ordinance also establishes an “exemptions to
road construction” section of Title 17 and reduces the number of allowable exemptions.

On March 6, 2019, and March 20, 2019 the Fairbanks North Star Borough Platting Board held
public hearings regarding the proposed ordinance. The Platting Board voted (five in favor
one opposed) to recommended approval with the following amendments.

Platting Board’s Recommended Amendments to Ordinance 2019-01:

Amendment #1:
Add the phrase “unless the landing is within a State right of way, the City of Fairbanks, or
the City of North Pole, in which case the landing shall meet the standards set forth by the
managing authority” on Line 304 (formerly Line 298).

Amendment #2:
That the Assembly consider if there is a safety issue if formerly Lines 260 and 262 are
removed.

Amendment #3:
Change the phrase “on the first borough business day” to “365 days” on Line 311-312
(formerly Line 304).
Amendment #4:
Create an exemption to road construction requirements for a single lot, 5 acres or less, subdividing into no more than two lots.

After analysis of the Platting Board’ recommendations, the FNSB Administration incorporated the following changes into Ordinance 2019-001 that has been revised for introduction.

FNSB Administration Recommended Amendments to Ordinance 2019-01:

Amendment #1:
Add the phrase “unless the landing is within a State right of way, the City of Fairbanks, or the City of North Pole, in which case the landing shall meet the standards set forth by the managing authority” on Line 304 (formerly Line 298).

Amendment #2:
Reduce the size of parcels required for road construction from “over 40 acres or 1/16 section in size” to “20 acres or larger in size” on Line 254.

Amendment #3:
Add a clarifying statement that “Communication sites and utility sites do not require constructed road access to or within the subdivision” on Line 258.

Amendment #4:
Create an exemption to road construction requirements for a single lot, not within the City of Fairbanks or the City of North Pole, subdividing into two or fewer lots on Lines 262-264 (as recommended by the Platting Board).

Amendment #5:
Change the phrase “on the first borough business day” to “180 days” on Line 311-312 (formerly Line 304).

The administration has incorporated the majority of the changes that were recommended by the Platting Board. The Community Planning Department requests that this ordinance be placed on the next regular Assembly meeting agenda for Introduction.

Attachments:

Ordinance No. 2019-01, Revised for Introduction
Ordinance No. 2019-01, Original
Ordinance Fact Sheet
Platting Board Staff Report March 6, 2019
Platting Board Presentation Slides March 6, 2019
Public Comments to Date
Platting Board Minutes March 6, 2019 and March 20, 2019 (pending)
REVISED FOR INTRODUCTION
By: Bryce Ward, Mayor

By: Bryce J. Ward, Mayor
Referred to the
Platting Board: January 10, 2019
Introduced: April 11, 2019

FAIRBANKS NORTH STAR BOROUGH

ORDINANCE NO. 2019 - 01

AN ORDINANCE AMENDING FNSBC TITLE 17 REGARDING LEGAL AND CONSTRUCTED
ROAD ACCESS FOR SUBDIVISIONS

WHEREAS, State law authorizes the Borough, as part of its platting powers,
to implement road construction requirements, and the Assembly has the discretion to
decide whether road construction should be included in the Borough’s subdivision
requirements; and

WHEREAS, Current FNSBC Title 17 subdivision regulations allow for
exemptions to road construction based on three ordinances adopted by the Assembly
between June 2012 and April 2013; and

WHEREAS, The current sections contained within FNSBC Title 17 allowing
for exemptions to road construction are contained in different sections of the Title,
making review and application very difficult for the public; and

WHEREAS, From the time the first road construction exemption was
adopted, approximately 13% of subdivision applications have used the exemption,
resulting in over 65 exempted roads; and

WHEREAS, Approximately 76% of the exempted roads are within a Fire
Service Area and approximately 27% are within a Road Service Area; and

AMENDMENTS ARE SHOWN IN LEGISLATIVE FORMAT
Text to be added is underlined
Text to be deleted is [BRACKETED, CAPITALIZE]
WHEREAS, An estimated 88% of the exempted roads have some type of drivable surface, but do not meet current FNSBC Title 17 standards; and

WHEREAS, The FNSB Regional Comprehensive Plan, Land Use Goal 1, Strategy 3 states "To work to reduce to the fullest extent possible the natural conflict that develops between private property right and community needs and interests"; and

WHEREAS, The FNSB Regional Comprehensive Plan, Transportation and Infrastructure Goal 1, Strategy 1, Action B is:

Revise Title 17 to:

- Improve road standards.
- Ensure access for emergency service vehicles to new developments.
- Include the pedestrian element in the subdivision platting process.
- Require public and private developers to provide adequate rights-of-way and road construction in conformance with Borough road standards; and

WHEREAS, It is difficult to develop a constructed road system in line with the FNSB Comprehensive Road Plan when sections can be exempted from construction; and

WHEREAS, One of the stated purposes of FNSB Title 17 is to "Promote and provide for adequate and efficient street and road systems" and the existing exemptions to road construction do not accomplish this purpose; and

WHEREAS, Subdivision plats utilizing one of the existing road construction exemptions shall contain a plat note stating "Roads in and to this subdivision were not required to and may not meet the borough's minimum standards for materials and

AMENDMENTS ARE SHOWN IN LEGISLATIVE FORMAT
Text to be added is underlined
Text to be deleted is [BRACKETED, CAPITALIZE]
construction. To the extent these road standards have not been met, fire protection, ambulance and other public services may not be available year-around or their availability may be severely limited"; and

WHEREAS, One consequence of the adopted road construction exemption ordinances is that physical road access to the new subdivision boundary is not necessarily located within legal access to the new subdivision boundary.

NOW, THEREFORE, BE IT ORDAINED by the Assembly of the Fairbanks North Star Borough:

Section 1. Classification. This ordinance is of a general and permanent nature and shall be codified.

Section 2. FNSBC 17.04.010, Definitions, is hereby amended to add the following definition [the Clerk shall add the definition in alphabetical order]:

"Borough engineer" means the director of public works or designee.

Section 3. FNSBC 17.16.010(A), Quick Plat Criteria, is hereby amended as follows:

A. Subject to subsection (C) of this section, a hearing officer may, using the procedures set forth in this division, consider and approve plat applications requesting the following:

1. A movement or elimination of lot lines resulting in no more than four lots.

2. A subdivision resulting in four or fewer tracts or lots meeting the access standards of Chapter 17.56 FNSBC[ 17.56.020].

3. A subdivision of a communication site or utility site which requires no legal road access as defined in Chapter 17.56 FNSBC[ 17.56.020(E)].
4. Modification, elimination or reservation of a public utility easement.

Section 4. FNSBC 17.20.010, Subdivisions by waiver of a plat, is hereby amended as follows:

A. The platting board shall approve the subdivision and waive the preparation, approval, and recording of a final plat upon showing by the applicant that the subdivision meets all the following requirements:

1. Each tract or parcel of land created will have [ADEQUATE] legal and constructed access to a public highway or street;

2. Each parcel created is nominally five acres in size or larger and the land is divided into four or fewer parcels;

3. No dedication of a street, alley, thoroughfare or other public area is involved or required. [FOR THE PURPOSES OF THIS SUBSECTION, EASEMENTS FOR TRAILS REQUIRED TO BE DEDICATED IN CONFORMANCE WITH THE ADOPTED COMPREHENSIVE RECREATIONAL TRAIL PLAN MAY BE RESERVED BY A WRITTEN DEED OF DEDICATION.]

B. FOR THE PURPOSE OF SUBSECTION (A)(1) OF THIS SECTION, THE REQUIREMENT OF "ADEQUATE ACCESS" TO A PUBLIC HIGHWAY OR STREET MAY BE MET BY ACCESS MEETING THE STANDARDS SET FORTH IN FNSBC 17.56.020.

1. IF THE ACCESS IS PROVIDED BY AN EASEMENT AS DESCRIBED IN FNSBC 17.56.020(C)(5) OR (6) LYING WITHIN THE PARCEL BEING SUBDIVIDED, THE ACREAGE OCCUPIED BY THE EASEMENT MAY BE INCLUDED IN THE ACREAGE OF THE PARCEL FOR PURPOSES OF APPLYING SUBSECTION (A)(2) OF THIS SECTION.

2. RIGHT-OF-WAY WIDTH WITHIN THE SUBDIVISION BOUNDARY MUST CONFORM TO STANDARDS PRESCRIBED IN FNSBC 17.56.080. IF THIS QUALIFICATION IS NOT MET, A DEDICATION IS REQUIRED.]

[C]B. A waiver under this chapter is a waiver of the final plat only. All other requirements of this title must be met.
Section 5. FNSBC 17.56.020 is hereby repealed and reenacted as
follows:

17.56.020 Legal Access.

A. Except as otherwise allowed in this section, there shall be legal access originating
from a state-maintained roadway available for year-round public use to the boundary of
the subdivision.

B. The applicant shall show to the satisfaction of the platting authority that legal
access exists, providing for construction, improvements, and maintenance of a trafficway
up to a width and standard required by this title, to the boundary of the subdivision.

C. All lots within the subdivision shall have legal access.

1. All road rights-of-way within the subdivision shall be dedicated to the public.

2. Exterior boundary right-of-way width may be shared with the adjoining
   property owner if the shared right-of-way is existing and public.

D. Communication sites and utility sites do not require legal access. At a minimum,
a n easement allowing ingress and egress from legal access as defined in this section to
the communication site or utility site is required.

E. The platting board may accept alternate means of access to the subdivision in lieu
of road access upon an application and findings by the platting board that:

   1. There is no practical means of providing usable road access to the proposed
      subdivision.

   2. Permanent public access by air, water, or railroad is both practical and
      feasible.

   3. The primary mode of access shall be noted on the plat.

F. "Legal access" may be established by one of the following means:

   1. The applicant dedicates sufficient land to provide access between the
      subdivision and the existing public road.

   2. A dedicated right-of-way exists for access to the land.
3. Legal access is established by judicial decree.

4. An access easement exists which meets all the following requirements:
   a. It is public.
   b. It is perpetual and irrevocable.
   c. It is recorded.
   d. It prohibits the use of any interest retained by the grantor which would be incompatible with its use as a road easement to the parcel being subdivided.

5. It is a verified section line easement.

6. A private access easement exists which meets all the following requirements:
   a. It is an easement appurtenant without limits on transferability to future subdivided parcels.
   b. It is perpetual and irrevocable.
   c. It is recorded.
   d. It prohibits the use of any interest retained by the grantor which would be incompatible with its use as a road easement to the parcel being subdivided.
   e. It serves a subdivision not within a road service area and the subdivision does not rely on roads maintained by a service area for its only access.

Section 6. FNSBC 17.56.060 is hereby repealed and reenacted as follows:

17.56.060 General road requirements.

A. There shall be constructed road access originating from a state-maintained roadway or a roadway previously approved for access under criteria established by this or prior titles to the boundary of the subdivision. The constructed road shall be within legal access as defined in this chapter. For the purposes of this title, if an established road exists and is proposed for access to the subdivision, it will be deemed constructed if it is a state maintained roadway; if the roadway has been previously approved by the
borough engineer in accordance with this or former titles; or if it meets the requirements
of this subsection.

1. Roads originally approved as pioneer roads will be subject to upgrade to
the width of trafficway standards contained in this section.

2. If an established road exists and has not been previously approved by the
borough engineer, it will be deemed constructed if it meets all of the following:

   a. In the professional opinion of the borough engineer, it is adequately
      drained;

   b. In the professional opinion of the borough engineer, the road bed is
      of stable material;

   c. All grades comply with FNSB 17.56.100(B)(1) and (B)(3);

   d. The width of the trafficway and right-of-way comply with FNSBC
      17.56.080(B) as follows:

      i. Subdivisions with the potential for serving 10 or fewer
         residential lots — meet local road 1 standards,

      ii. Subdivisions with the potential for serving 11 to 40 lots — meet
         local road 2 standards,

      iii. Subdivisions with the potential for serving over 40 lots — meet
         minor collector road standards;

3. If no constructed road exists to the subdivision or if the road to the
subdivision does not meet the requirements of this section, all new construction must
comply with the standards required in this chapter for minor collectors.

B. All lots within the subdivision shall have road access constructed to the standards
required by this title and shall be constructed within a public right-of-way or public
easement, unless exempted in this chapter.

C. The platting board may require higher minimum standards within Fairbanks North
Star Borough road service areas provided the higher standard is commensurate with that
of the majority of roads constructed within the service area in which the subdivision is
being developed.

D. Road construction must be built taking into account the
conclusions/recommendations based on the typical roadway cross-sections.

E. If the standards as contained herein are impractical because of terrain, soil
characteristics, or drainage, the borough engineer may recommend to the platting board
alternate designs when substantiated by a design analysis prepared, signed and sealed
by the applicant’s registered professional. Any alternate geometric design shall be in
accordance with sound engineering principles and meet AASHTO/ITE guidelines or
applicable federal, state or local standards.

F. Any certification documents of public improvements submitted by the applicant
shall be certified by a registered professional.

G. The owner shall warrant and guarantee that the required improvements will
remain within the specifications of this title for a period of two years after final plat
approval or approval by the borough engineer, whichever is later, and agrees to make all
repairs necessary to meet those requirements during that two-year period. This
guarantee shall be enforceable by municipal action or by private action by any lot owner
within the subdivision.

1. The warranty and guarantee required by this section include defects in
design, workmanship, materials, and any damage to required improvements caused by
the subdivider, or his or her agents.

2. The duration of the warranty period may be extended for up to one year
after completion of repairs or modifications made during the warranty period.

3. A surety in the amount of five percent of the borough engineer’s cost
estimate of the required improvements shall be provided at the time of final plat and shall
be in effect through the warranty period, and, if necessary, for additional time for repairs
necessary to meet the specifications of this title.
4. If defects or damage are discovered during the two-year period beginning from the date of final plat approval, or engineer approval as applicable, the borough shall notify the subdivider of the deficiencies to be corrected. In the event the subdivider fails to correct such deficiencies within 60 days or if the deficiencies constitute a public health and safety hazard, the borough may take the following remedial actions:

a. Seek an equitable order requiring the subdivider to correct the deficiencies;

b. Draw on the surety to correct the deficiencies, reserving the right to proceed against the subdivider for any insufficiency in the amount of the surety;

c. Make any repairs or corrections deemed by the borough to be essential to public health and safety and to proceed separately against the subdivider and/or the surety for the cost of the repairs or corrections;

d. The remedies set forth in this subsection are cumulative; provided, that it shall not be construed to allow the borough to recover more than the cost of curing the deficiencies, together with such costs, attorneys’ fees and penalties as may be imposed through the court system.

5. If, at the end of the two-year warranty period, the borough has found no deficiencies in the improvements, the borough shall release the surety. If at the expiration of such period there are one or more outstanding notices to the subdivider, the borough may retain the surety until the deficiencies identified in the notice(s) have been corrected.

Section 7. FNSBC 17.56.065 is hereby added as follows:

17.56.065 Exemptions to road construction.

A. Lots 20 acres or larger in size do not require constructed road access to or within the subdivision. The applicant is required to demonstrate to the borough engineer that the proposed access can be constructed practically and economically within the legal access.
B. Communication sites and utility sites require no constructed road access.

C. An applicant for a subdivision may apply for and may be exempted from the
minimum road materials and construction standards of this title, provided all of the
following are met:

1. The proposed subdivision creates two or fewer lots and is not in the city of
   Fairbanks or the city of North Pole; or the proposed subdivision creates
   three to five lots and:
   a. Is not in the city of Fairbanks or the city of North Pole;
   b. Is not in a fire service area;
   c. Is not in a road service area;
   d. Does not rely on roads maintained by a service area for its only
   access; and,
   e. Does not rely on roads maintained by a service area for access that
   is required by the subdivision plat or by other regulation or ordinance.

2. The applicant shall provide to the platting authority a road design which
meets the requirements of Chapter 17.48 FNSBC and Chapter 17.56 FNSBC,
demonstrating that the subdivision roads have been designed to allow future construction
that meets the standards of this title in effect at the time of the preliminary approval.

3. If an established road exists and does not meet the definition of constructed
road and is proposed for access to or within the subdivision, the following shall apply:
   a. In the professional opinion of the borough engineer, the road is
   adequately drained and the roadbed is of stable material.
   b. The trafficway width meets or exceeds the minimum requirements
   of a pioneer access road.
   c. The road is within legal access.

4. If no established road exists for access to or within the subdivision, a road
or roads shall be constructed to meet or exceed the minimum requirements of pioneer
access roads.
5. A subdivision which is approved pursuant to this exemption is subject to all of the following requirements:

   a. It shall not be eligible for inclusion in a road service area until a registered professional certifies that the roads sought to be included meet the minimum design, materials and construction standards in effect when the subdivision was preliminarily approved; except that a subdivision creating two or fewer lots is not subject to this subsection.

   b. It shall contain a plat note with the disclosure containing essentially the following language:

   Roads in and to this subdivision were not required to and may not meet the borough’s minimum standards for materials and construction. To the extent these road standards have not been met, fire protection, ambulance and other public services may not be available year-around or their availability may be severely limited.

   c. Where exempted roads intersect or connect with existing constructed roadways, landings shall be constructed with a minimum of a 30-foot length meeting the minimum standards for road materials and construction of this title unless the landing is within a State right of way, the City of Fairbanks, or the City of North Pole, in which case the landing shall meet the standards set forth by the managing authority.

   d. A lot created under this subsection may not be further subdivided until such time as legal, constructed road access meeting the standards of this title is available to the boundary of the lot proposed to be further subdivided.

Section 8. **Effective Date.** This ordinance shall be effective at 5:00 p.m. 180 days following its adoption.

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*AMENDMENTS ARE SHOWN IN LEGISLATIVE FORMAT*
   *Text to be added is underlined*
   *Text to be deleted is [BRACKETED, CAPITALIZE]*
PASSED AND APPROVED THIS ____ DAY OF __________, 2019.

__________________________
Matt Cooper
Presiding Officer

ATTEST:

APPROVED:

__________________________
April Tricke, CMC
Borough Clerk

Jill S. Dolan
Borough Attorney
### Fairbanks North Star Borough Fiscal Impact Statement (FIS) (FNSBC 3.20.010 C.)

**Originator's Name:** Kellen Spillman  
**Department:** Community Planning  
**To Be Introduced/Sponsored By:** Mayor Ward  
**Abbreviated Ordinance Title:** Amending T. 17 Regarding Legal and Constructed Road Access for Subdivisions  
**Department(s)/Division(s) Affected:** FNSB Community Planning and Public Works

**Proposed Introduction Date:** Jan 10, 2019  
**Ordinance No.:** 2019-01

**Does this ordinance authorize:***

1) a new or expansion of services which entails additional costs beyond that approved in the current adopted budget?  
   - Yes ☑  
   - No ☐

2) a project that is capital in nature and increases operational costs of the Borough in the current or any future fiscal year?  
   - Yes ☐  
   - No ☑

### FISCAL IMPACT PRO FORMA SUMMARY - BEST ESTIMATE

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<td>b. to fund future phases</td>
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<td>c. to fund future operations and maintenance costs</td>
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- Is backup attached?  
  - Yes ☑  
  - No ☐

**Contact Person's Name, for FIS questions:** Kellen Spillman  
**Extension:** 1266

**Director(s) Signature(s):**  
**Date:** 12-19-19

**Mayor's Office or Assembly Member Signature:**  
**Date:**

**Chief Financial Officer Signature:**  
**Date:**
Subdivision Road Construction Ordinance Fact Sheet

What Ord. 2019-01 proposes

Purpose:
This ordinance proposes to better organize and clarify legal access, constructed access, and exemption to road construction in the subdivision code. Additionally, this ordinance proposes to reduce the instances where road construction exemptions can be used, to include only small rural subdivisions, and ensure that there is some type of road constructed.

Exemptions
1) Proposes to limit the circumstances under which a road construction exemption can be utilized only if all of these criteria are met:
   a) Subdivisions of 5 or fewer lots (currently under 10 lots in some cases)
   b) Not in City limits
   c) Not in a fire service area (new proposed criterion)
   d) Not in a road service area or relies on roads maintained by a Road Service Area
2) When utilizing the new proposed road construction exemption subdivisions:
   a) Will still require
      i) an advisory plat note
      ii) a 30-foot landing at intersections to be built to Borough standards
      iii) Construction of a Borough standard road before any further subdivision
   b) If a road already physically exists the road shall:
      i) Have a roadbed of stable material
      ii) Be adequately drained
      iii) Have a trafficway width meeting or exceeding pioneer access road standards (16 feet)
   c) If no road physically exists, the road must be built to, or exceed, pioneer access road standards
3) Exemptions for lots 40-acres or larger and for remote access remain the same

New Sections of Title 17
1) Divides the existing “Access” (17.56.020) Section into two new sections “Legal Access” and “General Road Requirements”
2) Consolidates all of the “exemptions” to road construction into one new proposed “Exemptions to road construction” section

Legal Access
1) Clarifies that any “Legal Access” to the subdivision boundary must be able to accommodate a Borough standard road.
   a) Clarifies that the “constructed” road must be located within the “legal” access (i.e. Does not allow trespass roads)
2) Majority of other requirements remain the same

Constructed Access
1) Clarifies that if a roadway has been “previously approved by the Borough Engineer” under this or former titles it is deemed “constructed”
   a) Other forms of “constructed” remain the same
2) Majority of the requirements in the “General Road Requirements” section remain similar

Questions? Please contact Community Planning at (507) 459-1260 or at planning@fnsb.us
MEMORANDUM

TO: Fairbanks North Star Borough Platting Board

THROUGH: D. Christine Nelson, Director
Department of Community Planning

FROM: Kellen D. Spillman, Deputy Director
Department of Community Planning
George Stefan, Platting Officer IV
Department of Community Planning

DATE: March 6, 2019

SUBJECT: ORDINANCE NO. 2019-01: An Ordinance Amending FNSBC Title 17 regarding legal and constructed road access for subdivisions

Purpose and Intent

The attached ordinance was referred by the FNSB Assembly and sponsored by the FNSB Administration. It proposes to better organize and clarify legal access, constructed access, and exemption to road construction in the subdivision code. Additionally, it proposes to reduce the instances in new subdivisions where road construction "exemptions" can be used, to include only small rural subdivisions, and ensure that there is some type of road constructed. The full ordinance is available in Attachment B.

Background/Ordinance Development

Historic Platting Authority

The FNSB Title 17 Subdivision Ordinance originated from the Greater Fairbanks Platting Authority Subdivision Regulations, adopted June 5, 1957. Those regulations included provisions for a "Street System" which was codified as, "The street system shall be devised for the most advantageous development of the entire neighborhood area. Principal streets in adjoining subdivisions shall be continued and shall be of at least equal width. Street jogs should be avoided wherever possible. The street system shall provide for the future projection of the principal streets into adjoining unsubdivided lands."

The Greater Fairbanks Platting Authority adopted a revision to its Subdivision Regulations on December 1, 1959. The "Purpose" section read, "The purposes of these regulations are to promote an adequate and efficient street and road system, to prevent congestion on streets and promote traffic safety, to secure desirable public spaces, to insure the proper distribution of population, to insure the accurate survey and proper preparation of plats, and to protect and improve the health, safety and general welfare of the people." This purpose section remains largely the same in the current FNSB Title 17.08.010 Purpose statement:
Current Code

A. The standards, regulations and procedures found within this title are for the following purposes:
   1. Promote and provide for adequate and efficient street and road systems;
   2. Prevent congestion on streets and promote traffic safety;
   3. Provide for adequate utilities and public improvements;
   4. Ensure the accurate survey and proper preparation of plats to facilitate the documentation of land ownership;
   5. Protect and improve the health, safety, and general welfare of the people of the borough.

Comprehensive Plan

Additionally, a factor that guides the subdivision regulations is the FNSB Regional Comprehensive Plan, which has subdivision-specific goals, strategies, and actions. The most relevant to this ordinance is:

GOAL 1: To have a safe, efficient, multi-modal transportation system that anticipates community growth

   Strategy 1: Encourage location, design and maintenance of roads based on their function and community needs.

   Action B: Revise Title 17 to:
   - Improve road standards.
   - Ensure access for emergency service vehicles to new developments.
   - Include the pedestrian element in the subdivision platting process.
   - Require public and private developers to provide adequate rights-of-way and road construction in conformance with Borough road standards.

Prior Ordinances

Prior to 2012, a subdivision applicant had to provide legal and constructed access to the proposed lots within the subdivision. While there were some exceptions to this, such as remote access parcels, the vast majority of subdivisions going through the process constructed roads to Title 17 standards in a legal public access. Then between June 2012 and April 11, 2013, three exemptions to road construction were adopted by the FNSB Assembly as outlined below.

   - It allowed a developer to apply for and be exempted from road construction for subdivisions not in a fire service area and not in a road service area, and not reliant on service area roads for its only access. The exemption was only for the roads within the subdivision.
   - It essentially exempted road construction for subdivision roads outside of fire and road service areas, that is, more remote portions of the Borough (Figure 1).
   - The Platting Board voted 5-2 at an April 11, 2012 special meeting to recommend adoption of the Ordinance.

- For subdivisions creating five (5) or fewer lots, constructed road access to the boundary of the subdivision was not required. A lot, however, created under this subsection, could not be further subdivided until such time as legal, constructed road access was available to the boundary of the lot proposed to be subdivided.
- It provided a "one-time" road construction exemption for the road connecting the new subdivision to an existing approved Borough road or State maintained roadway. It did not provide an exemption to constructing Title 17 road(s) within the subdivision.
- The applicant was only required to show that legal access was available to the boundary of the subdivision, and road construction was not required (Figure 2).
- The Plating Board voted unanimously at its August 9, 2012 meeting to not adopt the Ordinance and to hold a work session to create a recommended substitute. That
substitute language was sent as a memo dated October 23, 2012 to the Assembly. The substitute language—which was not adopted—was for subdivisions creating five (5) or fewer lots that met the criteria listed in below. A lot created under this exemption could not be further subdivided until such time as legal, constructed road access to the standards required by Title 17 was available to the boundary of the lot proposed to be resubdivided.

- The road providing access to the subdivision has been established for at least ten years.
- The road, in the professional opinion of the borough engineer, is adequately drained.
- The road bed, in the professional opinion of the borough engineer, is of stable material.
- Road grades are not greater than 150% of those listed in FNSBC 17.60.150(B)(1) and B(3).
- The road(s) providing access to the subdivision are contained within a public easement or right-of-way.

Figure 2: Exempted Road Construction to the Subdivision Boundary

- This was an amendment to Ord 2012-14, listed as #1 above. It allowed a developer to be exempted from all road construction for subdivisions that created fewer than 10 lots, provided they were in a fire service area and not in a road service area, and not reliant on service area roads for its only access.
- It also allowed the exemption for any subdivision not in a fire service area and not in a road service area, and not reliant on service area roads for its only access.
- The Platting Board voted 4-2 to recommend the Assembly not to adopt the Ordinance.

Proposed Ordinance

Ordinance 2019-01 has three primary purposes:

1. Organize and Clarify Legal and Constructed Access

Title 17 contains an "Access" section which addresses both legal access and constructed access requirements. In some cases these requirements do not overlap and the constructed access to a subdivision does not have to follow the same route as the legal access to a subdivision. The example in Figure 3 shows an approved subdivision that the legal access is different than the physical access.

Figure 3: Constructed Access versus Legal Access
Ordinance 2019-01 intends to correct this by requiring legal and constructed access to be coincident. For access to the boundary of the subdivision, Ord 2019-01 Lines 169-170 include, "The constructed road shall be within legal access as defined in this chapter." For access within the subdivision, Lines 195-197 state, "All lots within the subdivision shall have road access constructed to the standards required by this title and shall be constructed within a public right-of-way or public easement, unless exempted in this chapter."

The existing "Access" section will be divided into two sections:

- "Legal Access" – Ord 2019-01, Lines 118-162
- "General Road Requirements" – Ord 2019-01, Lines 166-248

This change will remove any ambiguity in the existing "access" section, which references both legal and physical access. Having both legal and physical access addressed in the same section causes confusion and interpretation issues.

Ordinance 2019-01 will also clarify that legal access to the subdivision boundary must be able to accommodate a Borough standard road. Within the new "Legal Access" section, Lines 122-125 state, "The applicant shall show to the satisfaction of the platting authority that legal access exists, providing for construction, improvements, and maintenance of a trafficway up to a width and standard required by this title, to the boundary of the subdivision."

2. Clarify "Constructed Road" Access to the Subdivision Boundary

Current Title 17 does not make it clear if a road previously approved by the borough engineer meets the requirements for subdivision access. Ordinance 2019-01 will establish what constitutes a "Constructed Road" for access to the boundary of a subdivision. Lines 170-174 state, "For the purposes of this title, if an established road exists and is proposed for access to the subdivision, it will be deemed constructed if it is a state maintained roadway; if the roadway has been previously approved by the borough engineer in accordance with this or former titles; or if it meets the requirements of this subsection."

The example in Figure 4 shows a subdivision road that was previously approved by the FNSB Engineer, but does not meet existing Title 17 standards. This subdivision utilized a road construction exemption and under the proposed addition, the roadway would be considered "constructed."

![Figure 4: Previously Approved Borough Road](image-url)
3. Reduce the Allowances for Road Construction Exemption

There are a number of allowances in Title 17 which provide for road construction exemption. These allowances are highlighted below including whether or not the proposed ordinance would affect them.

- FNSBC 17.56.020.D (large parcels over 40 acres), 17.56.020.E (communication and utility sites), and 17.56.020.F (alternate access subdivisions; i.e. air, water, or railroad access) do not require constructed road access and would not be affected.

- FNSBC 17.56.020.G and 17.56.060.A&B, as presented above would be affected.

This ordinance creates a new section for “Exemptions to road construction” (Lines 251-301) and limits the number of exemption allowances. The most significant changes to the proposed existing road construction exemptions are:

1. **Road Construction Eligibility (Lines 259-267):** In all road construction exemption cases the proposed subdivision must meet the following requirements:
   i. Creates five or fewer lots;
   ii. Is not in the city of Fairbanks or the city of North Pole;
   iii. Is not in a fire service area;
   iv. Is not in a road service area;
   v. Does not rely on roads maintained by a service area for it only access;
   vi. Does not rely on roads maintained by a service area for access that is required by the subdivision plat or by other regulation or ordinance.

2. **Pioneer Access Road—Minimum Road Requirements (Lines 273-280, Lines 281-281):** Subdivisions which qualify for the road construction exemption must, at a minimum, provide a pioneer access road both to and within the subdivision boundary. This new change by Ordinance 2019-01 ensures that there is at least a pioneer access road available for access, which is of a substantially lower standard than other road classifications: Local 1, Local 2, Minor Collector, Major Collector (Figures 5 and 6). The pioneer road may either be existing or a new pioneer road must be constructed.
   i. **Existing Pioneer Road (Lines 273-280):** If the existing road does not meet the definition of constructed road, it must meet the following requirements:
      1. In the professional opinion of the borough engineer, the road is adequately drained and the roadbed is of stable material.
      2. The trafficway width meets or exceeds the minimum requirements of a pioneer access road. A pioneer road width is a minimum of 16ft.
      3. The road is within legal access.
   ii. **No Existing Road (Lines 281-283):** The road(s) must be constructed to meet or exceed pioneer access road requirements. A pioneer road is a minimum of 16ft wide and has a minimum depth of 6in base material.
<table>
<thead>
<tr>
<th>Road Classification</th>
<th>Minimum R.O.W.</th>
<th>Trafficway Width</th>
<th>Minimum Shoulder</th>
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<tr>
<td>Pioneer access road</td>
<td>40</td>
<td>16</td>
<td>0</td>
</tr>
</tbody>
</table>

Figure 5: Road Right-of-Way Minimum Design Standards

Figure 6: Example of an Approved Pioneer Access Road
The following requirements currently in Title 17 are not being changed by this ordinance:

- An applicant for road construction exemption must provide sufficient information to demonstrate that the subdivision roads may allow for future practical and economical construction that meets Title 17 road standards.

- A cautionary plat note must be added and a minimum 30-foot length landing must be constructed to Title 17 standards where exempted roads intersect or connect with existing constructed roadways.

- Exempted lots may not be further subdivided until such time as legal, constructed road access meeting Title 17 standards is available to the lot proposed to be further subdivided. This one-time exemption for road construction is to the boundary of a subdivision of five or fewer lots.

Public Outreach

The FNSB Department of Community Planning has provided public outreach to the following professional groups and stakeholders.

- Interior Fire Chief’s Association (IFCA): Early in the outreach phase staff presented at the IFCA meeting on March 14, 2018. Staff will again be presenting at the March 13, 2019 IFCA meeting.

- Professional Land Surveyors / Professional Engineers: Staff had a four-hour work session on January 29, 2019 with approximately 18 members of the surveying and engineering community.

- Road Service Area Chairpersons: Staff emailed and mailed copies of a summary sheet, fact sheet, and Ordinance 2019-01 to all road service area chairpersons.

- Greater Fairbanks Chamber of Commerce Transportation Infrastructure Committee: Staff presented a slideshow at the committee’s February 7, 2019 meeting.

To date, a significant amount of public comment has been received, particularly from area surveying firms. A number of comments stated that the proposed restrictions were too strict with particular emphasis on the large geographical areas that would not be able to utilize the road construction exemptions due to the inclusion of the fire service areas. Another common comment was the need for a long effective date to give the already-submitted applications an opportunity to proceed under the regulations that they were submitted under.

All of the public comments received to date are available in full in Attachment D.

Consistency with the FNSB Regional Comprehensive Plan

The main goal of this ordinance is to make subdivision access development more consistent with the FNSB Regional Comprehensive Plan. The following portion from the Plan is applicable to this ordinance:

Transportation and Infrastructure GOAL 1: To have a safe, efficient, multi-modal transportation system that anticipates community growth

Strategy 1: Encourage location, design and maintenance of roads based on their function and community needs.
Action B: Revise Title 17 to:
- Improve road standards.
- Ensure access for emergency service vehicles to new developments.
- Include the pedestrian element in the subdivision platting process.
- Require public and private developers to provide adequate rights-of-way and road construction in conformance with Borough road standards.

Analysis

The proposed ordinance strikes a balance between requiring subdivisions to have roads constructed to Title 17 standards and recognizing that small rural subdivisions outside of road and fire service areas may be adequately served by pioneer access roads.

Data

It has been approximately six years since adoption of the three ordinances that allowed for a significant increase in road construction exemptions. Data from July 2012 to January 2019 indicates the following:

- 13% of subdivision applications have used a road construction exemption, resulting in a total of 67 exempted roads.
- Of the 67 exempted roads:
  - 30% are within the FMATS Metropolitan Planning Area
  - 76% are within a Fire Service Area (Figure 7)
  - 27% are within a Road Service Area (Figure 8)

Figure 7: Road Construction Exemptions within Fire Service Areas

Figure 8: Road Construction Exemptions within Road Service Areas
• Of the 67 exempted roads for subdivision applications, approximately 90% of the roads had some type of drivable surface but did not meet minimum Title 17 road construction standards.

This situation may be looked at in a couple of ways:

• Pro – The substandard road provides a means to physically access the subdivision lots.

• Con – The physical roadway may not be technically sound for vehicles, especially large emergency fire apparatus, and may make it more difficult to later construct a technically sound roadway.

Comprehensive Plan

While there are several general goals in the FNSB Regional Comprehensive Plan that could be applied to this ordinance, Transportation and Infrastructure Goal 1, strategy 1, Action B is the most specific to Title 17 revisions concerning road construction.

The existing exemptions in FNSBC Title 17 are not consistent with this action and do not implement the Comprehensive Plan. This ordinance will be a step forward in implementing the Comprehensive Plan and ensure that the vast majority of new developments have “access for emergency service vehicles” and “require public and private developers to provide adequate right-of-way and road construction.”
Clarifications

This ordinance will also make Title 17 easier to understand by the creation and reorganization of several sections, including consolidation of all "exemptions" into a newly created section and the following minor clean-ups and clarifications:

- Clarification that legal and physical access must be the same (lines 169-170 and lines 196-197);
- Clarification that legal access to a subdivision must be able to accommodate a Borough standard road (lines 122 – 125); and
- Elaboration that a road is "constructed" if it was previously approved by the Borough Engineer (172-173).

Recommendation

The Community Planning Department recommends approval of this ordinance with the following amendments:

1. Lines 296-298: Add language such that the managing authority's road standards apply to the construction of the minimum 30-foot landing. The entire requirement should be amended to read, "Where exempted roads intersect or connect with existing constructed roadways, landings shall be constructed with a minimum of a 30-foot length meeting the minimum standards of this title for road materials and construction, unless the landing is within a State right of way, the City of Fairbanks, or the City of North Pole, in which case the landing shall meet the standards set forth by the managing authority."

2. A four month effective period following adoption of the Ordinance: A long effective period will allow for complete subdivision applications submitted to the FNSB Department of Community Planning at or before the time of adoption to be processed and approved prior to the effective date.

Proposed Draft Motion:

Motion: I move that the Platting Board recommend approval of Ordinance No. 2019-01 to the FNSB Assembly.

Motion to Amend: I move to amend Lines 298 by adding "unless the landing is within a State right of way, the City of Fairbanks, or the City of North Pole, in which case the landing shall meet the standards set forth by the managing authority."

Motion to Amend: I move to amend line 304 by deleting "on the first borough business day" and adding "120 days"

Attachments:

Attachment A: Ordinance No. 2019-01 Fact Sheet
Attachment B: Ordinance No. 2019-01
Attachment C: Platting Board Work Session Presentation February 20, 2019
Attachment D: Public Comments to Date
Ordinance 2019-01: Legal and Constructed Road Access for Subdivisions

*FNSB Platting Board

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903 Festival Street, PO Box 31054, Fairbanks, AK 99709
907-459-1200
www.fnsb.us/communityplanning

March 6, 2019

Big Picture: FNSB Title 17 and FNSB Regional Comprehensive Plan
FNSB Title 17 Subdivision Ordinance

17.08.010 Purpose.
A. The standards, regulations and procedures found within this title are for the following purposes:
   1. Promote and provide for adequate and efficient street and road systems;
   2. Prevent congestion on streets and promote traffic safety;
   3. Provide for adequate utilities and public improvements;
   4. Ensure the accurate survey and proper preparation of plats to facilitate the documentation of land ownership;
   5. Protect and improve the health, safety, and general welfare of the people of the borough.

B. This title is intended to provide reasonable consideration to adopted borough plans with a view to providing the best possible subdivision of land.

FNSB Regional Comprehensive Plan

Transportation and Infrastructure

- To have a safe, efficient, multi-modal transportation system that anticipates community growth.
- Strategy 1. Action B: Revise Title 17 to:
  - Improve road standards.
  - Ensure access for emergency service vehicles to new developments.
  - Include the pedestrian element in the subdivision platting process.
  - Require public and private developers to provide adequate rights-of-way and road construction in conformance with Borough road standards.
Subdivisions and Road Development

Example: Subdivision and Road Development

2002
Example: Subdivision and Road Development

FNSB Road Construction Standards and Examples
FNSB Standard Roads

- ROW
- Width
- Turnaround
- Grades/Slope
- Drainage
- Material Specs
- Cul-de-sac length

Road Classifications and Standards

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</table>
Example: Approved Borough-standard Local 2 Road
Example: Approved Borough-standard Local 2 Road

Alyeska Drive
Magoffin Highlands 1st Add.
Plat 2009-5

Example: Approved Borough-standard Local Road

Nate Circle
Grace Estates 3rd Add.
Plat 2014-109
Example: Approved Borough-standard Local 2 Road

Hamman Street
Koppneh Homestead
Plat 2013-92

Pioneer Road Standards

Pioneer access roads may be appropriate for access to individual subdivided properties five acres and larger, with a maximum of five lots, requiring road construction.

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<td>Alley</td>
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</table>
Example: Approved Borough-standard Pioneer Road

Tyrol Street
Hidden Hills
Plat 2016-52

Example: Approved Borough-standard Pioneer Road

Tyrol Street
Hidden Hills
Plat 2016-52
Example: Shared Driveway—Pioneer Road Standard

Example: Shared Driveway—Pioneer Road Standards
Turnaround – After Subdivision

N. Friesman Road
Riverwood Subdivision
Plat 2015-V2

History: Road Construction Exemption Ordinances
Road Construction Exemptions: Ordinance History

- Prior to the Ordinances, exemptions could be granted through the Variance process:
- Can the subdivision, with the variance, be developed consistent with public welfare and safety?
  - What is the substantial hardship? Or
  - Why is the requirement impractical or unnecessary?

Road Construction Exemptions: Ordinance History

- Starting in 2012 three "exemption" ordinances were added to code:
  - Subdivisions meeting certain criteria were "exempted from minimum standards for road materials and construction"
- Required Plat note:
  - "Roads in and to this subdivision were not constructed to Borough Standards... fire protection, ambulance and other public services may not be available year-around or their availability may be severely limited."
Road Construction Exemptions: Ordinance History

- Three ordinances adopted for road construction exemptions:
  - Ordinance 2012-14 (Roads within a subdivision)
  - Ordinance 2012-45 (Roads leading to a subdivision)
  - Ordinance 2013-04 (Further expanding roads leading to and within a subdivision)

Exemption “Ordinance #1” (June 29, 2012)
- For “remote” parcels—outside of fire and road service areas
- Exempted only the roads within the subdivision
- No limit on number of subdivision lots
Exemption "Ordinance #2" (October 25, 2012)

- Provided for a "one-time" construction exemption for roads leading to the subdivision boundary, five or fewer subdivision lots. In many cases a substandard road existed...

Exemption "Ordinance #2" (October 25, 2012)

- In other case, NO ROAD Existed!
Exemption “Ordinance #2” (October 25, 2012)

- The Platting Board voted unanimously at its August 9, 2012 meeting to 
  **not adopt** Ordinance 2012-45, primarily because it did not require ANY 
  road to be constructed for access to the subdivision.

Exemption “Ordinance #3” (April 11, 2013)

- Exempted ALL road construction: roads leading to and within subdivision. 
  Fewer than 10 subdivision lots. 
  NO ROADS had to be built! In many cases a substandard road existed...
Exemption "Ordinance #3" (April 11, 2013)

- In other cases, NO road existed and NO road was required to be constructed.

What has the impact been?

- The Road Construction Exemptions were introduced into Title 17 in 2012. From 2012 to January 1, 2019 approximately:
  - 13% of subdivision applications used the exemption resulting in a total of 67 exempted roads.
  - Of the 67 exempted roads:
    - (30%) are within the FMATS Metropolitan Planning Area
    - (74%) are within a Fire Service Area
    - (27%) are within a Road Service Area
Road Construction Exemption Review (2017)

- Outcomes that have resulted from the road construction exemptions:
  - 20% of those roads have some type of drivable surface
    - Pro - some way of physically getting there
    - Con - physical roadway may not be technically sound
  - Largest users have been public entities, with the State of Alaska applying the most frequently

Existing Title

- Very confusing for staff and the public to understand when roads are "exempted"
Long-term Concern – Trespass Roads/Access

Draft Ordinance 2019-01
What the Draft Ordinance Does

New Sections of Title 17

1. Divides the existing “Access” Section (17.56.020) into Two Sections
   1. “Legal Access” (Lines 118 – 162)
   2. “General road requirements” (Lines 166 – 248)

2. Moves all “exemptions” into a single New Section (Lines 251-301)

What the Draft Ordinance Does

Changes – Legal Access

1. “Legal” and “physical” access must be the same
   - Does not allow for trespass roads – Roads must be within legal access
     a. To the Subdivision Boundary (Lines 169-170)
     b. Within the Subdivision (Lines 196-197)
Problem: Trespass Road

- Legal access to the subdivision (Red)
- Physical access (Blue)

What the Draft Ordinance Does

Changes - Legal Access

2. Clarifies that "legal access" to subdivision boundary must be able to accommodate a Borough standard Road

"...providing for construction, improvements, and maintenance of a trafficway up to a width and standard required by this title..." (Lines 122-125)
Problem:
Steep Topography
(cannot provide for a Borough standard road)

- Legal access to the subdivision (Red)
- Physical access (Blue)

What the Draft Ordinance Does

Changes – Physical Access

1. Clarifies that if a roadway has been “previously approved by the borough engineer” under this or former titles it is deemed “constructed” (Lines 172-173)

Other forms of "constructed" remain the same
- State maintained roadway
- Meets the requirements of General Road Requirements

2. Majority of the requirements in the "General Road Requirements" section remain similar
Case Studies

- Built to previous Title 17 standards and approved
- Provides adequate physical access
- Within a legal ROW
What the Draft Ordinance Does

1. **Exemption Section** – Reduces where exemptions can be used **(Lines 260-266)**
   1. 5 or less lots (new proposed criteria)
   2. Does not allow for "exemptions" in fire service areas (new proposed criteria), road service areas, or City Limits
   3. Does not rely on service area roads
What the Draft Ordinance Does

Allows for road exemption if: (Lines 268 - 301)

- All road design data required for the subdivision roads
- Must have some form of physical access
  - Existing road, legal and minimum 16 feet wide
  - No Road, minimum 16 feet wide
- Plat note
- 30 foot landing at intersections built to Borough standards
  - A local PLS recommended adding “unless the landing is within a State right of way, in which case the landing shall meet the driveway standards set forth by the Alaska Department of Transportation and Public Facilities.” (Line 298)
- Before any further subdivision it must be improved to Borough standards

What the Draft Ordinance Does

Exempted Road: If Road exists (Lines 273 - 280)

1. Be adequately drained
2. Have a roadbed of stable material
3. Be within legal access
4. Have a trafficway width meeting or exceeding Pioneer Road standards (i.e. 16 feet)

Exempted Road: If No Road exists (Lines 281 - 283)

- Construct a road(s) meeting or exceeding Pioneer Road standards
Draft Ordinance

- Any other requested "exemptions" could be addressed with the variance process, as was in the past.

Staff Recommendation: Amendment #1

Lines 296 - 298: Add language such that the managing authority's road standards apply to the construction of the minimum 30-foot landing. Highlighted and Underlined portion is the recommended amendment.

"Where exempted roads intersect or connect with existing constructed roadways, landings shall be constructed with a minimum of a 30-foot length meeting the minimum standards for road materials and construction of this title, unless the landing is within a State right of way, the City of Fairbanks, or the City of North Pole, in which case the landing shall meet the standards set forth by the managing authority."
Staff Recommendation: Amendment

Lines 303 - 304: Add a four month effective period following adoption of the Ordinance. This allows for complete subdivision applications submitted prior to Ordinance adoption to be processed and approved prior to the effective date. Highlighted and Underlined portion is the recommended amendment.

"This ordinance shall be effective at 5:00pm on the first borough business day **120 days** following its adoption."

Community Comments: Summary

- **Keep the road construction exemptions** the same – Do not change anything.
- Defer 30-foot landing requirement to management authority. *(Staff recommends this amendment.)*
- Make road design standards more specific. What qualifies as a satisfactory road design? What meets the standards of the professional opinion of the borough engineer?
- **Remove the fire service area restriction**: i.e., allow the exemption within fire service areas.
- Remove the road service area and the fire service area restrictions.
Community Comments: Summary

- Consider a 4-6 month effective date. (Staff recommends the 4-month effective date amendment.)
- Create provisions for bonding for future road construction or allow for Development Agreements.
- Support for the reorganization and clarifying of Title 17 but no change to the exemptions.

Draft Ordinance

- Jan 10 – Ordinance Referred to the P.B. (March 29 due date)
- Jan 29 – Worksession with Surveying Community
- Feb 20 – Platting Board Worksession
- **March 6 – Platting Board Public Hearing (Special Meeting)**
- March 20 – Possible Platting Board Public Hearing
- April 11 – Possible Introduction to Assembly
- April 25 – Possible Public Hearing at Assembly
Staff Recommendation

Next Steps?
- P.B. Recommendation (By March 29)
- Revised for Introduction

Recommend Approval of Ord 2019-01

Draft Main Motion: I move to recommend approval of Ord 2019-01.

Recommended Motion to Amend #1

I move to amend Line 298 by adding "unless the landing is within a State right of way, the City of Fairbanks, or the City of North Pole, in which case the landing shall meet the standards set forth by the managing authority."
Recommended Motion to Amend #2

I move to amend line 304 by deleting "on the first borough business day" and adding "120 days".
Thank you for reaching out and providing the opportunity to comment on this proposed ordinance in advance of the meeting scheduled for Jan. 29.

My comments are as follows:

1. In general, I appreciate your effort to streamline and reorganize the cumbersome wording of the existing title.
2. 17.56.065.B.5.c. I suggest adding the following to this proposed ordinance: "...unless the landing is within a State right of way, in which case the landing shall meet the driveway standards set forth by the Alaska Department of Transportation and Public Facilities." The reason for this addition is because the driveway standards of ADOT&PF are different than those of FNSB. It has happened in the past that the ADOT&PF has constructed a new driveway, only to have the developer of the property adjoining the right of way being required to tear it up and reconstruct it to borough standards in order to develop a subdivision. If the driveway is within State right of way then the State should have jurisdiction over the construction standards, not the borough.

Again, thank you and I am looking forward to the meeting.

Nils Degerlund, P.E., P.I.S.
President

Degerlund Engineering, LLC
Civil Engineering – Land Surveying

3900 Plack Road
North Pole, AK 99705
Phone (907) 488-7265
Cell (907) 978-7857
ndegerlund@gmail.com
Planning Staff, Plating Board and Assembly Members—

Thank you for hosting the Surveying Industry Workshop and allowing the survey community the opportunity to provide our feedback. I echo each of my team members feedback (re-attached).

The interior of Alaska has a tremendous opportunity for job growth and economic prosperity in the coming years, driven largely by the arrival of the F-35 community at Eielson and further assisted by increased Oil & Gas Exploration and Mining, to name a few areas of opportunity. I believe the Fairbanks North Star Borough and the private development community can work better and more closely together, as partners, to foster robust economic growth and opportunity, while maintaining safe, well-designed and high quality developments. Another public agency we routinely work with, the Alaska Department of Environmental Conservation, is currently doing this, as an example.

Ordinance No. 2019-01 runs counter to this goal. FNSBC 17.56.065.B.1 all but assures the “Road Construction Exemption” will never be used, given how large and ubiquitous Fire Service Areas are presently. As a result, private development/re-platting costs will increase significantly. Of the 20-plus plats that 3-Tier Alaska recorded in 2018, the majority, if not all, of our clients were small developers and/or individual landowners, who would shoulder this burden. These added costs will surely slow economic growth and development.

More generally, the existing Title 17 code is simple, yet lacking in definition. There is beauty in simplicity, but also confusion and misunderstandings. If specificity is the goal of Title 17, then more definitions and specific criteria lists are needed. If simplicity is the goal, then the FNSB should expect varying levels of interpretation and results. For example, Section 17.56.060.A.3. (of the existing code) simply states:

"the applicant shall provide to the platting authority sufficient information to demonstrate that the subdivision roads have been designed so as to allow future practical and economical construction that meets the standards of this title at the time of the preliminary approval."

Does this mean Plan & Profile drawings? Or, just a topographical survey with a general road placement? Crosssections? Drainage Report? Soils analysis? Ditch design? If so, how detailed are each of these items to be? If specific design criteria is what the FNSB Public Works/Community Planning is looking for, the code shall state that level of detail. Same for Inspections (17.56.120) and Drainage Reports (17.56.140) to name a few. It appears Ordinance 2019-01 is attempting to add this specificity, however, this language discourages growth and development.

I would encourage the FNSB staff to revise Ordinance 2019-01 and add language that promotes growth and development, while at the same time further defining their expectations and goals of Title 17.
3-Tier Alaska welcomes the opportunity to work more closely with FNSB Public Works and Community Planning. Let us know if we can provide any additional feedback or if you have any questions from us.

Thank you again for your consideration,

Nick

Nick Ringstad, PE, LSIT
3-Tier Alaska, LLC
326 Driveway St, Suite 102
Fairbanks, AK 99701
(C) 206-779-3237
(O) 907-451-7411
(F) 907-451-7413
www.3tieralaska.com

***3-Tier Alaska, Corp and Northland Surveying & Consulting have merged!***

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Assembly members, Plating Board and Planning Staff,
In response to the work session with the surveying community that took place January 29, 2019 I would like to submit my comment sheet in e-mail form.
1) Provisions for bonding for future construction of roads needs to be added to the code. Ordinance 2019-001 requires more roads to be built to title 17 standards. Along with the new more strict rules FNSB needs to allow for bonding of roads that have not made it to the "FNSB final inspection" stage.
2) Please define FNSB "policy" on 17.56.065.B.2 (line 270) (and other places) road design for future construction. Is a drainage report always required? Plan & Profile? Vertical curves? Cross-sections?
3) Please remove 17.56.065.B.1. items C, E & F. Lines 262, 264-267 from ordinance 2019-001. Removing all Fires service areas & areas served by road service areas from the road construction exemption is too restrictive. Fire service areas are everywhere. Most of the applicability of this current road construction exemption code lies within a fire service area and the fire chiefs have not complained or asked for this code change. Adding the pioneer road construction requirement is enough restriction, and provides for emergency vehicles.
4) Please consider a 4-6 month effective date for ordinance 2019-001.
5) This comment is not already covered in ordinance 2019-001. Please consider dropping / revising the E-1 surface course requirement for Local 1 & Local 2 roads. I understand that 2" minus crushed rock / tailings / browns hill surface course and McGlinchy products are equivalent or better surface course products, more readily available and more cost effective for developers in the FNSB area.

Please add my contact information to the road construction exemption e-mail list

Paula Hicks, PLS
3-Tier Alaska
phone 451-7411 or 456-5896
326 Driveway St, Suite 102
Fairbanks, AK 99701

***Northland Surveying & Consulting & 3-Tier Alaska have merged***
George Stefan

From: Ryan Hunt <ryan@3tieralaska.com>
Sent: Monday, February 4, 2019 11:53 AM
To: Assembly; Webmail Planning; Plating_Board
Cc: Nicholas Ringstad
Subject: Work Session meeting comments regarding Ordinance 2019-001

Assembly members, Plating Board and Planning Staff,

Below are my comments to the work session with the planning dept., plating dept and surveying community from January 29, 2019.

1. In recent years there has been an increase to Title 17 construction standards that has recently left developers off guard and incapacitated at the end of the season. In an effort to hold a higher road construction standard and not have a higher up front cost to developers. A Developer Agreement should be an option and/or bonding for the entire road. This would allow the developer to build homes and sell lots as the development comes together. This would be pro-development for contractors as most banks are not as willing to finance subdivisions after the 2008 financial crisis. In most cases, requires a second source of income (excluding home or lot sales).

2. The surface course standards should vary depending on the local road service areas, design engineer and local residents. As the E-1 material is limited and is a very expensive add on. In addition, consider other similar options such as 2" minus, D-1, or lesser E-1 quantities, etc. Depending on the demand and traffic for the area.

3. Consider a tax break for a 2-year period to entice builders to subdivide (if that’s the objective in certain areas) and in less phases. Possibly in conjunction to a developers agreement. Future taxes from one lot with a constructed home will more than pay for this small tax relief, typically by a factor of ten, in only one year.

4. Remove 17.56.065.B.1. items C, E & F. This would limit the previous replats that enjoyed this exemption (specific to fire service inclusion) by 75%, as I remember being reported by community planning in the development meeting. I don’t recall an example that has abused this previous code or has been a decline to health and safety in its duration.

5. I do see where right-of-way is dedicated in a new internal road system that right-of-way clearing should be to the last lot or an area to turnaround, with pioneer standard roads constructed in some cases. However, many subdivisions that utilize this exemption uses an existing right-of-way does not comply with the borough approved definitions and will most likely continue to use the existing access, such as the recently preliminary approved Amayun Subdivision.

6. Remove 17.56.065.B.3.C. This code may put the burden on the land owner to legally define an existing road which in some cases would require a legal action that could take years to determine or construct a large portion of road not immediately adjacent to the property. Or the existing road may rely on an easement not within the borough definition (i.e. minimum R.O.W. width, public or not)

Thank you for this opportunity to comment. My mantra for all new or modified code would be consistent interpretations and obtainable subdividing for average borough residents without impacting future consideration. While leaving a vibrant borough network for residents and businesses to thrive.

Ryan Hunt
Surveyor – Project Manager
3-Tier Alaska, LLC
326 Driveway St, Suite 102
Dear FNSB Assembly members, Platting Board members, and Community Planning Staff,

I am responding to the work session which took place on January 29, 2019 concerning Ordinance 2019-01. I would like to submit my comment sheet in e-mail form. In general, the changes to road construction exemptions on roads within fire and/or road service areas are too restrictive.

Other than the road construction exemptions being in different parts of Title, I believe the road construction exemptions per 2012-14, 2012-45, and 2013-04) are operating as intended by the original sponsors of the ordinances. These changes were approved by the FNSB Assembly. They allowed subdivisions that would have either required variances, or just simply been cost prohibitive. Variances that would be required (to road construction exemptions) under the proposed changes are subject to the support/non-support of both Community Planning and Public Works, and ultimately approval of the Platting Board. Those variances are also expensive, both in fees, time spent by FNSB staff, the Platting Board, and by the applicant (or their representative). I do not believe any rollback of the current road construction exemptions should be done at this time. Below are specific concerns:

1) Section 2 FNSBC 17.04.010 (line 75): I have concerns that the statement to be added "Borough engineer means the director of public works or designee is flawed. How can the public be assured that there is a letter on file from the public works department stating that the road was approved? How about adding "or approved in prior platting action"?

2) Section 3 FNSBC 17.56.010(A) (line 83): By including all of 17.56, it seems like the standards for quick plats could be significantly higher. For example, will we now be required to turn in drainage plans with every quick plat? The public needs to know the full impact of this change, and/or the intent clarified.

3) Section 5 FNSBC 17.56.020 B: The applicant shall show to the satisfaction of the platting authority that legal access exists, providing for construction, improvements, and maintenance of a trafficway up to a width and standard required by this title, to the boundary of the subdivision. The code needs to be specific about what will needed "show satisfaction".

4) Section 5 FNSBC 17.56.020 F 6 e (lines 161-162): It serves a subdivision not within a road service area and the subdivision does not rely on roads maintained by a service area for its only access. Sometimes, a private easement will be the most practical access to a property (i.e., topography, existing access, et cetera). Eliminating a private access easement within a road or fire service area could easily be seen as creating a hardship and/or preventing the lots from being subdivided.

5) Section 5 FNSBC 17.56.020 B (lines 122-125): The applicant shall show to the satisfaction of the platting authority that legal access exists, providing for construction, improvements, and maintenance of a trafficway up to a width and standard required by this title, to the boundary of the subdivision. I would like to see in code exactly what is needed to "show satisfaction". The Public Works department needs to publish standards that can be applied equally in all cases.

6) Section 2 FNSBC 17.060 A (lines 172-173): I have concerns that the statement by the "borough engineer" is flawed. How can the public be assured that there is a paper trail or letter on file from the public works department stating that the road was approved? Could we simply add "or approved in prior platting action"?

7) Section 6 FNSBC 17.56.060 A.2. a. (lines 179-180): In the professional opinion of the borough engineer, it is adequately drained. b. (lines 181-182): In the professional opinion of the borough engineer, the road bed is of stable material. How will these "opinions" be determined, and what will be required from the applicant? To avoid bias, (and/or the appearance of bias), and to limit the interpretation of code as Public Works staff changes, exact standards that are applied to every case in the same manner would greatly benefit the public. This has been lacking in code for many years.
8) Section 6 FNSBC 17.56.060 D (lines 203-203) Road construction must be built taking into account the conclusions/recommendations based on the typical roadway cross-sections. Whose conclusions/recommendations is this talking about? Currently we must submit a signed/stamped cross section (that the road will be built to). This line should be eliminated or clarified. What were to happen if a road gets built to a submitted cross-section and the Borough Engineer decides it was not correct? Would the developer have to rebuild the road?

9) Section 6 FNSBC 17.56.060 G (lines 212-248) This entire section needs to clearly define what is a deficiency. There needs to be clearly defined standards from Public Works., and how those standards will be applied. All of “G” simple leaves too much open to interpretation, bias, and/or the appearance of bias by Public Works.

10) Section 7 FNSBC 17.56.065 A (lines 253-254) The applicant is required to demonstrate to the borough engineer that the proposed access can be constructed practically and economically within the legal access. This does introduce any standards or criteria into the process. Putting lines in Title that are not defined just leaves the door open to interpretation, bias, and/or the appearances of bias. If these terms cannot be well defined, they should be struck from the proposed changes.

11) Section 7 FNSBC 17.56.065 B.1. c through f (lines 262-267) should be eliminated, as they are simply too restrictive. Per the study done by FNSB staff, 90% of the subdivisions that had road construction exemptions had roads that will allow access by a fire truck. Further restrictions will not necessarily “provide for the welfare and benefit of the public”. If we require all lots to have roads that make the cost of the lots prohibitive (to a portion of first-time buyers/builders for example), is that serving the welfare of the public?

In closing, I would like to reiterate that Ordinance No. the 2019-01 is too restrictive. Specifically, that land within a fire and/or road service area would be eliminated from the road construction exemption. There are too many cases where this will eliminate the development of a subdivision. I firmly believe that the welfare and safety of the public will not be provided for unless construction standards (from the Public Works department) are developed in conjunction with any changes to Title 17. As well, the role of road service areas should be looked at in relation to any changes to the current Title. All of these items are inter-related and changing one without addressing the others will not provide for a workable, long term solution. If changes are made to Title, please consider a four to six-month extension before the ordinance becomes effective. This would give time for plats currently in progress will not be subject to changes.

Thank you for your time and consideration,

Steve Lowry PLS
3-TIER Alaska, LLC
907-451-7411
steve@3tieralaska.com
ORDINANCE 2019-001
ROAD CONSTRUCTION EXEMPTION

COMMENT SHEET – January 29, 2019

NAME: Brandon Richard
ADDRESS: 2121 Richardson Hwy
E-MAIL: intellahome@hotmail.com
PHONE: 907 378 8538

Please add my contact information to the Road Construction Exemption e-mail list

COMMENTS: First off I would like to express my gratitude to the FNSB for putting on this meeting. I feel these types of interactions are great for producing policy that those affected can agree on.

With that being said I would like to express my opinion of the matter at hand. After hearing both sides of this road exemption debate I feel these exemptions are a very minor issue with Title 17 Road Construction and/or Subdivision policy. I feel they can still be used for a good purpose as is and were originally well thought out. With my brief experience there are far greater issues with Title 17 that could use our public money for a far greater good than modifying...
these exemption. After a detailed research effort into subdivision documents I found there is almost zero SOP for road inspection and absolutely nothing that provides verification of improvement for future citizens to look back on and see what was done and how the borough verified it. This is only one of many glaring problems I've found with Title 17 and after my findings I can only conclude that the FNSB has much bigger issues to handle rather than waste time on changing the exemption rule which is designed to help people in our community. Plus I'd imagine the increase in tax value to the land would actually pay for the roads over time if you really crunched the numbers. Even though these subdivisions may never need legal roads.

Thank you for your time and I look forward to working on this together to benefit policy for everyone in the FNSB.
ORDINANCE 2019-001

ROAD CONSTRUCTION EXEMPTION

COMMENT SHEET – January 29, 2019

NAME: Walter Murrell
ADDRESS: 1271 Bella Vista Dr.
E-MAIL: walter.murrell@teamrobiconusa.org
PHONE: 907-888-9373

☐ Please add my contact information to the Road Construction Exemption e-mail list

COMMENTS:

My background is not in the engineering / surveying area. I served as an Infantryman in the Army for 29 years.

What I see as a major deficiency is something the military uses effectively - Standardization!! What about public work director build a standard (minimum) requirement example for reports for road construction. Without guidance from the approving authority, engineer reports approval will be hit or miss. Also, without disapproval feedback from the

Department of Community Planning

907 Terminal Street, PO Box 71267
Fairbanks, AK 99707

Platting Board: Phone 459-1260 E-mail: platting_board@fnsb.us
Assembly: Phone 459-1401 E-mail: assembly@fnsb.us

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office of Public Works, and the refusal of the office of Public Works to accept a corrected deficiency report, will create the appearance of a "good old boy" system.

Bottom Line - Develop an Annex to Title 17 for Report Requirements.

The use of standard reporting requirements should remove the apparent confusion of the professionals attending this meeting.

One last observation, employees of FBWSB are "Public Servants". As a tax paying local citizen, I was shocked by the attitude of the PW engineer I met on Monday. No one should have to be rudely treated like my builder and I were treated.
George Stefan

From: Mary Bork
Sent: Monday, March 4, 2019 7:40 AM
To: George Stefan
Cc: Laura McLean
Subject: FW: Ordinance 2019-01 - to be forwarded to all Platting Board Members

George,

Find below, a comment concerning Ord 2019-01.

Thank you,

-----Original Message-----
From: Aldean Kilbourn <akilbourn@gci.net>
Sent: Sunday, March 3, 2019 8:37 PM
To: Webmail Planning <planning@fnsb.us>
Subject: Ordinance 2019-01 - to be forwarded to all Platting Board Members

Please do not approve this ordinance. What is currently on the books should stand.

Aldean Kilbourn
907-474-0012

When a great adventure is offered, you don't refuse it. - Amelia Earhart
George Stefan

From: Mary Bork
Sent: Monday, March 4, 2019 7:40 AM
To: George Stefan
Cc: Laura McLean
Subject: FW: Ordinance 2019-01 platting board input

George,

Find below, a comment concerning Ord 2019-01.

Thank you,

Mary Bork
Administrative Assistant IV, Community Planning | Fairbanks North Star Borough
Direct: (907) 459-1259

From: Lance Roberts <roberts.lance@gmail.com>
Sent: Sunday, March 3, 2019 6:14 PM
To: Webmail Planning <planning@fnsb.us>
Subject: Ordinance 2019-01 platting board input

To the Platting Board:

Going over Ordinance 2019-01 I find I don't have much objection to the re-organization and clarifying.

What is distressing is the removal of a lot of the rights to subdivide without having to build a road.

The current standards to get an exemption to build a road are that it can't be in a road service area and has to create fewer than 10 lots in a fire service area or any number of lots if outside a fire service area. The new standards would not allow any exemptions in a fire service area, which is the vast majority of the lived-in borough, and it would allow only up to five lots outside of fire service areas. Also, the current code allows subdivisions that use road-service area roads for access with some caveats, but the new code would completely disallow it. It appears that even the Quick Plat process requires you to build a road.

This would stop most all subdividing except by rich developers and road constructing professionals. We fought really hard to get these exemptions through and I feel like you'd really be rolling back progress.

Lance Roberts
Honorable Platting Board members,

This email is in response to the Public Hearing held on March 06, 2019 concerning FNSB Ordinance 2019-1. I respectfully ask that you do not recommend the adoption of any portion of this ordinance for the following reasons:

1. Public testimony was overwhelmingly and emphatically against the ordinance. At least fourteen members of the general public, including two former assembly members testified against the proposed change to Title 17. Only one private citizen spoke for the proposed changes. According to the testimony, it is quite clear that the general public is against the proposed ordinance. The “will of the people” should be respected in this matter.

2. Not allowing road construction exemptions in fire and road is too restrictive. For anyone in a road or fire service area who is not in a legally platted subdivision, even the smallest change in a lot line (say to fix an encroachment) will most often be economically impossible because of the lack of a road construction exemption. This burden is excessive and does not serve the citizens on the borough. As well, the fire and road service restrictions will most likely encourage “illegal subdivisions” as a manner to solve such issues, or simply as a way to subdivide land without going through the subdivision process. Mr. Steffen’s testimony on the matter clearly stated that the quick plat process for these situations is only available for lots in legally created subdivisions. The roads within the subdivision would have to have been approved in a prior platting action. There is no mechanism available for minor lot line adjustments or small subdivisions in a lot created by a deed, or a lot or tract that is an aliquot part.

3. Many of the problems of fire service areas not being able to serve their areas efficiently is not related to the road construction exemptions. Narrow driveways, lack of addressing, poorly maintained roads, and improper response equipment can have a tremendous effect of the ability of an organization to respond to an emergency. Also note that per the FNSB staff, 90% of subdivisions which used the road service exemption have roads suitable for fire trucks.

4. A recent position taken by the Department of Community Planning, and the FNSB legal department has stated that there can be no variances to any part of the Road Construction Exemptions. If that position stands, the platting board will not even be able to hear the request for a variance to any subset of the road construction exemption. This recent re-interpretation of Title 17 (as of the February 20th, 2019 platting board meeting), along with the elimination of the use of the Road Construction Exemption in Fire and Road service areas will result in a draconian stranglehold for many developers as well as private citizens trying to subdivide or adjust their property lines.

5. The lack of road standards or criteria for the evaluation of existing roads is extremely disconcerting. Since the implementation of road construction inspections, every Borough Engineer has interpreted what is required in different ways. This problem will only be compounded as Public Works is tasked with the evaluation of existing roads without any criteria for that evaluation. There have been strong concerns voiced by surveyors and developers that the current standards are not being applied equally. The lack of standards and/or criteria in this ordinance will only increase this concern and lessen confidence in the process. This simply should not be allowed.

In closing, the public has spoken overwhelmingly against this ordinance. This opposition, along with some of the inherent flaws in the language (of the ordinance), and the inability to apply for variances to any part of a road construction exemptions clearly calls for the rejection of the proposed ordinance.

Thank You,

Steven D. Lowry PLS
3-TIER Alaska
326 Driveway St. Ste 102
Fairbanks, Ak 99701

steve@3tieralaska.com
907-451-7411
George Stefan

From: Mary Bork
Sent: Wednesday, March 20, 2019 10:50 AM
To: Laura McLean
Cc: Kellen Spillman; George Stefan
Subject: FW: Ordinance 2019-01

Laura,

Please see the comments below and add to the documents concerning this ordinance.

Thank you,

Mary Bork
Administrative Assistant IV, Community Planning | Fairbanks North Star Borough
Direct: (907) 459-1259

From: Salcha Fire Chief <chief@acsalaska.net>
Sent: Tuesday, March 19, 2019 11:04 AM
To: Webmail Planning <planning@fnsb.us>
Subject: Ordinance 2019-01

Morning...Thank you for the presentation at the Interior Fire Chiefs mtg on the above proposed ordinance. My understanding is this ordinance, as well as most, is to provide for the safety and welfare of our citizens. With regards to fire & emergency services, it provides for safe and effective delivery of needed emergency services.

As an emergency service provider in Salcha I have some serious concerns regarding this ordinance specifically...Section 7.17.56.065 Exemption to Road Construction ... Section 7.B provides for an exemption application from the minimum standard provided all of the items listed in B.1 are met.

Our concern is with wording in Sub section B.1.c (line 262) .... “Is not in a fire service area”.

Salcha Fire Rescue provides fire protection & emergency services to the area of the borough from the southern end of Eielson AFB (approximately MP 341) south to MP 295 of the Richardson Hwy (FNSB Boundary). However we are not a fire service area as defined by borough code. We are however a recognized fire department under Alaska State Statute and have obtained an ISO 6 rating thru the Insurance Service Office. We are also under contract with the FNSB to provide EMS service to the same geographical area. Not considering Salcha’s unique area when developing the revised code is a disservice to both the emergency responders and the safety and welfare of the community.

As noted earlier...we are not a Fire Service Area however our department provides fire protection for this area based on a Community Fire Protection Membership fee assessed annually by the department. The main reason we went with this model of providing the service is it was the will of the people.

Another safety concern with the “not in a fire service area” wording is the challenges with the wildland / urban interface. With developments bring an increased chance of fires and the challenge of fighting them.

Please pass these concerns onto the FNSB Platting Board Members and ultimately the Assembly for consideration.. If additional information is required, please advise. Thanks...Ernie
Ernie Misewicz, Chief
Salcha Fire & Rescue
(907) 590-3717
MEMORANDUM

TO: Fairbanks North Star Borough Assembly

THROUGH: Bryce J. Ward, Borough Mayor
          Jim Williams, Chief of Staff

FROM: Christine Nelson, Director
          Community Planning

DATE: January 10, 2019

SUBJECT: ORDINANCE NO. 2019-01N ORDINANCE AMENDING FNSBC TITLE 17
          REGARDING LEGAL AND CONSTRUCTED ROAD ACCESS FOR
          SUBDIVISIONS

The attached ordinance will amend Title 17 of the Code of Ordinances to simplify and ensure
legal road access and road construction standards for subdivision development. The
ordinance also establishes an "exemptions to road construction" section of Title 17 and reduces
the number of allowable exemptions.

The Department of Community Planning recommends referral of this ordinance to the Platting
Board with a referral period of 10 weeks to accommodate two Platting Board meetings and
other public outreach activities.

The Platting Board of the Fairbanks North Star Borough is tentatively scheduled to hold a work
session on this ordinance immediately following its regularly scheduled meeting on February
20, 2019 and make a recommendation to the Assembly at a public hearing on March 20, 2019.

Please refer this ordinance to the Platting Board for review and recommendation.
MEMORANDUM

TO: Christine Nelson, Director, Community Planning
FROM: April Trickey, CMC, Borough Clerk
DATE: January 14, 2019
SUBJECT: REFERRAL OF ORDINANCE NO. 2019-01

On January 10, 2019 the Fairbanks North Star Borough Assembly referred Ordinance No. 2019-01 to the Platting Board for review and recommendation.

ORDINANCE NO. 2019-01. An Ordinance Amending FNSBC Title 17 Regarding Legal And Constructed Road Access For Subdivisions. (Sponsor: Mayor Ward)
-Referred to the Platting Board with recommendation due back no later than March 29, 2019

A recommendation is due to the Assembly by March 29, 2019. Please place this item on the next Platting Board agenda.

As a reminder all legislative hearings by a board or commission shall be conducted according to procedures outlined in FNSBC 4.04.150(D).

Should you have any questions, please contact me at 1402.

Enclosure: Ord. No. 2019-01

cc: Jim Williams, Chief of Staff
A regular meeting of the Fairbanks North Star Borough Platting Board was held in the Mona Lisa Drexler Assembly Chambers, Juanita Helms Administration Center, 907 Terminal Street, Fairbanks, Alaska. The meeting was called to order at 6:00 p.m. by Randy Pitney, Chair.

A. ROLL CALL

Members Present:  Troy Hicks, Mike Kwasinski, Jason McComas-Roe, Clint Meyer, Bill Mendenhall, Tadd Wilmer and Randy Pitney.

Members Absent:  Kellie Fritze

Others Present:  Mayor Bryce Ward, Fairbanks North Star Borough; George Stefan, Platting Officer; Daniel Welch, Platting Officer; Julie Kotila, Platting Officer; Kellen Spillman, Deputy Director, Community Planning; Christine Nelson, Director, Community Planning; David Bredlie, Director, Public Works; Chad Hosier, Public Works Engineer; Wendy Dau, Assistant Borough Attorney and Laura Melotte, Recording Clerk.

B. MESSAGES

Communications to the Board

None

Citizens Comments – limited to three (3) minutes

None

Disclosure and Statement of Conflict of Interest

Ms. Dau addressed the Board and explained the difference between a Quasi-Judicial setting and a Legislative Hearing with regard to conflict of interest standards.

Mr. McComas-Roe stated that he may have a perceived conflict. He stated that he owns property that may be effected by the proposed ordinance. He further
commented that depending on the outcome of the proposed ordinance, he may make a subdivision application sooner than later.

Mr. Meyer queried if the property that McComas-Roe may be subdividing in the future presently has legal access. Mr. McComas-Roe responded affirmatively.

Mr. Meyer inquired if Mr. McComas-Roes’ subdivision would change the legal access. Mr. McComas-Roe stated that he does not believe that it would but he is not an expert in this field.

Mr. Hicks queried if Mr. McComas-Roes’ subdivision would be reliant upon this proposed ordinance for subdivision. Mr. McComas-Roe replied “No.”

Ms. Dau queried if Mr. McComas-Roe could subdivide under current code, would he prefer to do that versus under the ordinance that is in front of the Platting Board. Mr. McComas-Roe responded “Potentially yes.”

Mr. Pitney determined that Mr. McComas-Roe DOES have a conflict and will not hear the item before the Platting Board this evening.

Mr. Hicks stated that he may have a perceived conflict of interest. He stated that he is a Professional Land Surveyor and a member of the profession that does this kind of work and submits applications to this Board. He further commented that he owns several parcels of land that could be further subdivided.

Additionally, Mr. Hicks stated that his wife is also a Professional Land Surveyor in the Fairbanks community.

Mr. Kwasinski queried if Mr. Hicks had a preference with regard to the existing Road Construction Exemption and the proposed new Road Construction Exemption.

Mr. Hicks responded that none of the proposed changes have any immediate impact with what he is doing at this time.

Mr. Pitney determined that Mr. Hicks DOES have a conflict and will not hear the item before the Platting Board this evening.

C. APPROVAL OF AGENDA AND CONSENT AGENDA

Motion to approve the agenda and consent agenda made by Mr. Meyer, seconded by Mr. Kwasinski. Motion carried without objection.
D. MINUTES

None

E. CONSENT AGENDA ITEMS

None

F. PUBLIC HEARING

1. ORDINANCE NO. 2019-01: An Ordinance Amending FNSBC Title 17 Regarding Legal And Constructed Road Access For Subdivisions. – Referred to the Platting Board with recommendation due back no later than March 29, 2019. (Sponsor: Mayor Ward)

Mayor Bryce Ward addressed the Platting Board. He stated that this item could be revised for introduction to the Assembly.

Mayor Ward continued that based on some of the feedback from the community, there is a need for a Road Standards manual.

In conclusion, Mayor Ward conveyed the various needs for revision to the Road Construction Exemption.

Mr. Spillman and Mr. Stefan addressed the Platting Board and gave a brief overview of the proposed ordinance.

Stefan presented the Staff Report. Based on Staff analysis, the Department of Community Planning recommends APPROVAL of the ordinance with the following two (2) amendments:

1. To amend Lines 298 by adding “unless the landing is within a State right of way, the City of Fairbanks, or the City of North Pole, in which case the landing shall meet the standards set forth by the managing authority.”

2. To amend line 304 by deleting “on the first borough business day” and adding “120 days.”

Mr. Pitney stated that with regard to the 30 foot landing, he was under the assumption that the landings were so that there is a level spot for vehicles to stop on. Mr. Spillman responded that this is one of the purposes of a landing. The other is the potential of the exempted road to potentially degrade the roadway which was built to standards and manages.
Public Testimony Opened

Christine Robbins, member of the public, addressed the Platting Board and spoke in opposition to the ordinance. She conveyed to the Platting Board her family’s dream of purchasing property adjacent to their current property and subdividing for family members. With this ordinance, this will not be possible. Ms. Robbins expressed concern with regard to the costs for Borough subdivision fees, surveyors’ fees and having to build a road.

Mr. Mendenhall queried how long Ms. Robbins family has owned this property. Ms. Robbins stated thirteen years.

Kyle Ramirez, member of the public, addressed the Platting Board and spoke in opposition to the ordinance. He stated that his biggest complaint is having to upgrade roads coming into new subdivisions. He further commented that he feels that with this ordinance, a small developer would not be able to afford all of the required improvements.

Mr. Pitney queried how Mr. Ramirez would like to see the ordinance changed. Mr. Ramirez responded he would like to see grandfathering for existing subdivisions. For example, if subdividing a 10 acre lot in an existing subdivision, one would not have to upgrade the road that accesses it nor be required to build driveways within the new parcel.

Ken Risse, member of the public, addressed the Platting Board to speak in opposition of the repeal of the Road Construction Exemption. He read the following into record:

"Today's NewsMiner included a listing of nearly 2,000 properties on the Fairbanks North Star Borough Foreclosure List. The Governors proposed budget includes cuts to UAF, Fairbanks North Star School District, state agencies and the Fairbanks North Star Borough. Now is not the time to stifle economic development by making more stringent subdivision requirements. One of the stated purposes of Title 17 is to promote and provide for adequate and efficient street and road systems. I do not agree with the 10th "WhereAs" of the ordinance that claims the existing exemptions to road construction do not accomplish this purpose. Subdivision of property using the road exemption must be designed to allow for future practical and economical construction meeting Title 17 standards. This is required by existing code in section 17.56.060.A.3 and 17.56.060.B.3. When using road exemptions the existing code requires the owner to plan and design roads to meet Title 17 requirements, demonstrate that the roads are practical and economical, dedicate public right-of-way for the construction of the roads, obtain approval of the Platting Board and survey and monument the road right-of-way. These existing requirements promote and
provide for adequate and efficient street and road systems. The purpose of Title 17 is accomplished. Removing the road exemptions will not promote the development of consistent road systems but instead will curtail orderly development. When it is too difficult or expensive to subdivide following the Title 17 requirements, people will either 1) do nothing which does not promote any development or 2) they find ways around the rule such as selling or leasing property without going through the subdivision platting process. The Fairbanks North Star Borough GIS shows many parcels that were not created by platted subdivisions. There are no dedicated rights-of-way to many of these properties. There is no road system and only by viewing the aerial photography can you see how people access their property.

"Please consider the economic climate Fairbanks is facing as you prepare your recommendations on this ordinance. Continuing to allow road exemptions will allow careful planning and logical development of property within the Borough employing planners, surveyors, engineers and construction workers that will promote and provide for adequate and efficient street and local road systems. Subdivisions and development of properties will increase the tax base and provide greater opportunities for private land ownership. Please recommend to the Assembly that the road exemptions remain".

Dawn Cogan, member of the public, addressed the Platting Board. She read the following letter, authored by her husband, Daniel Cogan, into the record:

"Dear Platting Board members, I would like to thank you for volunteering for the position you hold on the Platting Board. Being familiar with road service issues and those who volunteer, I know any volunteer position can be difficult and thankless at times. I appreciate the time you take to read this letter.

"I come from a large family who built four miles of road with our own money in the sixties, two of which were utilized by the Borough for access to the current Haystack Subdivision. To make a long story short, my mother and father have passed and we have been trying to divide the land so each member involved pays their own taxes and can do with their land as they wish. At this time there are not any members who desire to sell outside the family, but some would love to obtain financing to build up-to-date homes".

"A local engineering firm was hired two years ago to survey and work alongside the Borough to subdivide our land. Unfortunately, they were busy and we were forgotten or seemingly put on the back burner. They were approached again and asked why there hadn’t been any progress. Regrettably, they had been sold and our file had been forgotten. During that time the Borough has been trying to make changes to the Title 17 rules, and for some reason our plats have been rejected multiple times by FNSB officials with no explanation as to why. We are
unsure if the changes the Borough wants to make are the reason the plats have been rejected, but it could look that way to us. It is difficult, discouraging and emotionally draining to watch as the place our family shed blood, sweat and tears to develop gets stuck in a governmental quagmire.”

“If the proposed Title 17 changes are made, our family will likely lose much in the future because of the costs involved with bringing our road up to the new standards in order to subdivide. The improvements will likely cost hundreds of thousands of dollars, as our homestead is far away from a good source of gravel, and we do not have the luxury of financing the upgrades. The current rules allow for a smaller easement, and Pioneer status. Keeping the current Title standards would allow us to continue on the path we have been on.

“Being a large family of meager means, we are trying to make changes beneficial for us and the Borough by being able to build updated homes, which would increase Borough revenue. I know most of the issues we have had were caused by trusting a business who let us down and ourselves by not being diligent to push them to complete the work in a timely manner. We thought they would do a good job, ultimately, we were wrong. Changes to Title 17 will cost our family dearly, and my heart breaks at this result. I would like the proposed Title 17 ordinance change voted down. Thank you for all you do. Sincerely, Daniel Cogan.”

Dawn Cogan added that they would like to see the proposed Title 17 ordinance voted down or postponed to a later date. She added that people who have been here as long as her family should have grandfather rights and that perhaps these changes should apply to those moving forward.

Mr. Meyer queried how many lots the Cogan family was going to subdivide. Ms. Cogan stated that currently their application says five. Additionally, she stated that they are not in a fire service area and that their road is to Pioneer standards.

Doug Schrage, member of the public and Fire Chief serving the University Fire Service Area. He stated that he is here to speak to the benefit that this re-write would bring to the fire services ability to serve our constituents. Mr. Schrage spoke to Ms. Robbins situation and stated that that is the exact problem that they are trying to fix. He stated that he feels this ordinance will be helpful to that end.

Mr. Schrage stated that there are a lot of properties in the Borough that are in fire service areas that should not be because they cannot adequately access them. He continued that when a property owner petitions to get into a fire service area, the fire service area has no choice whether the property is added or
not and they have no control about new subdivision that crop up that they can't access when an emergency occurs. The current mechanism of including a plat note has proven to be inadequate because people don't know, or if they do know, they impose a great sense of urgency on the fire fighters and medics.

**Mr. Schrage** added that the numerous fire departments throughout the Borough spend millions of dollars every year to try and improve their response time and their ability to access the homeowners that pay taxes for fire protection and EMS services. Stations are built strategically to reduce and manage to have a minimum response time. They staff strategically so that there are people to respond when needed. Money is spent on training and traffic preemption devices which enable them to turn the lights green all so that they can get to the scene faster. Often when they arrive they get stuck in the driveway or slide into a ditch, they can't turn around. All kinds of problems present themselves.

**Mr. Schrage** continued that what they need is for properties to be properly addressed, properly marked and they need to be able to get to them. Some of the problems that they experience regularly is narrow roads, encroaching brush, roads that can't support the weight of their vehicles, inadequate turnarounds, inadequate pull-offs and platted but unbuilt roads. Often they show up thinking there is going to be a built road and there isn't.

In conclusion, **Mr. Schrage** stated that not all of the problems that they have experienced would be alleviated by the repeal of these exemptions but many of them likely would be.

**Mr. Kwasinski** queried if the fire department would enter a road that has only one way in and one way out. **Mr. Schrage** stated that it depends on which vehicle arrives first. If the tender were to arrive first they would ask them to stay down the street until the engine arrives. He added that this is also true with ambulance services.

**Branon Richart**, member of the public, addressed the Platting Board. He stated that he is here to testify on his belief that this ordinance will only hurt and damage local families and entities such as the Borough, UAF and the State of Alaska. He commented that he finds it funny that the Borough, UAF and the State are the biggest users of the current exemption. As these three entities are hurting financially, one of the ways to make money is to sell property and this exemption will hurt them as they will not be able to subdivide and sell lots.

**Mr. Richart** continued that he is aware of this situation as he is probably one of the few people in the room who has built a road in the last year. After speaking with several other developers, trying to develop roads in this community is the worst, rudest, most un-transparent process you will ever deal with. He stated
that he is not the only one who feels this way. To expect small families, as well as other entities and developers he spoke to to not be able to utilize these exemptions is a real shame. That will only damage the community.

Mr. Richart continued that with regard to the meeting held back in January in which surveyors and the public was invited to, he stated that he does not feel that there was a single person in the room that was in support of getting rid of the exemptions. Mr. Richart added that with regard to Title 17, it leaves a lot of discrepancies and room for judgement. That is why it has been mentioned several times that the community needs actual rules and standards or a Road Construction Handbook. Other communities have them. We have Title 17 which is open to interpretation. He further commented that interpretation used to be used to help the developers but now we have gone away from that. He added that he has submitted several Public Records Requests that prove the willingness of the Public Works Department to work with the public and development of these roads in the past and the straight down refusal to work with local developers in the community at this point. Culture has changed to a point that is so negative that he feels to enforce this on other people would be terrible. We are only hurting ourselves.

In conclusion, Mr. Richart stated that development is literally beginning to shut down because of this. We have a community that is begging for construction and we are starting to allow major contractors from Anchorage to come take the money as well as developers on base. He reiterated that he is strongly against the proposed change of ordinance.

Walter Murrell, member of the public, addressed the Platting Board. He stated that he has been asked by another local builder, Eric Lanser, to share an e-mail that he sent yesterday to the Chief of Staff of the Fairbanks North Star Borough. Mr. Murrell read the following into record:

"Jim, I am writing to follow-up on an earlier discussion regarding the difficulty presented by the Public Works in partnering with us developers to produce new land parcels and subsequent homes via new road construction. It is my feeling in conclusion that there has been a significant change in the Public Works Department regarding road development. This change is actively making parcel development a significant hurdle that makes it not worth the effort or cost. To show an effect of the attitude and effort in the Public Works Department, I am abandoning work on a 140 acre subdivision of 29 lots, three to four acres each, and under contract to sell it as recreational land. The stress and costs I have had to endure on the last road is not worth the effort. If I had to do the same for the new subdivision, given the current state of enforcement and communication. I appreciate our conversation and hope some avenue of change can be reached when acted so our area of residences can be maintained and not evolve into
developments more commonly seen in the Lower 48 or Anchorage. Sincerely, Eric Lanser, President Lanser Builders, Inc”.

Mr. Kwasinski queried what in the proposed change is causing issues. Mr. Murrell stated that he would have to refer this question to either Mr. Richart or bring the question back to Mr. Lanser to provide an answer.

Tori Clyde, member of the public and Fire Chief of the Ester Fire Department addressed the Platting Board. She stated that she concurs with the testimony provided earlier by Chief Schrage with regard to fire and EMS services.

Ms. Clyde commented that as a responder, her goal and mission is to provide service to our community and our tax payers. When she cannot get to a house due to the fact that the road is not accessible is causing a huge hindrance not only to the person at that house but also to the residents around them. It can be a wildland fire which can spread rapidly. It can be an EMS call and it can also be a fire call. Ester Fire Service Area has a lot of roads currently right now that are Pioneer type roads. They are one way in and one way out. We are not able to, at times, bring heavy apparatus down. They actually have made changes to eliminate having some of the 70,000 pound rigs going down these one way roads. They have resorted to utilizing a LDH (Large Diameter Hose) which is 500’ long so that they can now reach some of the structures. She further stated that in her fire service area there are no hydrants.

Ms. Clyde continued that Ester Fire Service Area has many great roads. The community has been paying for road services and the road services have done an excellent job. In 2016 they lost a home on Gold Lode Road because they could not access the road and they were a mile away from accessing the house. These homeowners are paying for a tax and the fire department is trying to give them the service.

Ms. Clyde concluded that she is supportive of the improvements for the roads and for this ordinance.

Mr. Pitney queried if Ms. Clyde has spoken with Jack Willard with regard to a Title 17 re-write that was attempted back in 2012. Ms. Clyde stated that Mr. Willard was with Chena Goldstream Fire & Rescue. He is no longer with the department and she has not spoken to him recently.

Mr. Pitney questioned if Ms. Clyde feels this repeal will mitigate some of the issues faced by local fire departments. Ms. Clyde replied "Yes".

Lance Roberts, member of the public and former Assemblymember, addressed the Platting Board. He stated that the purpose of the original 2012 ordinance
was really important. Originally we got subdividing in this Borough but we went too far too fast and required a whole platting process for every single thing instead of allowing people to do “metes and bounds” so now there is a large cost just to plat, let alone anything else. Then we add a Title 17 where we are required to build a road and that made it an incredible cost.

Mr. Roberts continued that when you look at the first ordinance that is just common sense since you have a Borough which is bigger that some states and you have these rural areas way out there and you can’t expect someone to have to build Title 17 roads two miles back from a State highway to their little subdivision. But then you have ones like Trilby Avenue. There are roads like that weren’t approved by a Borough engineer so now somebody wants to subdivide down that mile road, you’re going to make them upgrade the entire road all the way. It won’t happen and we knew that on the Assembly that is why the Assembly passed that because it was ridiculous. It just stops development. It just stops it. And so then we had the incident come up, and I brought forth the third ordinance, where we had a widow out there who had five kids she wanted to give her land to and she couldn’t afford to build a road and so we got this through. But there are many other instances. Mr. Roberts further stated that his dad subdivided his land when he was a young boy and he didn’t have to build a road but he sold it off in small parcels so that he could afford money to build the house that they lived in.

Mr. Roberts continued that what the Platting Board is going to do if they take away these exemptions is you will make it so that only the rich, or maybe road builders themselves, can actually subdivide. Nobody will be able to subdivide their property with the kind of money that you have to put into this. And it is really sad because when you look at it by not having a road it changes the dynamics like was pointed out. It makes the property worth more if you put in the road but that being, you have to have the money up front to do it. But if not, the property is worth less. That means people can buy it for less.

Mr. Roberts conveyed that when he was helping people put power in and he went out to Chatanika there was a state subdivision where everybody parks in this parking lot off of the State highway and they either walk in or bring a sled. They were happy to buy that land and have a piece of the Alaskan dream because they could afford that. They could afford a little parcel without a road. Economics is a big factor here.

In conclusion, Mr. Roberts spoke against requiring to build the physical road. The purpose of the Road Exemption is to exempt the road. If some people happen to have a physical road that is great. But sometimes they want to be able to build it without building the road. Maybe they just have a driveway that’s
not even to Pioneer road standards like that widow had. And so, again you're costing too much. Think about the economics of normal people.

**Mr. Pitney** commented that the Platting Board is not here to approve or deny this ordinance, but merely to make suggestions to the Assembly. **Mr. Roberts** responded that he hope the Platting Board makes some good suggestions.

**Steve Lowry**, member of the public and professional land surveyor, addressed the Platting Board. He stated that he thought he had a pretty good line of testimony prepared but after listening to those before him, he feels that they have “hit the nail on the head”. He stated that the economics that some folks have testified to is very important in this. His main concerns are the fire and road service areas. He definitely appreciate the road service folks. He feels it is pretty restrictive when we're just going to blanket both fire and road service areas. While he certainly appreciate the Fire Chiefs, he feels the real telling part of this at the beginning was that by Borough analysis, 90% of roads or subdivisions that had been developed using the road exemption 90% were still accessible by fire and ambulances. He further commented that he thinks that is pretty telling. He stated that he feels Mr. Roberts had it right. Some people want to be in a place where there is not much of a road and forcing them to do this, especially given the economic arena that we are in, is really restrictive and pretty tough.

**Mr. Lowry** continued that another issue he has is the way that road standards are written right now and the lack of a manual of any variety. He stated that over the past several years they have had several different folks in the Public Works Department that are doing road inspections and looking at Title 17 and there has been a pretty wide interpretation from them. It is really tough to work with a client and try to develop these things when you don't know what in the end is really going to be required. There are no standards. To move forward with any of these without standards he feels is really just going to create a lot more problems than we have now. A lot of times when you look at the revised or proposed changes that are being considered, the opinions of do not cut it in the world of engineering. Without a set of standards to quantify that it is just not going to work. It is just too wide open for interpretation.

**Mr. Meyer** commented that there was a point in time when the Platting Board tried to do a road construction manual and it “went right out the window”. **Mr. Lowry** responded that a week ago through the Alaska Society of Professional Land Surveyors (ASPLS) they formed a committee and this committee is working towards trying to come up with some standards that they would like to 1) implement as part of these title changes or 2) as a separate document. They feel that this is a big problem that there are no standards. Moving forward without standards is a real travesty.
Mr. Pitney queried if there was any part of the proposed changes that are acceptable. Mr. Lowry he has mixed feelings but ultimately there is no part of this that is acceptable.

Tara Guildner, member of the public, addressed the Platting Board. She stated that she is basically reiterating many of the concerns that have already been voiced tonight. She stated that her family built subdivision when she wasa kid. She stated that she does agree with a lot of things about the drainage being necessary as well as many of the other concerns that were discussed. She stated that she is worried about the costs to other people and effecting economic development.

Ms. Guildner continued that she is also concerned about the time limits that Title 17 already has. She feels that two years after platting approval may be a hard standard for some folks to meet. She added that reserving the right-of-way is sensible for future development she just wonders if requiring it to all happen so fast is sensible for our current economic development situation.

Mr. Meyer questioned if Ms. Guildner would be in favor of a road construction standard. Ms. Guildner stated that she would not be if it included families’ personal private property for subdivisions. If they are not selling the new lots to people who are not a member of the immediate family then they should not have to be held to the same standards.

Mr. Meyer queried if there was a mechanism for bonding, would Ms. Guildner be in favor of bonding the road. Ms. Guildner stated that she cannot answer this question as she does not have any experience with the bonding process.

Paula Hicks, member of the public and professional land surveyor, addressed the Platting Board. She questioned where has all of the bonding gone? She stated that Title 17 allows for bonding and she wonders why her clients are not allowed to utilize this portion of Title. She further commented that she would love to see more construction bonding happen. She does not understand why they were shut down from construction bonding. Perhaps there is something in there that she is not understanding but as far as she can tell it does not need to be changed. It needs to be the policy of the Borough to allow her clients to use it. Without it she feels that it will limit her clients ability to do more development and if money is the factor, let these developers bond for it. They need the chance to sell some properties/houses so that they can get the capital to build the fine roads that the fire chiefs need.

Ms. Hicks continued that she would like to thank Mr. Spillman for the proposed two amendments to the proposed ordinance. To her it is evidence that he is listening to the surveying community. Additionally, she stated that the
renumbering of code which has been proposed makes code easier to read. She stated that she has mixed feelings about the Pioneer road requirements but at some time you do need to stop the development with no access. Making Pioneer roads is a step down from the stringent and expensive rules for Local 1 roads.

Ms. Hicks commented that she would like to see Line 262 struck from the changes. She continued that the map of fire service areas that was provided in the presentation is obviously not accessible by fire truck and although they are paying taxes and are in the fire service area, they are not ever going to be served. All Line 262 is doing is limiting that area of the Borough from the road construction exemption. It is not solving any problems. With the Pioneer road minimum requirement, at least we are creating roads with these five lots or less subdivisions.

With regard to the five lots or less subdivisions, Ms. Hicks stated that Local 2 roads are required for 10-40 lot subdivisions. Local 1 roads for 1-10 lot subdivisions. She feels that there needs to be a step for the 1-5 lot subdivisions. That's what she sees is the purpose of this Road Construction Exemption, to apply to subdivisions of 5 lots or less. In many cases a Pioneer road is the better way to go. Its economical and she would love to see this piece of code that people have spent so much time on to actually be allowed to be utilized. If we keep Line 262, then we might as well not even have road construction exemption code because there are very few places in the Borough where it will be allowed to be used.

In conclusion, Ms. Hicks commented that at the last Platting Board meeting she was told that no variance from the road construction exemption from the minimum criterion. She wanted to make sure that everybody knows this. There will not be variances on this part of the code, under the current interpretation by the Assistant Borough Attorney. No variances. Therefore, if a line can be added into these changes allowing variances it would really promote the development for surveyors and developers in the five lot situation.

Mr. Meyer questioned if Ms. Hicks was in favor of having Pioneer road standards for 5 or less lots and as some folks cannot afford to build the road upfront, they would be able to bond the development, sell some lots and come back and build the road up so that emergency vehicles can reach the lots. Ms. Hicks was in agreement with Mr. Meyer. She stated that if all of the rest of these changes go through, that Pioneer road has to be built whether they bond it or build it up front. That should be sufficient. At least we are not stuck with a goat trail or no road at all.

Cynthia Klepaski, member of the public, addressed the Platting Board. She stated that she is in favor of this re-write and she is on the other side. She is not
a developer. She is a person who purchased property which was subject to an exemption. Ms. Klepaski read the following into record:

“Road construction is necessary for a growing community. If we want to promote the Borough as a place for people to come and make it their home, we need to have constructed roads. Development is not good if there aren’t any roads to get to that development. Exemptions merely pass down the road requirement to those who are least able to construct. An exemption is a trap for the unwary. Even if you read the plat note on certain exemptions that have the plat note, the full implication of the exemption is hidden. I live off of a shared driveway, which is really a goat trail, and it was a subdivision by Waiver of Plat. Neither legal nor constructed access was required. No dedication was required. No drainage system was required. No landing was required. What did that mean to me when I purchased my property? Not a lot, even though I kinda knew what I was getting into. But, at the time it was the fall and the road was dry. It looked good and it was drivable. But, once spring came and we got a couple of winters with a lot of snow, it just kept getting worse and worse. I looked into getting a loan to do something with this road but banks do not want to give loans to people to build a road on property that is not their own or that is not a dedicated road. Her goat trail just goes on easements. There are like five properties that use this goat trail to get to their land.”

“A subdivider can pass on the cost of building a road to the new buyers and that can be in their mortgage. I would have much preferred to pay more for my property if it had a real road accessing it. It is more difficult for the owner to build a road when it is not on their property. This new ordinance, getting rid of the exemptions, will not help me at all. But please don’t cause future purchasers to have to deal with a goat trail system rather than a true road system. I never thought of the fact until I was sitting here that perhaps a fire truck cannot get down my goat trail to get to my house. I have had an ambulance come to my house but that was before the road really started to disintegrate. I really do think that we need to have a road system in the Fairbanks North Star Borough”.

Ryan Hunt, member of the public, addressed the Platting Board. He wanted to bring up the fact that people often think that a developer is going to develop these big subdivisions and sell the lots off to make a profit. Sometimes that’s the case and sometimes it is not. As he was looking at tonight’s packet he noted a road within another application request that he had worked on previously. He stated that the purpose of the subdivision that he worked on was simply someone built their house over the lot line and they wanted to purchase a little bit of the adjacent property owner. By doing this simple subdivision to move a lot line, Title 17 comes into play and the homeowner was made to comply with the current regulations even though it has nothing to do with simply moving a lot line. Within this simple subdivision right-of-way had to be dedicated.
Additionally, **Mr. Hunt** stated that he did talk to a lady that does commercial financing. She told him that she used to do a fair amount of financing to allow for road construction and she eluded to the fact that you have to have multiple sources of income which is not the sale of the home to make that happen. You have to have either another job that is not homebuilding. He stated that she just simply does not see this scenario often. Mr. Hunt continued that Waivers of Plats are simply paper plats and do not see where they have anything to do with the road construction exemption. He added that there a lot of subdivisions out there that this repeal of the road construction exemption is not going to correct by any means. Maybe if some of the fire agencies see a road that is in need of repair, perhaps they can get a grant to run a blade down it. He stated that he feels that this suggestion would be very cost effective. At least get a truck in those areas.

**Mr. Hunt** reiterated what Mr. Roberts stated that this is simply a whammy. When people come into Mr. Hunts office, he has to analyze do they have a special situation or not even though they are not considering having to build a road.

**Mr. Pitney** commented that these “fixer uppers”, moving of a lot line to bring setbacks into compliance, will be tremendously financially impacted. He questioned if Mr. Hunt sees a method of how we could get around this particular situation. **Mr. Hunt** responded that he thinks that there needs to be another piece of code created to allow for only the subject action to take place and not necessarily worry about anything else Title 17 related.

**Mike Prax,** member of the public, addressed the Platting Board. He stated that he is not in favor of this ordinance. He stated that he was involved with some of the changes that were made 5 years ago and they went through pretty much the same conversation at that time. He commented that he appreciates the fire service folks concerns about getting to homes and the roads are not always good. However, that wasn’t the greatest issue then and it is not the biggest issue now. The biggest issue now is that people cannot afford these small subdivisions. He stated that he was in a similar situation as his garage was built over the property line. He ended up purchasing the lot next door to resolve the issue because that was easier than re-subdividing to get the property lines straightened out. There are all kinds of little cases like that and this ordinance makes it more complicated to do.

**Mr. Prax** continued that he has lived on a road that was not a platted subdivision when he bought the house. His road has never met Borough standards and it has worked just fine for 40 years. He commented that they are happy with their road and it should be their decision whether to improve the road or not.
Mr. Prax conveyed that several years back they had a 25 acre parcel that they were interested in subdividing. He commented that all of the little hassles make it impractical financially for an individual to subdivide their property. You have to really know what you are doing and what you are getting into. It’s not just the road standard as it was a really deluxe road for the number of lots that they were going to provide. Ultimately they were not allowed to subdivide down to the point that it would have made economic sense. The road was very expensive. Wetland permits were to be required as well as other permitting processes that they would have had to go through. The state market wasn’t looking promising but you have to build the road within two years and it just was not possible. There are a lot of people in this same boat. There are a lot of people that used to be able to come to Alaska for their dream; go out and get a piece of land from someone, live on a goat trail and they were happy.

In conclusion, Mr. Prax commented that he feel Community Planning just cannot appreciate the small things that come up and he believes we are better off with the changes that were made. Bottom line buyer should beware.

Gary Newman, member of the public, addressed the Platting Board. He stated that as a former Platting Board member as well as a former Planning Commissioner he appreciates what the Platting Board does in support of our community.

Mr. Newman read the following into record:

"I appreciate what you do in support of our community and I thank you. It appears that the thrust of the changes to 2019-01 make it so restrictive to render it near impossible to support what the Assembly determined in 2012 and 2013. That being said, some moderate changes might be appropriate.

"I do support a change from 10 lots to 5. I do support having a note on the plat stating the status of access both practical and legal. I do support the 30’ landing requirement at intersections. I do support the limitation on further subdivision without meeting Borough standards”.

"I do not support the added exclusion of fire service areas for qualification for the exemption. As documents show, fire service areas cover most of the developed Borough. Including them would virtually eliminate the use of this exception. I do not support the proposed requirement of constructed and legal access being the same. From personal knowledge, it isn’t reasonable. The FNSB presentation calls the trespass roads, but that’s not always the case. Under their definition, RS2477 roads would be considered trespass until formally dedicated or judicially validated".
"There are a number of private roads that are well-maintained that may also have the alternate forms of legal access, but the constructed access is more functional. One of your Platting Board members has developed property on one of those private roads. The proposed ordinance addresses legal access on Lines 118-164 and it is extensive. Again, functional access is what might be a better approach for the purposes of this exception”.

"This proposed ordinance revision would basically require those property owners adjacent to the proposed subdivision to dedicate the existing or proposed road frontage property to the public in perpetuity and essentially make unnecessary for the exceptions of this ordinance at all. In turn, they would have to form or be voted into an adjacent service area to continue servicing their roads. That places an additional burden on the Borough, which struggles now to deal with the many disparate road service areas in a prescriptive fashion. There are plenty of formerly approved Borough roads that are far from meeting today’s requirements and standards. Service areas have a hard enough time just doing maintenance and repairs, much less bring them up to current standards. The larger issue is that the FNSB doesn’t have road powers, but probably should”.

"The Comprehensive Plan which guides the development of Titles 18 and 18 isn’t prescriptive. It is aspirational. There are plenty of issues listed that we can’t accomplish for various reasons and, in some cases, are actually in conflict. Staff refers to Transportation and Infrastructure in support of this proposed ordinance. 1) Ensure access for emergency service vehicles to new developments. 2) Require public and private developers to provide adequate rights-of-way and road construction in conformance with Borough road standards”.

"Two points: 1) have we heard from emergency services groups that they are unable to provide service in the excepted areas? Also, is a new development defined as one where people already line on the parent parcel? 2) As staff defines it, adequate is defined as being up to current borough standards and dedicated public and perpetual. That’s a bit of a reach considering other Comp Plan Statements which urge flexibility and functional appropriateness”.

"I urge you to take a more measured approach to the issues raised in this section of Title 17. Thank you”.

Mr. Meyer queried what Mr. Newman considered common sense with regard to a prior diagram that was shown earlier in the presentation of access to a property off of Chena Hot Springs Road. Mr. Newman stated that he was not familiar with what Mr. Meyer was speaking to.
Mr. Pitney opened up public testimony for those remaining in the chambers to give a second round of testimony.

Mr. Lowry addressed the Platting Board for a second time. He stated that the proposed changes are well intended and that some of the changes will be very positive. However, he still feels that there are so many unknowns and so many cases where there is lack of standards or criteria and so much open to interpretation that that is why he is hesitant to throw any support about moving forward under the way it is written now. He further commented that he feels it should be looked at a little differently and maybe some compromises should be made. That would put it in a little better light. A lot of folks have spoken out, not just folks in the surveying community and they have some pretty valid opinions. They are the constituents of the Borough. He stated that he hopes that the Platting Board is listening to what the constituents are saying.

Mr. Kwasinski queried what Mr. Lowry would recommend as far a changing the proposed ordinance. Mr. Lowry stated that he would eliminate the fire service area requirement. He stated that he feels its pretty evident that a majority of the problems in fire service areas aren’t being caused by this exemption. With regard for the road service areas, he does have sympathy as people are utilizing the road and not having to pay taxes for it. To be able to somehow make it so that those folks are contributing to the system would help. The other thing is with the road service area is to maybe limit the distance.

Mr. Richart addressed the Platting Board for a second time. He thanked Mr. Meyer for his suggestions regarding road bonding. He stated that he knows of other developers and people who aren’t developers who would appreciate something like that. It is an absolute win-win. Mr. Richart also spoke to the topic of a road handbook. He expressed that he feels that getting rid of these exemptions is a bad idea because we already have such a convoluted mess that getting rid of these exemptions will only add to that.

Mr. Richart played a recorded conversation that he had with a FNSB Public Works Department Engineer. He stated that the recorded conversation was merely to illustrate the difficulty of the process of communication in developing these roads.

In conclusion, Mr. Richart stated that removing these exemptions will really hurt a lot of individuals.

Ms. Klepaski addressed the Platting Board for a second time. She stated that the gentleman who spoke after her earlier commented that her subdivision was done by Waiver of Plat and that only happened in the 1970’s and 1980’s. If you
look at Line 89 through 115 or the proposed ordinance, it is that section, subdivision by waiver of plat, so it is still on the books, it can still be used.

Ms. Klepaski continued that when you don't build roads within a subdivision or to a subdivision, you are hurting the people who are buying those properties because the developers keep talking about how its hurting these small developers, well when you don't have a road, a good road to your property, your hurting those property owners too. She further commented that as a Platting Board you need to think about all the future owners of these exempted properties.

Public Testimony Closed

Mr. Pitney announced that what he would like to do now is to hold off on a motion and have deliberation at the next Platting Board meeting on March 20, 2019.

Ms. Dau pointed out that Staff or the Sponsor does have a response period that you can either do tonight or right after the public comment while people are still here or if you would like to you can put that off until the next meeting.

Mr. Pitney queried if the Staff response could be put off until the next meeting. Ms. Dau responded that she would suggest that Staff have a response period tonight while the folks who testified tonight are still here to hear it.

Mr. Pitney queried if Mr. Spillman would like a chance tonight to respond. Mr. Spillman stated that it is up to the Chair. He is fine either way.

Mr. Pitney allowed Mr. Spillman to speak, in response. He will also allow Mr. Spillman an opportunity to speak in response at the March 20, 2019 meeting as well.

Mr. Spillman responded with the following: “Community Planning understands that there are a lot of challenges with our existing code. Our existing Title 17 was originally written in the early 1980’s and the bones of the code have not changed much since then. We understand that there are pretty significant areas that could use improvement. This is not a full-scale Title 17 re-write. We tried that a number of years ago and it did not make it to public hearing”.

“This is, in our opinion, one of the biggest health, safety and welfare issues with Title 17 right now. As you have seen in some of the examples tonight, subdivisions going in and being able to be sold off with absolutely no roads. That is our biggest concern. We have heard a lot tonight about people doing it right. Roads that just don’t quite meet the Borough standard but there is a way to get
there. There is a way for a fire truck to get there. But unfortunately, right now that's not a requirement of code. There is no requirements for your road so it can be a pretty good road or there can be absolutely nothing there. We tried our best to draft this so that it still has some flexibility. There are existing exemptions that will be continued but we recognize that it is going to roll this back quite a bit and honestly we really feel that this is in the best interest of trying to predict and plan for future development in this Borough. We heard so much tonight about the roads that are poor and existing roads out there. We don't want that to be the case 20 years from now where these roads we are exempting are those roads we hear the fire chiefs talk about. That was our big intention drafting this ordinance and bringing it forward. As far as preparing for next meeting, if the Platting Board has any specific amendments that they would like to make that aren't drafted out we are happy working with you. You also have legal counsel that is happy to work with you too draft specific amendments. Or the Platting Board, if you don't know exactly what line to amend, you could make broad concepts. For example, recommending approval but trying to come up with a one lot into two lot exemption. And, it is possible to work through that and bring it to the Mayor before this ordinance is revised for introduction.

Mr. Spillman added that there is a very specific section of code that addressed a lot of the concerns today with simple lot line shifts. He requested that Mr. Stefan clarify this section further.

Mr. Stefan addressed the Platting Board. He commented that from July 1, 2018 to January 24, 2019, fifty-eight percent (58%) of all Quick Plat applications relied on the Applicability section of Title 17. This section is not being touched by this ordinance. It allows for if these lots, those two lots that need to change their common lot line, so long as those lots were legally created there will be no requirements from our design and public improvements meaning the road will not even be considered. There would not have to be any improvement to that road. That is for a specific case when you need to shift a lot line due to an encroachment. That only became part of Title in 2015 so perhaps some of the examples you heard were prior to that year. Mr. Stefan reiterated that this section of title will not be changed by Ordinance 2019-01.

Ms. Dau clarified that anything that Staff says at the next meeting will need to be in response to comments. That is the formal procedure. There will not be introduction. There will not be a new staff report. There is only response to the public comment.

Mr. Spillman and Mr. Stefan acknowledged Ms. Dau's comments.

Mr. Pitney questioned if there were two lots and they want to make it into one lot and this proposal passes, are they going to have to create a road into there
even though they have had the proverbial goat trail and it has worked for the last 40 years. Mr. Stefan responded that so long as you are not increasing the number of lots, and assuming those two lots were legally created, there is no road improvement necessary.

Mr. Spillman added that in the circumstance that was just described our zoning code has a provision that you can join two lots together. It is called a zone lot affidavit. You can join the two lots together without going through the subdivision process.

Mr. Pitney requested clarification of Ms. Dau regarding placement of this item on the March 20, 2019 Platting Board meeting. Ms. Dau provided clarification.

Mr. Pitney commented that he would like to move this item to the beginning of the March 20, 2019 Platting Board meeting.

**MOTION:** A motion by Mr. Meyer, seconded by Mr. Kwasinski, to postpone Ordinance 2019-01 to the March 20, 2019 Platting Board meeting.

**ROLL CALL:** 5 in favor Wilmer, Mendenhall, Meyer, Kwasinski and Pitney
0 opposed

G. **UNFINISHED BUSINESS**

   None

H. **NEW BUSINESS**

   None

I. **EXCUSE FUTURE ABSENCES**

   None noted

J. **CITIZENS COMMENTS**

   None

K. **BOARD MEMBER COMMENTS / COMMUNICATIONS**

   Mr. Meyer thanked the public for their participation in this process.

   Mr. Kwasinski concurred.
L. **ADJOURNMENT**

**MOTION:** A motion by Mr. Meyer, seconded by Mr. Kwasinski, to adjourn. All were in favor. There were no objections.
FNSB PLATTING BOARD
MINUTES
March 20, 2019

A regular meeting of the Fairbanks North Star Borough Platting Board was held in the Mona Lisa Drexler Assembly Chambers, Juanita Helms Administrative Center, 907 Terminal Street, Fairbanks, Alaska. The meeting was called to order at 6:00 p.m. by Randy Pitney, Chair.

ROLL CALL

Members Present: Kellie Fritze, Troy Hicks, Mike Kwasinski, Jason McComas-Roe, Clint Meyer, Bill Mendenhall, Tadd Wilmer and Randy Pitney

Members Absent: None

Others Present: George Stefan, Platting Officer; Daniel Welch, Platting Officer; Julie Kotila, Platting Officer; Kellen Spillman, Deputy Director, FNSB Community Planning; David Bredile, Director, FNSB Public Works; Wendy Dau, FNSB Assistant Borough Attorney; Christine Nelson, Director, FNSB Community Planning; Laura Melotte, FNSB Recording Clerk

MESSAGES

Chairs Comments- None

Messages to the Board –

Mr. Stefan stated that the appeal of VR021-19 from the February 20, 2019 meeting regarding the denied variance request for Moody Subdivision has been scheduled for the April 9, 2019 Planning Commission meeting.

Citizens Comments – limited to three (3) minutes –

Steve Lowry addressed the Platting Board and shared several quotes from the first three Presidents of the United States.

OATH
Disclosure and Statement of Conflict of Interest –

Mr. Pitney announced that when Ordinance 2019-01, the Road Construction Exemption, is up for hearing, it has already been decided at the March 6, 2019 meeting that Mr. Hicks and Mr. McComas-Roe will not hear the item as they have been deemed conflicted.

Mr. Hicks stated that he has a conflict with items #5 & #6 being brought forth by 3 TIER-Alaska. He stated his wife, Paula Hicks, is employed by 3 TIER-Alaska. Mr. Pitney determined that Mr. Hicks does in fact have a conflict of interest and will not hear these items. There was no objection from the Platting Board.

Mr. McComas-Roe stated that he may have a conflict of interest with items #3 & #4 being brought forth by Stutzmann Engineering. He commented that in the past he has brought it to the Chairs attention that there was a conflict for him on issues involving Stutzmann as a result of litigation that was ongoing at that time. That matter has now been resolved and he no longer feels that he has a conflict with any applications brought forth by Stutzmann Engineering. He deferred determination to the Chair and possibly the applicant.

Mr. Pitney queried how long the issue has been resolved. Mr. McComas-Roe replied “One week”. Mr. Pitney then asked if Mr. McComas-Roe if he felt the issue was permanently resolved and won’t come back at all. Mr. McComas-Roe replied “I do”.

Ms. Fritze queried of Mr. McComas-Roe if he felt he could be fair and impartial. Mr. McComas-Roe replied “I do”.

Mr. Pitney inquired of Ms. Dau her feelings. Ms. Dau responded that it is the Chairs’ determination. She did state that she does not see a conflict however you might want to inquire further for the record and for the applicants knowledge what exactly the nature of the involvement in the litigation was.

Mr. McComas stated that Stutzmann Engineering was an expert witness for the Defendant in that case. He further stated that he was affiliated with the Plaintiff and that was ongoing for a long period of time but now has been amicably resolved.

Mr. Pitney queried if Mr. McComas-Roe felt that he could be objective after a week of resolution. Mr. McComas-Roe stated that he could and added that Stutzmann was not a party to the lawsuit but rather an expert witness for a party to the lawsuit.

Mr. Pitney stated that he has made the determination that Mr. McComas-Roe does not have a conflict of interest and will hear items #3 & #4. There was no objection from the Platting Board.
APPROVAL OF AGENDA AND CONSENT AGENDA

MOTION: A motion to approve the agenda and consent agenda with the exception of Unfinished Business item #2, Pete Simpson Memorial Road becomes item #1 and Quasi-Judicial item #2, Pyrite Subdivision becomes item #2 made by Mr. Meyer, seconded by Ms. Fritze. Motion carried without objection.

MINUTES

The minutes of February 20, 2019 were approved as presented on Consent.

CONSENT AGENDA ITEMS

None

UNFINISHED BUSINESS

1. DE001-19 Pete Simpson Memorial Road A request by the State of Alaska, Department of Natural Resources, Division of Forestry, on behalf of the State of Alaska and the Fairbanks North Star Borough Division of Land Management, to dedicate a 100ft wide public access easement for the Pete Simpson Memorial Road. The access easement is accessed from Himalaya Road and is located within Sections 16, 20, 21, 29, and 30, T3N R2W and Sections 25 and 26, T3N R3W, FM. Staff Contact: George Stefan

Mr. Stefan addressed the Platting Board. He stated that at the February 20, 2019 Platting Board meeting there was a motion made that that file be postponed to tonight’s meeting. During that time based on research by staff and communications and discussions with appropriate professionals staff determined that the application as presented is incomplete. Therefore, it cannot be heard by the Platting Board for that reason this evening.

Mr. Pitney queried if Mr. Stefan had any idea of a date to postpone this application to. Mr. Stefan replied that he did not because he does not know if the application will be modified in any sense.

Ms. Dau stated that it sounds as though the options of the Platting Board are to postpone this item indefinitely and it will have to be put on an agenda with the appropriate public notice or the Platting Board could remand this item back to Staff so that it is no longer the Platting Boards’ item and then Staff can decide what to do with it from there. Either of those options would be procedurally correct. Mr. Pitney commented that it would probably be better to remand the item back to Staff.
MOTION: A motion was made by Mr. Meyer, seconded by Mr. Hicks to remand item DE001-19, Pete Simpson Memorial Road back to staff.

ROLL CALL: 8 in favor
Fritze, McComas-Roe, Meyer, Mendenhall, Wilmer, Kwasinski, Hicks and Pitney.
0 opposed

QUASI-JUDICIAL HEARING

1. SD018-19 Pyrite Subdivision A request by 49th State Surveying, on behalf of the State of Alaska Department of Natural Resources, to subdivide the E1/2 SW1/4 Section 36, T1S R2E, FM, a total of approximately 80 acres, into nine lots ranging in size from 5.00 to 13.43 acres. The request includes dedication of a new right-of-way. The property is located off of Plack Road and Farmall Drive. **Staff Contact: George Stefan**

Mr. Stefan addressed the Platting Board and stated that at the request of the applicant, they have requested that this item be postponed until the April 17, 2019 Platting Board meeting. The reason is so that the Waiver of Plat, “Irony Subdivision” will be completely taken care of before the Board considers Pyrite Subdivision.

MOTION: A motion was made by Mr. McComas-Roe, seconded by Mr. Meyer to postpone **SD018-19 Pyrite Subdivision** to the April 17, 2019 Platting Board meeting.

ROLL CALL: 8 in favor
Fritze, McComas-Roe, Meyer, Mendenhall, Wilmer, Kwasinski, Hicks and Pitney.
0 opposed

UNFINISHED BUSINESS

1. **ORDINANCE NO. 2019-01**: An Ordinance Amending FNSBC Title 17 Regarding Legal And Constructed Road Access For Subdivisions. – Referred to the Platting Board with recommendation due back no later than March 29, 2019. (Sponsor: Mayor Ward)

Mr. Pitney commented that this item is a continuation of the Platting Boards “Special Meeting” on March 6, 2019. As a result of that meeting it is now time for rebuttal by Staff to continue before the Platting Board takes any action on this item.

Mr. McComas-Roe and Mr. Hicks left the dias.
Mr. Spillman addressed the Platting Board. He stated that Staff had just a few brief responses to some of the testimony that was given at the March 6, 2019 meeting and that the Department of Community Planning does appreciate all of the members of the public and the Platting Board showing up for said meeting and giving such well thought out testimony. He continued that they did hear quite a few public comments during that meeting about what this ordinance would do to specific situations. Mr. Spillman continued that it is difficult for Staff to analyze those theoretical situations without knowing all of the facts. The Department of Community Planning does invite anyone that is thinking of subdividing their property or thinking of trying to analyze the impacts of this ordinance to come in and sit with the department for a pre-application meeting.

Mr. Spillman continued that the Department of Community Planning recognizes that there are other issues with Title 17. This is by no means an entire Title 17 re-write. Often during public testimony issues such as bonding or road construction manual came up and the way that Community Planning is looking at this right now is that could be a separate action or an all-inclusive Title 17 re-write. Mr. Spillman continued that the Borough did try a Title 17 re-write a number of years ago and it was the decision of the administration not to continue on with that Title 17 re-write.

Mr. Spillman continued that this ordinance will not construct old roads. It will, if you are doing a subdivision at the end of a poorly constructed or a road that was not constructed to Title 17 standard, it would require the upgrade of that. We are trying to look to the future as part of this ordinance and trying not to have new roads go in that are not built to a standard or in certain case not built at all.

Mr. Spillman, in conclusion, stated that there were three different testifiers that talked about lot line shifts on their property such as to get the shed out of a right-of-way. He stated that he wanted to point out that there is an “Applicability” section of code that exempts the majority of those subdivisions from the public improvements requirement including building roads. Therefore if your lot was legally created, and you are doing a simple lot line shift, you are not held to the standards of the public improvements section.

Additionally, Mr. Spillman stated that they did hear from the Fire Chiefs that their mission was to provide fire service for properties in their fire service areas and it is difficult when roads are not constructed and maintained to standard.

Mr. Spillman concluded that all of the rebuttal responses that the Department of Community Planning had to offer. With that, motions have been provided for the Platting Boards to consider.

Mr. Meyer requested the legal clarification of the word “Legal Subdivision”. Mr. Stefan responded that if a lot was not split and approved by the managing authority at the time, then it would be considered an illegal subdivision, that includes Pre-Platting
Board when the Greater Fairbanks Platting Authority so there are certain timelines. That is all it simply means.

Ms. Fritze queried about the letter that was sent in by the Salcha Fire Chief Ernie Miscwicz and how this effects them. Mr. Spillman replied that the way that this current ordinance is written and the fact that Salcha is not technically a fire service area that the Road Construction Exemption, as written, would be allowed in the Salcha area that are outside of Borough fire service areas.

MOTION: A motion by Mr. Meyer, seconded by Mr. Wilmer to recommend approval of Ordinance #2019-01.

MOTION: A motion by Mr. Meyer, seconded by Ms. Fritze (Draft Amendment #1) to amend Line 298 by adding "unless the landing is within the State right-of-way, the City of Fairbanks or the City of North Pole in which case the landing shall meet the standards set forth by the managing authority".

Mr. Mendenhall commented that he has no issue with this motion.

Ms. Fritze commented that it makes sense that the managing authority should have the power.

Mr. Pitney expressed his concerns with landings at intersections.

Ms. Fritze queried would not the cities have to be more stringent.

Ms. Dau answered that the way this amendment is drafted, it does not require the managing authority to have a more stringent standard to comply with, even if they had a lesser standard the way this is drafted, whoever is building the apron would comply with the managing authority standard.

Mr. Meyer queried if the State monitors the landings of roads that intersect with their roads. Mr. Pitney replied that the state monitors the landing but does not require 30 feet on top of it.

ROLL CALL ON DRAFT AMENDMENT #1:

5 in favor  Fritze, Mendenhall, Kwasinski, Wilmer and Meyer
1 opposed  Pitney

MOTION: A motion by Ms. Fritze, seconded by Mr. Meyer (Draft amendment #2) to amend Line 304 by deleting "on the first Borough business day" and adding "120 days".
Mr. Meyer commented that he feels this is a good thing. It gives people more time to be a bit more flexible.

Ms. Fritze questioned if four months is enough time. The Platting Board considered this and discussed the proposed 120 day allowance proposed by Ordinance 2019-1-01.

Further discussion ensued. Concern was centered on the time limit of 120 days.

Mr. Pitney queried if it would be appropriate to ask Staff questions at this time. Ms. Dau replied that it is not Quasi-Judicial but it would be out of order so the Platting Board would be basically breaking your own rules. If you have questions about the effect of this, I can try to answer that.

Ms. Dau continued “I think the concern, as I understand it, is that if this were to pass and somebody were to come into Platting the next day, if their application couldn’t get through within 120 days, what would happen to their application. The answer is you will be deciding an application under the law that is effective on the date that you, the Platting Board, hears it, not the date that Staff received it or analyzed it. If an application comes to this Board on the 121st day, they are under the new Title 17 requirements. If they come to you on the 119th day then they will be under the old Title 17 requirements.

Mr. Pitney added that if this amendment does not pass, it starts as soon as this entire ordinance is passed.

Mr. Meyer clarified that the 120 day clock would begin on the day that the Borough Assembly ratifies this ordinance.

ROLL CALL ON DRAFT AMENDMENT #2:

6 in favor Fritze, Mendenhall, Kwasinski, Wilmer, Meyer and Pitney
0 opposed

Mr. Kwasinski requested a brief recess. Mr. Pitney granted the recess.

Mr. Kwasinski commented that while it is hard to argue with public safety when it comes to roads. However, at the same time he has seen peoples’ objections and they are all about the same which is 1) it be more user friendly and foster economic growth 2) that it might not apply to smaller subdivisions and 3) Borough standards and expectations be delineated better so that people understand said expectations.

Mr. Kwasinski added that he feels another amendment needs to be considered to direct the Assembly study these three areas of concern.
Ms. Fritze added that another area of concern that she has heard is opposition to the requirement that you must be outside of a fire service area to utilize the exemption. Mr. Kwasinski concurred with Ms. Fritze.

Ms. Fritze commented that she feels that there should be a longer effective date than 120 days.

Mr. Wilmer stated that he is in agreement with Ms. Fritze with regard to a longer effective date than 120 days.

Mr. Meyer commented that he is beginning to wonder if the fire service requirement is a bit of a reach. From personal experience the fire service area is too big for what they can actually handle.

Ms. Fritze commented that she feels that there are just too many requirements in this draft ordinance, so much so that the ordinary “Joe Blow” would not be able to subdivide.

Mr. Pitney commented that though health and safety are important, we also need to be cognizant of the economics.

Mr. Meyer commented that roads need to be built even if they are only Pioneer roads.

Ms. Fritze commented that while she recognizes that a lot of time and work has gone into this draft ordinance, she feels that it is moving forward too fast. There are other areas within the ordinance that need to be addressed.

Mr. Pitney commented that he has mixed emotions with this ordinance.

Mr. Kwasinski requested an at ease to draft an amendment to the motion on the table. At ease was granted.

The Platting Board discussed off the record whether or not to make another amendment and their various perspectives on the matter.

Ms. Dau clarified some of the questions that the Platting Board had. She commented that if the Platting Board recommends striking Line 260, you will have a possible exemption as long as the following requirements are met 1) The proposed subdivision is not in the City of Fairbanks or North Pole and 2) Not in a Road Service Area. Does not rely on roads maintained by a service Area.

MOTION: A motion by Mr. Kwasinski, seconded by Ms. Fritze (Draft amendment #3) to send the ordinance to the Assembly to consider if safety is an issue if Lines 260 (five lots or less) and 262 (not in a fire service area) were struck.
ROLL CALL ON DRAFT AMENDMENT #3:

4 in favor    Fritze, Kwasinski, Wilmer, and Pitney
2 opposed    Meyer and Mendenhall

MOTION: A motion by Ms. Fritze, seconded by Mr. Wilmer (Draft amendment #4), to amend Line 304 by deleting "on the first Borough business day" and adding "365 days".

Mr. Wilmer stated that he feels this is appropriate. This gives more latitude.

Mr. Meyer concurred.

Ms. Fritze added that 365 days is not really a year given our short building season.

Further discussion was had regarding when the new ordinance would become effective and what code would apply and when.

ROLL CALL ON DRAFT AMENDMENT #4:

6 in favor    Fritze, Kwasinski, Wilmer, Meyer, Mendenhall and Pitney
0 opposed

Mr. Meyer commented that he would like to see an amendment to allow a lot, 5 acres or less, to be subdivided into two lots and you don't have to build a road and it can be in a road service area. This would only apply to two lots. No more than two lots.

Mr. Mendenhall suggested having minimum lot size requirements. Mr. Pitney clarified that zoning will dictate the minimum lot size.

MOTION: A motion by Mr. Meyer, seconded by Ms. Fritze,(Draft Amendment #5) to recommend an exemption to road construction requirements for a single lot, five acres or less subdividing into no more than two lots.

Mr. Wilmer commented that he feels this amendment seems fair.
Mr. Pitney commented that based on the testimony that he heard several weeks ago, he feels this helps a bit. We heard so much about the little guy.

Ms. Fritze concurred with Mr. Pitney.

ROLL CALL ON DRAFT AMENDMENT #5:

6 in favor Fritze, Kwasinski, Wilmer, Meyer, Mendenhall and Pitney
0 opposed

Ms. Fritze commented that she is opposed to recommending to the Borough Assembly this ordinance be approved. She stated that beyond the amendments that have been made this evening, there are still other areas of concern that need to be addressed, more than could be addressed at this meeting tonight. She stated that she intends to vote no on the main motion.

Mr. Meyer commented that he intends to support ordinance as amended.

Mr. Pitney stated that he respects and agrees with Ms. Fritze but feels he will vote for this anyhow.

ROLL CALL ON THE MAIN MOTION AS AMENDED:

5 in favor Kwasinski, Wilmer, Meyer, Mendenhall and Pitney
1 opposed Fritze

QUASI-JUDICIAL HEARING

1. **WV002-19 / RP025-19 Irony Subdivision** A request by 49th State Surveying, on behalf of the State of Alaska Department of Natural Resources, to subdivide, by Waiver of a Plat, TL-3600, a total of approximately 240 acres, into three tracts of 40, 80, and 120 acres. The property is located off of Plack Road, Parham-McCormick Road, Repp Road, and Farmall Drive and lies within Section 36, T1S R2E, FM, AK. **Staff Contact: George Stefan**

Stefan presented the Staff Report. Based on Staff analysis, the Department of Community Planning recommends APPROVAL of the Waiver of Plat with the following three (3) Conditions:

1. A Certificate of Waiver shall be executed by the subdivision owner and approved by the FNSB platting officer prior to its recording.

2. ADOT and ACS shall have a maximum of 10 calendar days to comment prior to approval of the Certificate of Waiver.
3. GVEA shall have a maximum of 30 calendar days to comment prior to approval of the Certificate of Waiver.

Furthermore, staff recommended adoption of the following five (5) Findings of Fact and the Staff Report in support of approval:

a) Irony Subdivision is a request for a Waiver of a Plat as codified by FNSBC Chapter 17.20.

b) The preparation, approval, and recording of a final plat shall be waived as allowed by FNSBC 17.20.010.A because:
   
i. The subdivision tracts will have adequate access to a public highway or street.

   ii. The subdivision tracts are nominally five acres in size or larger, and this waiver request creates four tracts or fewer.

   iii. No dedication of a street, alley, thoroughfare or other public area is involved or required by this waiver request.

c) No survey is required as allowed by FNSBC 17.20.040.B because the subdivision tracts are identified by aliquot parts descriptions and are nominally 40 acres or larger.

d) FNSBC 17.20.030.L requires a Certificate of Waiver to be executed by the subdivision owner and signed and recorded by the platting officer.

e) With the three conditions recommended by staff, this subdivision by Waiver of a Plat meets the applicable requirements of Title 17.

Applicant Testimony

**Jeremy Hurst**, 49th Star Surveying, addressed the Platting Board. He stated that this is a pretty straightforward Waiver of Plat subdivision request. This request conforms with Title 17.20. He made himself available for any questions.

**Mr. Wilmer** queried why the State doesn’t want to do a plat. **Mr. Hurst** responded that the State wants to do this Waiver of Plat so that they can take the 80 acre parcel and subdivide it further in the future. In order for them to subdivide the 80 acre parcel, they have to create the parcel first.
Interested Person Testimony

None

Applicant Rebuttal

None

MOTION: A motion by Mr. Meyer, seconded by Ms. Fritze, to approve Irony Subdivision with the amended three (3) Conditions adopting the five (5) Findings of Fact and the Staff Report is support of the approval.

ROLL CALL: 8 in favor Fritze, Mendenhall, Hicks, McComas-Roe, Meyer, Wilmer, Kwasinski and Pitney
0 opposed

2. SD014-19 Pine Meadows Subdivision 2nd Addition - A request by Stutzmann Engineering Assoc., Inc. on behalf of Jason Franklin to subdivide TL1006, a total of approximately 75.0 acres, into seven lots ranging in size from 1.88 acres to 2.54 acres with two remainder tracts of approximately 8.02 acres and 47.6 acres. The request includes the rights-of-way dedication for Pine Meadows Ave, a temporary turnaround ofr Gunning Drive, and the continuation of Cartlieb Road. Two variances are included with the application: a variance to FNSBC 17.56.100.A from the minimum curve radius requirements for Pine Meadows Ave, and another variance to FNSBC 17.56.080.E.3 to allow for an alternative design to a temporary turnaround at the end of Gunning Drive. The property is located within the N1/2 NW1/4 Section 10, T1N R1E, FM, AK (located Gilmore Trl, Pine Meadows Ave, Cartlieb Rd, and Gunning Drive). Staff Contact: Daniel Welch

Welch presented the Staff Report. Based on Staff analysis, the Department of Community Planning recommends APPROVAL of the subdivision with the following seven (7) Conditions:

1. GVEA shall have a maximum of 30 calendar days to review and comment on the final plat.
2. ACS shall have a maximum of 10 calendar days to review and comment on the final plat.
3. South Cartlieb Road shall be changed to Cartlieb Road on the final plat.
4. A copy of the driveway permit from ADOT&PF shall be submitted for construction of the Cartlieb Road landing where Cartlieb Road intersects with Gilmore Trail.
5. The landing for Cartleb Road at the intersection of Gilmore Trail shall be approved by FNSB Public Works prior to submittal of the final plat.

6. A note shall be added to the final plat that states “Roads in and to this subdivision were not required to and may not meet the borough’s minimum standards for materials and construction. To the extent these road standards have not been met, fire protection, ambulance and other public services may not be available year-around or their availability may be severely limited.”

7. All approved variances shall be noted on the final plat.

Furthermore, staff recommended adoption of the following seven (7) Findings of Fact and the Staff Report in support of approval:

a) The proposed subdivision creates seven lots and two tracts for a total of nine parcels.

b) The plat proposes to dedicate a 60-foot wide right-of-way as the extension of Cartleb Road to Gilmore Trail.

c) In accordance with FNSBC 17.36.010.E, the name of the right-of-way extending from the existing Cartleb Road to Gilmore Trail must be named Cartleb Road.

d) The plat proposes to dedicate an additional 30-foot wide right-of-way to the existing 30-foot wide right-of-way of Pine Meadows Ave.

e) FNSBC 17.56.080.D states “Roads that do not connect to adjacent roads shall end in a cul-de-sac or temporary turnaround.”

   i. The plat proposes to dedicate a temporary turnaround for the extension of Cartleb Road at boundary common to proposed Lot 2 and Lot 3.

   ii. The plat proposes to dedicated temporary turnaround where Gunning Drive enters the southern border of the subdivision.

f) The applicant has met the requirements for road construction exemption under FNSBC 17.56.060.A.

   i. The subdivision is not in a road service area nor does it rely on road service area roads for its only access.

   ii. The subdivision consists of less than 10 lots.

   iii. The applicant has submitted design information of roadway construction meeting applicable Title 17 requirements.
iv. Gilmore Trail is an existing traveled way that is maintained by ADOT&PF.

v. Per FNSBC 17.56.060.A.4, the applicant is required to obtain an ADOT&PF driveway permit and construct a 30-foot long landing where Cartleb Road connects with Gilmore Trail.

vi. Road improvements, other than the required 30-foot landing, leading to or within the subdivision are not proposed or required by this plat.

g) With approval of the variances and the seven conditions recommended by staff, this subdivision meets the applicable requirements of Title 17.

Mr. McComas-Roe queried why GVEA needs 30 days to review. Mr. Welch responded that they requested to review the final plat and generally that is the number of days that Platting has been using.

Mr. McComas-Roe questioned if the 30 day review period has ever resulted in the delay of final approval. Mr. Welch stated that he has not seen such an instance.

Applicant Testimony

Jeremy Stark, Stutzmann Engineering, addressed the Platting Board. He stated that the staff report was straightforward. He commented on the need for the two variance requests. He made himself available for questions.

Interested Person Testimony

None

Applicant Rebuttal

None

MOTION: A motion by Mr. Mendenhall, seconded by Mr. Wilmer, to approve Pine Meadows Subdivision 2nd Addition with the seven (7) Conditions and adopting the Staff Report and the seven (7) Findings of Fact in support of approval

MOTION ON VARIANCE #1: A motion by Mr. Meyer, seconded by Mr. Wilmer, to approve VR013-18, a variance from FNSBC 17.56.100.A to allow for the intersection of Pine Meadows Avenue and Alpine Vista Court to have a one hundred-five (105) foot curve radius, twenty (20) feet less than the required one hundred twenty-five (125) feet minimum curve for a Local 1
road adopting the three (3) Findings of Fact and the Staff Report in support of the approval.

Mr. Meyer commented that this variance request seems reasonable.

Mr. Wilmer concurred with Mr. Meyer.

Mr. Hicks commented that it appears that they have met the criteria for the variance request. He intends to support this variance request.

Mr. Pitney concurred with Mr. Hicks.

ROLL CALL ON VARIANCE #1:

8 in favor  Fritze, Mendenhall, Hicks, McComas-Roe, Meyer, Wilmer, Kwasinski and Pitney

0 opposed

MOTION ON VARIANCE #2: A motion by Ms. Fritze, seconded by Mr. Kwasinski, to approve VR025-18, a variance from FNSBC 17.56.080.E.3 to allow for an alternate turnaround design instead of a one-hundred (100) foot diameter temporary easement with an eighty-five (85) foot diameter driving surface adopting the four (4) Findings of Fact and Staff Report in support of the approval.

Mr. Wilmer commented that this is really the best that can be done based on the topography.

Mr. Meyer commented that he is in support of this request.

Mr. Hicks added that the criteria for a variance has been met. He intends to support this request.

Mr. Pitney added that he too is in support of this variance request.

ROLL CALL ON VARIANCE #2:

8 in favor  Fritze, Mendenhall, Hicks, McComas-Roe, Meyer, Wilmer, Kwasinski and Pitney

0 opposed

Mr. Meyer stated that he intends to support the subdivision request. It seems to meet all requirements.

Mr. Kwasinski concurred with Mr. Meyer.
Mr. Wilmer commented that he too will be supporting this subdivision request.

ROLL CALL ON THE MAIN MOTION:
8 in favor  Fritze, Mendenhall, Hicks, McComas-Roe, Meyer, Wilmer, Kwasinski and Pitney
0 opposed

3. **SD009-19 Fox Creek Subdivision** A request by Stutzmann Engineering Associates, Inc., on behalf of KGM, LLC, to replat TL-3179 and TL-3103, a total of approximately 12.97 acres into three lots ranging in size of approximately 1.60 acres to 8.07 acres. The request includes a variance to FNSBC 17.56.010.F to allow for direct lot access onto the Elliot Highway, an arterial road. The properties are located within the E½ NW¼ and the NW¼ NE¼ Section 31 T2N R1E FM (located on the Elliott Hwy). **Staff Contact:** Daniel Welch

Mr. Welch presented the Staff Report. Based on Staff analysis, the Department of Community Planning recommends APPROVAL of the subdivision with the following four (4) Conditions:

1. GVEA shall have a maximum of 30 calendar days to review and comment on the final plat.
2. ACS and ADOT&PF have a maximum of 10 calendar days to review and comment on the final plat.
3. The bench mark requirements of 17.52.040(D)(18)(a) shall be depicted on the final plat.
4. All approved variance shall be noted on the final plat.

Furthermore, staff recommended adoption of the following thirteen (13) Findings of Fact and the Staff Report in support of approval:

a. Proposed Lot 2 is a Type-II flag lot per FNSBC 17.56.010.H.2.
b. FNSBC 17.56.010.H.2.b states “Evidence has been submitted by the applicant that a borough-standard road can be constructed in the stem in the event of a future dedication.”
c. The applicant has submitted evidence that a borough-standard road can be constructed in the proposed flag stem. FNSB Public Works is satisfied with the evidence submitted and concurs.
d. The Elliott Highway is classified as an arterial road.
e. FNSBC 17.56.010.F prohibits direct lot access onto an arterial roadway unless there is no reasonable alternative.
f. Proposed Lot 3 has alternative means of access from a 50-foot wide roadway easement. The Elliott Highway is not its only access.
g. The only available access for proposed Lots 1 and 2 is the Elliott Highway.
h. There are currently three driveways onto the Elliott Highway accepted by the managing authority.

i. Alaska Department of Transportation is the managing and maintenance authority for the Elliott Highway at the location of this proposed subdivision.

j. FNSBC 17.52.040.D.18.a requires that bench marks be placed within the subdivision as primary monuments and be stamped and noted on the plat. Monumentation shall be placed so that no lot within the Flood Zone A or AE is more than 1,000 from a benchmark.

k. FNSBC 17.52.040.D.18.b states "Base flood elevation (BFE) determined by a method approved by the floodplain administrator, or as published by the Federal Emergency Management Agency, shall be noted prominently on the final plat."

l. FNSBC 17.52.040.D.18 requires if the property lies within Flood Zone A or AE, a note shall be included on the final plat, stating that "This property has been determined to be located, in whole or in part, within Flood Zone A or AE, a flood hazard area as identified by the Federal Emergency Management Agency. All development shall be required to comply with federal regulations and FNSBC Title 15."

m. With the four conditions adopted, this subdivision request meets the applicable requirements of Title 17.

Mr. Meyer queried if anything was going to change with regard to the flow of water in the creek. Mr. Welch stated that he is not aware of any improvements that are either required or proposed.

Mr. Hicks questioned if TL-3013 already has direct access to the Elliot Highway. Mr. Welch responded affirmatively.

Mr. Hicks stated that he is confused. He does not see the need for the variance. Mr. Welch clarified that this application originally went to an Administrative Hearing and the Administrative Hearing Officer denied the application. That is why this item is before the Platting Board with the variance request.

Mr. Hicks stated what section of code that would be found in. Mr. Welch stated that this can be found in FNSBC 17.56.010.F.

Ms. Dau clarified that typically when someone is subdividing lots, they are required to bring them into conformity with current code. The fact that they may have developed access points that are not compliant with code would not exempt them from the requirement regarding direct lot access. Therefore, these variances are to bring them into compliance, if they are granted.

Ms. Dau further clarified that it is her understanding that the Staffs’ policy is to allow the access to continue, because it is the only access, as long as the impact is not
increased and so her read of the Staff Report is that Lot 1 has existing access and is not increasing the impact by subdividing. Lot 2 does then increase the impact, it is using the same shared access point, but now you're creating two lots and that does require a variance. Lot 3 requires a variance because they have alternate access to the north but they are not going to utilize that access point so that does require a variance.

**Mr. Hicks** that that interpretation seems like a stretch of what the code actually says.

Further discussion ensued regarding access to these lots.

**Applicant Testimony**

**Jeremy Stark**, Stutzmann Engineering, addressed the Platting Board. He stated that he disagrees with the contention that they didn’t have legal access. There are three access points that have been in continuous use.

**Mr. Stark** reiterated the history of this application with regard to going to Administrative Hearing and being denied.

**Mr. McComas-Roe** questioned if Mr. Stark was referring to prescriptive easements within these lots. **Mr. Stark** clarified that there are two tax lots there that exist and the only access that they have is on to the Elliot Highway. He questions how one can say that they don’t have legal access when there are constructed approaches.

**Mr. McComas-Roe** questioned if a permit from DOT constitutes legal access. **Mr. Stark** responded an approved access point on to the Elliot Highway would constitute legal access.

Further discussion ensued regarding access points.

**Mr. Hicks** spoke to the concept of access control.

**Interested Person Testimony**

None

**Applicant Rebuttal**

None

**MOTION:** A motion by **Ms. Fritze**, seconded by **Mr. Meyer** to approve Fox Creek Subdivision with the four (4) Conditions and adopting the thirteen (13) Findings of Fact and the amended Staff Report in support of approval.
MOTION ON THE VARIANCE: A motion by Ms. Fritze, seconded by Mr. Wilmer to approve VR012-18, a variance from FNSBC 17.56.010.F to allow for direct access through a shared access easement for Lots 2 & 3 onto the Elliot Highway, an arterial road, adopting the three (3) Findings of Fact and the Staff Report in support of the approval.

Mr. Meyer commented that he does not have an issue with this variance request.

ROLL CALL ON THE VARIANCE:
8 in favor Fritze, Mendenhall, Hicks, Kwasinski, Wilmer, McComas-Roe, Meyer and Pitney
0 opposed

Mr. McComas-Roe stated that he concurs with staff recommendation with regard to this subdivision request.

Mr. Meyer concurred with Mr. McComas-Roe.

Mr. Kwasinski stated that he intends to support this request.

ROLL CALL ON THE MAIN MOTION:
8 in favor Fritze, Mendenhall, Hicks, Kwasinski, Wilmer, McComas-Roe, Meyer and Pitney
0 opposed

Mr. Hicks left the dias based on the earlier confirmed conflict of interest.

4. RP026-19 (Krogstie Heights Subdivision) A request by 3-TIER ALASKA, LLC, on behalf of McGill Properties, LLC, to replat Lot 3, Block 1, Krogstie Heights Subdivision, a total of approximately 8.42 acres, into two lots of approximately 4.22 and 4.20 acres each. One variance to FNSBC 17.56.010.I has been requested to allow for each lot to exceed the minimum 4:1 depth to width ratio. The property is located within the NE ¼ SE ¼ Section 12, T1S R3W, FM, AK (located on Old Wood Road). Staff Contact: Daniel Welch

Mr. Welch presented the Staff Report. Based on Staff analysis, the Department of Community Planning recommends APPROVAL of the replat with the following five (5) Conditions:

1. GVEA shall have a maximum of 30 calendar days to review and comment on the final plat.
2. Old Wood Road Service Area, Ester Fire, and ACS shall have a maximum of 10 calendar days to review and comment on the final plat.
3. A note shall be added to the final plat that states “Any new or modifications to existing access onto Old Wood Road shall require an FNSB Driveway Permit.”
4. Note 3 shall be replaced by a note stating “Portions of this subdivision may contain wetlands. If development plans entail the discharge or placement of dredged and/or fill material into these wetlands, issuance of an individual Department of the Army permit may be required pursuant to section 404 of the Clean Water Act prior to initiating work.”
5. All approved variances shall be noted on the final plat.

Furthermore, staff recommended adoption of the following eight (8) Findings of Fact and the Staff Report in support of approval:

   a) The proposed replat creates two parcels.
   b) The replat does not propose any public dedication or improvements.
   c) Old Wood Road is maintained by the Old Wood Road Service Area.
   d) The property contains wetlands per the US Fish and Wildlife National Wetlands Inventory.
   e) The applicant has submitted a variance to the requirement of FNSBC 17.56.010.I.
   f) FNSBC 17.56.010.I prohibits lots exceeding the 4:1 lot depth to width ratio.
   g) The proposed lots will have a 6.7:1 lot depth to width ratio.
   h) With the five conditions and approved variance, as recommended by staff, this subdivision meets the applicable requirements of Title 17.

Mr. McComas-Roe questioned if all of the units are being served off of the one meter pole. Mr. Welch responded that this does not play a part into the platting action. That would be between GVEA and the owner of the cabins.

Mr. McComas-Roe questioned if there was a plat note granting a blanket easement for secondary service. He wondered if they were creating a lot the electrical service for which is on the adjacent lot. Mr. Welch commented that GVEA had a chance to review this request and will review the final plat.

Mr. Welch further clarified that the current utility notes do address secondary service.

Mr. Pitney commented regarding access to the upper portions of each lot to be created. He stated that he can see the Platting Board creating a long term ramification which is something we are not after here.

Mr. Welch stated that in the variance analysis, there really is not potential for further development. They can come back to the Platting Board with as many variance as they would like as long as all portions of Title are being addressed.
Mr. Welch further commented that he feels it would be rather difficult to develop an option that would meet Title 17.

Mr. McComas-Roe requested clarification on the legal access. Mr. Welch stated that the legal access for both lots is Old Wood Road.

Mr. Meyer questioned if they would be required to build a road since they are in a road service area. Mr. Welch reiterated that Old Wood Road provides that constructed and legal access to both lots.

Applicant Testimony

Dan McGill, applicant, addressed the Platting Board. He made himself available for questions.

Ms. Fritze questioned if it is Mr. McGills' intention to sell off one of the lots after subdivision. Mr. McGill replied affirmatively.

Mr. McGill clarified that the property to the north is not usable.

Mr. McComas-Roe questioned what is the purpose for the 4:1 ratio requirement. Mr. Lowry stated that he believes it is to avoid long skinny lots, but he is not certain.

Steve Lowry, 3 TIER-Alaska, addressed the Platting Board. He added that in the design process they did consider several other options which would have required several variances. However, there would have been major concerns with public safety based on sight distances. This design was a better choice.

Mr. Lowry continued that almost all of the property to the north within this lot is wetlands and a lot of the grades are exceeding 25% according to the USGS map.

Interested Person Testimony

None

Applicant Rebuttal

None

MOTION: A motion by Ms. Fritze, seconded by Mr. Meyer to approve the replat of Lot 3, Block 1, Krogstie Heights Subdivision with the five (5) Conditions
adopting the eight (8) Findings of Fact and the Staff Report in support of approval.

**MOTION ON THE VARIANCE:** A motion by Ms. Fritze, seconded by Mr. Meyer to approve VR011-19 adopting the seven (7) Findings of Fact and the Staff Report in support of approval.

Mr. Wilmer stated that he does not see an issue with this variance request.

Mr. Meyer stated that this variance request fixes a really bad situation and it is about the best that can be done in this case. He intends to support this request.

Mr. McComas-Roe commented that this variance request appears to meet the criteria. He intends to support this request.

Mr. Pitney concurred with Mr. McComas-Roe.

**ROLL CALL ON THE VARIANCE:**

7 in favor Fritze, Mendenhall, Kwasinski, Wilmer, McComas-Roe, Meyer and Pitney

0 opposed

Mr. McComas-Roe stated that he concurs with staff's findings and intends to support this request.

Mr. Kwasinski concurred with Mr. McComas-Roe.

Mr. Pitney stated that he too intends to support this request.

**ROLL CALL ON THE MAIN MOTION:**

7 in favor Fritze, Mendenhall, Kwasinski, Wilmer, McComas-Roe, Meyer and Pitney

0 opposed

5. **SD017-19 Aaron Estates Second Addition Subdivision:** A specific request by 3 Tier Alaska on behalf of Green Diamond Properties, LLC to replat Aaron Estates (Plat 2011-74) and Aaron Estates First Addition (Plat 2017-31) into a new configuration being called “Aaron Estates Second Addition”. It proposes to combine 43 lots, a total of 44 acres, into 21 lots, varying from a minimum size of 1.839 AC to 4.236 AC. The property is located within the S1/2 of the SW1/4 of Section 30, T1S R2E, FM located on Aaron Avenue, Crazy Frank Street and Stormin Norman Avenue. **Staff Contact: Julie Kotila**
Ms. Kotila presented the Staff Report. Based on Staff analysis, the Department of Community Planning recommends APPROVAL of the subdivision with the following three (3) Conditions:

1. GVEA shall have a maximum of 30 calendar days to review and comment on the final plat.
2. Add the necessary notes regarding covenants and waste water disposal.
3. Both the line and label of 'Drainage Easement' along the witness corner line shall be removed as it is not within the limits of the Gravel Easement.

Furthermore, staff recommended adoption of the following three (3) Findings of Fact and the Staff Report in support of approval:

a) The subdivision request is exempt from improving Aaron Avenue, Crazy Frank Street, and Stormin Norman Avenue to current Title 17 standards as allowed by FNSBC 17.52.050 because:

   i. The proposed subdivision does not result in an increase in the number of lots.

   ii. The proposed subdivision does not create a new violation of the design and public improvement of this title.

   iii. The proposed subdivision does not increase the nonconformity of any lot under this or any other FNSBC title.

b) Access to Ownby Road is restricted because:

   i. Ownby Road is classified as a Major Collector road per FNSB Comprehensive Road Plan and Title 17.56.010(F) prohibits direct lot access onto a major collector road. Prohibited access has been noted on the plat for Lots 6A Block C, Lots 4A, 6A, and 8A Block D.

c) With the three conditions recommended by staff, this subdivision request meets the applicable requirements of Title 17.

Applicant Testimony

Paula Hicks, 3 TIER-Alaska, addressed Platting Board. She stated that she does not have questions of the staff report. She made herself available for questions from the Platting Board.

Mr. McComas-Roe queried about the utility easement notes on the plat. He specifically wanted to know if this language is applied to each of the plats that she
creates. **Ms. Hicks** replied that recently she did record a plat that did not have the typical note but it was only agreed upon after several meeting with GVEA.

Further discussion ensued regarding plat notes.

**Interested Person Testimony**

None

**Applicant Rebuttal**

None

**MOTION:** A motion by **Mr. Meyer**, seconded by **Mr. Wilmer** to approve the subdivision with the three (3) Conditions, adopting the three (3) Findings of Fact and the Staff Report in support of the approval.

**Mr. McComas-Roe** stated that he heartily supports this request.

**ROLL CALL:**

7 in favor Fritze, Mendenhall, Kwaskinski, Wilmer, McComas-Roe, Meyer and Pitney

0 opposed

**NEW BUSINESS**

None

**CITIZENS COMMENTS**

**Steve Lowry**, 3 TIER-Alaska, addressed the Platting Board for Citizens Comments. He stated that he respects the Platting Board decision this evening. He added that he feels that there are some real big ordinance as it is written. One is the complete lack of standards. He finds it hard to believe that the Borough will proceed with this ordinance without standards.

**Mr. Lowry** continued that now that staff has made the decision that no part of road construction exemption is able to have a variance is going to be extremely limiting to all involved. This basically means that no part of any construction exemption will be allowed to have a variance. He stated that he feels we are going to find that that will be a really limiting factor in a lot of situations. He forsees this as a real problem.

**Mr. McComas-Roe** requested clarification regarding Mr. Lowry's remarks. **Mr. Lowry** clarified his statement.
Further discussion ensued with regard to granting variances and variance granting in general.

Ms. Dau clarified that with the way Title 17 is written, variances are allowed for the requirements of Title 17. When you are asking for an exemption, and you qualify for an exemption, that takes you out of the requirements of Title 17. You are now in a special category of exemptions and you have certain criteria to qualify for the exemption. The way that variance is written in Title 17, you cannot apply for a variance to an exemption standard. In the proposed ordinance there is no proposal to change the variance language. It would be unusual for it to allow a variance to an exemption requirement. Therefore, if this were to pass, those very requirements that we were talking about earlier, you could not apply for a variance to those requirements because that is how you get the exemption. That is how you get outside of Title 17 requirements which would be variable.

Mr. McComas-Roe queried cannot an applicant ask for anything they care to ask for.

Ms. Dau replied that they can ask but that does not mean it is legal and so the way Title 17 variance code is written it says you can apply for a variance from the requirements of Title 17. When you're in exemption you're not in a requirement. Therefore, if somebody didn't qualify for an exemption, they could apply for a whole slew of variances instead and get the same effect as a road construction exemption if the Platting Board were to grant it.

Further discussion ensued with regard to various examples of variances.

Mr. Hicks read from title the following: "The Platting Board may vary or modify requirements of this title. Ms. Dau clarified that an exemption is not a requirement of the title.

Mr. Hicks disagreed with Ms. Daus' interpretation.

EXCUSE FUTURE ABSENCES

None noted

BOARD MEMBER COMMENTS / COMMUNICATIONS

Ms. Fritze commented that she learned a lot this evening.

Mr. McComas-Roe thanked Ms. Dau for being here in her capacity to support this Board.
Mr. Hicks stated his opinion of the reading of the code.

ADJOURNMENT
MEMORANDUM

TO:        Fairbanks North Star Borough Assembly
THROUGH:   Bryce Ward, Mayor
           Jim Williams, Chief of Staff
FROM:      Christine Nelson, AICP
           Community Planning Director
DATE:      February 28, 2019
SUBJECT:   ORDINANCE NO. 2019-11 (RZ2019-003)
RE:        DMVA Tracts/Silver Creek Subdivision Rezone

The attached ordinance will rezone approximately 581.35 acres from General Use 1 (GU-1) to Rural and Agricultural (RA-5), Rural Estates (RE-2) or other appropriate zone to include parcels described as Silver Creek Subdivision (Plat No. 2018-79 FRD) Lots 1 – 6, Tract A and Tract B; Southeast one-quarter (SE¼); and Northeast one-quarter (NE¼) all within section 35 T2N R1W (Located on the north side of Goldstream Road, approximately one mile west of the Old Steese Highway).

This proposed re-zone is all publicly owned land and discussions with the State of Alaska and the University of Alaska Fairbanks were had prior to drafting this rezone. The administration is agreeing to sponsor this re-zone, due to the potential of these parcels becoming privately owned in the near future.

I urge you to refer this ordinance to the FNSB Planning Commission for a recommendation; the Department of Community Planning will provide an in-depth staff report at that time.

Attachment: Ordinance
FAIRBANKS NORTH STAR BOROUGH

ORDINANCE NO. 2019 - 11

AN ORDINANCE REZONING APPROXIMATELY 584 ACRES, INCLUDING SILVER CREEK SUBDIVISION LOTS 1 THROUGH 6, TRACT A AND TRACT B, AND SOUTH HALF (S\(\frac{1}{2}\)) OF SOUTHEAST ONE-QUARTER (SE\(\frac{1}{4}\)), SECTION 35, T2N R1W FM FROM GENERAL USE 1 (GU-1) TO RURAL AND AGRICULTURAL 5 (RA-5) OR OTHER APPROPRIATE ZONE, AND; NORTHEAST ONE-QUARTER (NE\(\frac{1}{4}\)) AND NORTH HALF (N\(\frac{1}{2}\)) OF SOUTHEAST ONE-QUARTER (SE\(\frac{1}{4}\)), SECTION 35, T2N R1W FM FROM GENERAL USE 1 (GU-1) TO RURAL ESTATE 2 (RE-2) OR OTHER APPROPRIATE ZONE (LOCATED ON THE NORTH SIDE OF GOLDSMITH ROAD, APPROXIMATELY ONE MILE WEST OF THE OLD STEESE HIGHWAY)

NOW, THEREFORE, BE IT ORDAINED by the Assembly of the Fairbanks North Star Borough:

Section 1. Classification. This ordinance is not of a general and permanent nature and shall not be codified.

Section 2. The following described property is rezoned from General Use 1 (GU-1) to Rural and Agricultural 5 (RA-5):

Silver Creek Subdivision Lots 1 through 6, Tract A and Tract B, and South half (S\(\frac{1}{2}\)) of Southeast one-quarter (SE\(\frac{1}{4}\)), Section 35, T2N R1W FM.

Section 3. The following described property is rezoned from General Use 1 (GU-1) to Rural Estate 2 (RE-2):
Northeast one-quarter (NE¼) and North half (N½) of Southeast one-quarter (SE¼), Section 35, T2N R1W FM.

Effective date. This ordinance shall be effective at 5:00 p.m. on the first borough business day following its adoption.

PASSED AND APPROVED THIS _____ DAY OF ___________, 2019.

Matt Cooper
Presiding Officer

ATTEST:

April Trickey, CMC
Borough Clerk

APPROVED:

Jill S. Dolan
Borough Attorney
### Fairbanks North Star Borough Fiscal Impact Statement (FIS) (FNSBC 3.20.010 C.)

**Originator's Name:** Kellen Spillman  
**Department:** Community Planning  
**To Be Introduced/Sponsored By:** Assembly  
**Abbreviated Ordinance Title:** DMVA Tracts Silver Creek Sub  
**Department(s)/Division(s) Affected:** Community Planning/Planning & Zoning

**Proposed Introduction Date:** February 28, 2019  
**Ordinance No.:** 2019-11

**Does this ordinance authorize:**

1) a new or expansion of services which entails additional costs beyond that approved in the current adopted budget? **Yes** **No**

2) a project that is capital in nature and increases operational costs of the Borough in the current or any future fiscal year? **Yes** **No**

<table>
<thead>
<tr>
<th>Required Information/Estimates</th>
<th>FISCAL IMPACT PRO FORMA SUMMARY - BEST ESTIMATE</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>FY 20</td>
</tr>
</tbody>
</table>

1. Timeline inclusive of all phases
2. Number and type of new positions which may be required
3. Cost of operations and maintenance
4. Future costs to complete capital assets
5. Estimated revenue impact
6. Estimated non-Borough funds that may be received:
   a. to fund the ordinance
   b. to fund future phases
   c. to fund future operations and maintenance costs
7. Anticipated annual tax subsidy

**Is backup attached?** **Yes** **No**

**Contact Person's Name, for FIS questions:** Mary Bork/Kellen Spillman  
**Extension:** 1259/1266

**Mayor's Office or Assembly Member Signature:** Date: 2-5-19

**Chief Financial Officer Signature:** Date:
MEMORANDUM

TO: Christine Nelson, Director, Community Planning

FROM: April Trickey, CMC, Borough Clerk

DATE: March 4, 2019

SUBJECT: REFERRAL OF ORDINANCE NO. 2019-11

On February 28, 2019 the Fairbanks North Star Borough Assembly introduced and referred Ordinance No. 2019-11 to the Planning Commission for review and recommendation.

ORDINANCE NO. 2019-11. An Ordinance Rezoning Approximately 584 Acres, Including Silver Creek Subdivision Lots 1 Through 6, Tract A And Tract B, And South Half (S½) Of Southeast One-Quarter (SE¼), Section 35, T2N R1W FM From General Use 1 (GU-1) To Rural And Agricultural 5 (RA-5) Or Other Appropriate Zone, And; Northeast One-Quarter (NE¼) And North Half (N½) Of Southeast One-Quarter (SE¼), Section 35, T2N R1W FM From General Use 1 (GU-1) To Rural Estate 2 (RE-2) Or Other Appropriate Zone (Located On The North Side Of Goldstream Road, Approximately One Mile West Of The Old Steese Highway) (RZ2019-003). (Sponsor: Mayor Ward)

-Referred to the Planning Commission with recommendation due back no later than April 15, 2019

A recommendation is due to the Assembly by April 15, 2019. Please place this item on the next Planning Commission agenda.

As a reminder, all legislative hearings by a board or commission shall be conducted according to procedures outlined in FNSBC 4.04.150(D).

Should you have any questions, please contact me at 1402.

Enclosure: Ord. No. 2019-11

cc: Jim Williams, Chief of Staff
MEMORANDUM

TO: Fairbanks North Star Borough Assembly

THROUGH: Bryce Ward, Mayor
          Jim Williams, Chief of Staff

FROM: Christine Nelson, AICP Community Planning Director

DATE: March 28, 2019

SUBJECT: ORDINANCE NO. 2019-11 (RZ2019-003) Silver Creek Subdivision

RE: Ordinance No. 2019-11 RZ2019-003: A request by Mayor Bryce Ward to rezone approximately 584 acres, including Silver Creek Subdivision Lots 1 through 6, Tract A and Tract B, and south half (S½) of southeast one-quarter (SE¼), Section 35, T2N R1W FM from General Use 1 (GU-1) to Rural and Agricultural 5 (RA-5) or other appropriate zone, and; northeast one-quarter (NE¼), north half (N½) of southeast one-quarter (SE¼), Section 35, T2N R1W FM from General Use 1 (GU-1) to Rural Estate 2 (RE-2) or other appropriate zone. (Located on the north side of Goldstream Road, approximately one mile west of the Old Steese Highway) (Staff Contact: Kellen Spillman)

Ordinance 2019-11 was referred to the Planning Commission on February 28, 2019 for review and recommendation.

On March 12, 2019, the Fairbanks North Star Borough Planning Commission held a public hearing regarding the referenced matter.

After analysis of the request, the Department of Community Planning recommended approval.

The Planning Commission voted unanimously to recommend approval of the request to the Borough Assembly.

This item is requested to be placed on the agenda for the next Fairbanks North Star Borough Assembly meeting. Attached is a packet with further details of the request.
FAIRBANKS NORTH STAR BOROUGH PLANNING COMMISSION

MINUTES
MARCH 12, 2019

A regular meeting of the Fairbanks North Star Borough Planning Commission was held in the Mona Lisa Drexler Assembly Chambers, Juanita Helms Administration Center, 907 Terminal Street, Fairbanks, Alaska. The meeting was called to order at 7:14 p.m. by Mindy O’Neall, Chair.

A. ROLL CALL

MEMBERS PRESENT: Chris Guinn Mike Stepovich
John Perreault Doug Sims
Eric Muehling Mindy O’Neall

MEMBERS EXCUSED: Robert Peterson Charles Whitaker

OTHERS PRESENT: Christine Nelson, Director of Community Planning
Kellen Spillman, Deputy Director of Community Planning
Manish Singh, Planner III
Kristina Heredia, Planner II
Jill Dolan, Borough Attorney
Michelle Gutierrez, Clerk

B. MESSAGES

Citizen’s Comments – limited to three (3) minutes
None
Disclosure & Statement of Conflict of Interest

Commissioner Guinn stated he appraised half of the proposed rezone area and was paid.

Questions ensued by Chair O’Neall and Ms. Dolan which resulted the determination of no conflict of interest. Commissioner Guinn will hear the public hearing case.

C. APPROVAL OF AGENDA AND CONSENT AGENDA

Motion to approve the agenda and consent agenda made by Commissioner Muehling and seconded by Commissioner Perreault. Carried without objection or roll call vote.

D. *MINUTES

*Minutes from February 26, 2019.

E. PUBLIC HEARING

1. Ordinance No. 2019-11 RZ2019-003: A request by Mayor Bryce Ward to rezone approximately 584 acres, including Silver Creek Subdivision Lots 1 through 6, Tract A and Tract B, and south half (S½) of southeast one-quarter (SE¼), Section 35, T2N R1W FM from General Use 1 (GU-1) to Rural and Agricultural 5 (RA-5) or other appropriate zone, and; northeast one-quarter (NE¼), north half (N½) of southeast one-quarter (SE¼), Section 35, T2N R1W FM from General Use 1 (GU-1) to Rural Estate 2 (RE-2) or other appropriate zone. (Located on the north side of Goldstream Road, approximately one mile west of the Old Steese Highway) (Staff Contact: Kellen Spillman)
Kellen Spillman gave opening comments that explained the case is an administration sponsored rezone which has been referred to the Planning Commission by the Borough Assembly and further briefed the commission on how the case came about.

Manish Singh presented the staff report. Based on the staff report, the Department of Community Planning recommended approval.

Questions by Commissioners

Commissioner Perreault questioned the small portion cornered at the S1/2 SE quarter that crosses Goldstream Road leaving a wedge on the other side.

Mr. Singh clarified that most of Goldstream Road in that area is similar to an easement; the rezone boundary was taken from the DNR’s land sale document.

Commissioner Sims questioned if there is a plat in process on the DNR state land.

Mr. Singh said no and explained the future buyer of the DNR’s land could subdivide the land. DNR did not intend to subdivide prior to the land sale.

Commissioner Sims referenced the university land and asked if there is no physical access to some of the interior lots.

Mr. Spillman confirmed his observation and stated the lots have been platted and they utilized one of the road exemptions and there is nothing other than a 30 foot landing that was constructed.

Commissioner Sims asked if any inquiries were received by ongoing mining operations in Goldstream Creek with respect to compatibility and potential future conflicts with noise.

Mr. Singh stated they were notified but the department did not receive any comments.

Commissioner Muehling asked if any of the lands are permafrost or wetlands in respect to development issues.

Mr. Singh explained the land suitability analysis and referenced the wetland designated map from his presentation and further explained the reasoning to why 5 acre minimums were chosen in the area where development may be challenging.

Discussion ensued which clarified that the quality of the land dictated RA-5 for the University property and the more buildable land should be RE-2.

Timothy Shilling, DNR Natural Resource Manager, gave a brief history of the parcel located on the proposed RE-2 section. He explained the intent is to sell the piece of property as whole, the entire 320 acres and further explained the additional reservations from when it was originally private property.

Public Hearing Opened

None

Public Hearing Closed
MOTION: To recommend approval of the rezone (RZ-019-003) including Silver Creek Subdivision Lots 1 through 6, Tract A and Tract B, and south half (S½) of southeast one-quarter (SE¼), Section 35, T2N R1W FM from General Use 1 (GU-1) to Rural and Agricultural 5 (RA-5), and; northeast one-quarter (NE¼), north half (N½) of southeast one-quarter (SE¼), Section 35, T2N R1W FM from General Use 1 (GU-1) to Rural Estate 2 (RE-2), and adopt the staff report and seven (7) Findings of Fact in support of the recommendation of approval by Commissioner Perreault seconded by Commissioner Muehling.

Discussion on the motion ensued between the commissioners. Several Commissioners expressed that they supported the rezone.

Findings of Fact

1. The FNSB Regional Comprehensive Plan designates approximately 81% of the rezone area as 'Outskirt Area' and approximately 19% of the rezone area as 'Outskirt Area Preferred Residential Land'. Outskirt Area is "Area generally within a 20 to 30 minute travel time of urban destinations, and which contains primarily open space, mining and residential uses; variable densities are encouraged provided they are compatible with the surrounding community, sensitive to natural systems and have adequate water and sewer facilities. Other uses include agriculture, and supporting commercial uses." Preferred Residential Land is "Land determined to be more suitable than other lands for development because it is generally: a) on slopes of 20% or less, b) not designated wetlands, c) has a lower probability of containing detrimental permafrost conditions."

2. The current GU-1 zoning is not consistent with the Comprehensive Plan 'Outskirt Area' and 'Outskirt Area Preferred Residential Land' designations because the GU-1 zone "is intended for rural areas where community sewer and water systems are unavailable." The GU-1 zoning allows for most residential, commercial, and industrial uses without any permits with the exception of a few very intensive commercial and industrial uses that require conditional use permits.

3. The proposed RA-5 zone would better implement 'Outskirt Area' land use designation. The RA-5 zone allows for low-density residential, agricultural and supporting commercial uses. The minimum lot size requirement of 200,000 sq.ft. in the RA-5 zone would minimize development in the wetlands around Silver Creek.

4. The proposed RE-2 zone would better implement 'Outskirt Area Preferred Residential Land' land use designation. The RE-2 zone allows for low-density residential uses with very few compatible commercial uses. The minimum lot size requirement of 80,000 sq.ft. in the RE-2 zone would ensure accommodation of private residential wells and septic systems.

5. The rezone conforms to the following FNSB Regional Comprehensive Plan goals:
   
a. Land Use Goal 3, Strategy 7, Action B which encourages a mix of lot sizes, addresses compatibility of the surrounding community, conformance with natural systems, and recognize the importance of the rural lifestyle in the Borough.

   b. Land Use Goal 4, Strategy 10, Action A which encourages compatible land uses and recommends rezoning new subdivisions concurrent with platting process.

6. The rezone conforms to the public health, safety or welfare because:
a. The proposed RA-5 zone will better implement 'Outskirt Area' land use designation.

b. The proposed RE-2 zones will better implement 'Outskirt Area Preferred Residential Land' land use designation.

c. The proposed RA-5 and RE-2 zones will minimize the potential for land use incompatibility in the rezone area with the current GU-1 zone.

d. The RA-5 zone will limit the overall development density in the "Less Capable for Development" area shown in the land development suitability map. Simultaneously, the RA-5 zone will provide some commercial potential to the State-owned lots abutting Goldstream Road.

e. The RE-2 zone will allow more residential density than RA-5 zone in the "Most Capable for Development" area shown in the land development suitability map. However, the residential density allowed with the RE-2 zone will be significantly lower than that allowed with the current GU-1 zone.

f. This rezone and the resulting low-density residential and compatible commercial development will minimize the potential for unknown, and potentially unlimited, trip generation under its current GU-1 zone.

g. The rezone would not make any existing lots nonconforming within the rezone area. There are no existing structures or uses within the rezone area.

7. The rezone is not a spot zone or a reverse spot zone because:

a. The rezone is consistent with the comprehensive plan because it will better implement 'Outskirt Area' and 'Outskirt Area Preferred Residential Land' land use designations. The rezone advances Land Use Goals 3 and 4 of the Regional Comprehensive Plan.

b. The rezone benefits both property owners, ADNR and UA, within the rezone area because when they market these properties they can ensure that the properties have been zoned appropriately to minimize land use incompatibilities.

c. The area surrounding the rezone is predominantly vacant except the residential-developed properties adjacent west along Goldstream Road. This rezone area is approximately a mile west of the Goldstream Road and Old Steese Highway intersection. The properties around this intersection are developed with a mix of residential, commercial and industrial uses. This rezone benefits the adjacent landowners by minimizing the potential for unknown, and potentially unlimited, trip generation under its current GU-1 zone.

d. The FNSB residents have developed a land use vision for the area through the comprehensive planning process which designated this area as 'Outskirt Area' and 'Outskirt Area Preferred Residential Land'. The implementation of the land use plan is a benefit to the community.

e. The case law provides guidance that parcels over 13 acres are almost always found not to be a spot zone. The proposed RA-5 rezone area of 344 acres and the proposed RE-2 rezone area of 240 acres are independently significantly larger than 13 acres.
f. The area within the remainder GU-1 zone boundary is estimated to be more than 2,000 acres. Therefore, this rezone does not constitute a reverse spot zone because this rezone does not single out parcels of GU-1 zoned land totally different from that of the surrounding area.

ROLL CALL

Six in Favor: Sims, Perreault, Guinn, Stepovich, Muehling and O’Neal

Zero Opposed: MOTION PASSED/RECOMMENDED FOR APPROVAL

F. EXCUSE FUTURE ABSENCES

Chair O’Neal is excused from the March 26, 2019 meeting.

G. COMMISSIONER’S COMMENTS/COMMUNICATIONS

Commissioner Guinn stated with the 3 vacant commissioner seats if anyone knew someone interested to send them to staff.

Commissioner Perreault explained he will take over FMATS at the next meeting.

Commissioner Muehling stated he has enjoyed his time and has learned a lot by attending the FMATS meetings.

Chair O’Neal stated the notice of resignation from Commissioner Brandt was received and also explained that with 3 vacancies it may cause problems with quorum.

Mr. Spillman communicated to the commission the efforts by the department to fill the 3 vacant seats and further stated a representative is needed for the Salcha-Badger Plan working group and the Downtown working group.

Commissioner Sims offered to be the representative for the Downtown working group and stated he will be out of town for the months of May and June.

Commissioner Stepovich offered to be the representative for the Salcha-Badger Plan working group.

H. ADJOURNMENT

There being no further business, the meeting was adjourned at 7:54 p.m.
Public Comments received before FNSB Planning Commission Public Hearing on March 12 2019:

<table>
<thead>
<tr>
<th>Date</th>
<th>Name</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>3/5/19</td>
<td>Donna Robertson</td>
<td>• David inquired about this rezone and did not offer any comments</td>
</tr>
<tr>
<td>(walk in)</td>
<td>(received DPO)</td>
<td></td>
</tr>
<tr>
<td>3/6/19</td>
<td>David Bohart</td>
<td>• Donna inquired about this rezone and did not offer any comments</td>
</tr>
<tr>
<td>(phone call)</td>
<td>(received DPO)</td>
<td></td>
</tr>
</tbody>
</table>
RZ2019-003
GU-1 to RA-5/RE-2
DMVA Tracts & Silver Creek Subdivision

FNSB Planning Commission Meeting
March 12, 2019
Outskirt Area

...within a 20 to 30 minute travel time...
...primarily open space, mining and residential uses...
...sensitive to natural systems...
...other uses include agriculture, and supporting commercial uses.

Preferred Residential Land

...more suitable than other lands for development...
FNSBC Title 18 Rezone Approval Criteria

1. ...conforms to the comprehensive plan.

Outskirt Area
Preferred Residential Land

FNSB Regional Comprehensive Plan goals:

Land Use Goal 3, Strategy 7, Action B – mix of lot sizes, conformance with natural systems, rural lifestyle

Land Use Goal 4, Strategy 10, Action A – minimize land use conflicts, rezone subdivisions concurrent with the platting process
2. \textit{...conforms to the public health, safety and welfare}

- RA-5 zone will limit the development density in the "Less Capable for Development" and provide some commercial potential lots abutting Goldstream Road.

- RE-2 zone will allow more residential density than RA-5 zone in the "Most Capable for Development" – significantly lower than GU-1.

- Rezone will minimize the potential for unknown, and potentially unlimited, vehicule trip generation.
Spot Zone Analysis

• The consistency of the amendment with the comprehensive plan;

• The benefits and detriments of the amendment to the owners, adjacent landowners, and community; and

• The size of the area rezoned.
Staff Recommendation

Approval

Seven (7) findings of fact (pg. 35-36)
2000-Foot DPO Notification Distance

25 DPOs

2 inquiries
No public comments
Draft Motion

I move to recommend approval of the rezone (RZ2019-003) including Silver Creek Subdivision Lots 1 through 6, Tract A and Tract B, and south half (S½) of southeast one-quarter (SE¼), Section 35, T2N R1W FM from General Use 1 (GU-1) to Rural and Agricultural 5 (RA-5), and; northeast one-quarter (NE¼), north half (N½) of southeast one-quarter (SE¼), Section 35, T2N R1W FM from General Use 1 (GU-1) to Rural Estate 2 (RE-2), and adopt the staff report and seven (7) Findings of Fact in support of the recommendation of approval.
## Existing GU-1 Zone

<table>
<thead>
<tr>
<th><strong>Permitted uses</strong></th>
<th>Any use (except conditional uses)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Conditional uses</strong></td>
<td>Nuclear power plant, large scale development, petrochemical plant, sanitary landfill, storage of hazardous substances, etc.</td>
</tr>
<tr>
<td><strong>Lot size</strong></td>
<td>40,000 sq.ft.</td>
</tr>
<tr>
<td><strong>Setback</strong></td>
<td>None</td>
</tr>
</tbody>
</table>
### Proposed RA-5 Zone

<table>
<thead>
<tr>
<th>Permitted uses</th>
<th>Single-family and two-family dwellings, guesthouse, kennels, agriculture, commercial outdoor recreation, marijuana cultivation facility, etc.</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Conditional uses</strong></td>
<td>Cemeteries, day care facilities, commercial sawmills, schools, outdoor shooting range, stadium arenas and fairgrounds, etc.</td>
</tr>
<tr>
<td><strong>Lot size</strong></td>
<td>200,000 sq.ft. (approx. 4.6 acres)</td>
</tr>
<tr>
<td><strong>Setback</strong></td>
<td>35’ front, 10’ side and rear</td>
</tr>
</tbody>
</table>
# Proposed RE-2 Zone

<table>
<thead>
<tr>
<th>Permitted uses</th>
<th>Single-family and two-family dwellings, guesthouse, domestic livestock, bed and breakfast, home occupations, etc.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Conditional uses</td>
<td>Cemeteries, minor kennels, day care facilities, professional offices, animal and veterinary hospitals, schools, vocational schools, etc.</td>
</tr>
<tr>
<td>Lot size</td>
<td>80,000 sq.ft. (approx. 1.8 acres)</td>
</tr>
<tr>
<td>Setback</td>
<td>35’ front, 25’ side and rear</td>
</tr>
</tbody>
</table>
Manish Singh, AICP, CFM
Planner III

- American Institute of Certified Planners
- ASFPM Certified Floodplain Manager
- Master of Urban Planning, University of Illinois at Urbana-Champaign
- Bachelor of Architecture, Indian Institute of Technology Roorkee
- Six years' experience/education in planning and architecture
STAFF REPORT

To: Fairbanks North Star Borough Planning Commission
From: Manish Singh, AICP, CFM, Planner III
Date: March 1, 2019
Subject: RZ2019-003: A request by Mayor Bryce Ward to rezone approximately 584 acres, including Silver Creek Subdivision Lots 1 through 6, Tract A and Tract B, and south half (S1/2) of southeast one-quarter (SE1/4), Section 35, T2N R1W FM from General Use 1 (GU-1) to Rural and Agricultural 5 (RA-5) or other appropriate zone, and; northeast one-quarter (NE1/4), north half (N1/2) of southeast one-quarter (SE1/4), Section 35, T2N R1W FM from General Use 1 (GU-1) to Rural Estate 2 (RE-2) or other appropriate zone. (Located on the north side of Goldstream Road, approximately one mile west of the Old Steese Highway)

I. EXECUTIVE SUMMARY

This Borough Administration-sponsored application is to rezone approximately 584 acres north of Goldstream Road from GU-1 to RA-5 and RE-2. The rezone area is located approximately one mile west of the Steese Highway. The 584-acre rezone area includes 320-acre State-owned land and 264-acre University-owned land. Recently, the State has proposed to sell their land and the University has also subdivided lots for sale.

The rezone area is currently zoned GU-1. This zone is prone to land use conflicts because it allows for a wide variety of commercial, residential, and industrial uses outright with no setback requirements. FNSB Department of Community Planning collaborated with the University and the State to rezone this area to appropriate zones prior to its sale in order to ensure that the properties conform to the FNSB Regional Comprehensive Plan and protect the health, safety and welfare. The Department of Community Planning had at least three meetings with representatives from ADNR and UA before Borough Administration sponsored this rezone.

After consultation with ADNR and UA, the FNSB Administration has proposed RA-5 zone for the University-owned parcels in the Silver Creek Subdivision and for the State-owned south half (S1/2) of southeast one-quarter (SE1/4) of Section 35. The FNSB Administration has proposed RE-2 zone for the State-owned northeast one-quarter (NE1/4) and north half (N1/2) of southeast one-quarter (SE1/4) of Section 35.

The RA-5 zone will limit the overall development density in the University-owned land that is less suitable for development. Simultaneously, the RA-5 zone will provide some compatible commercial potential to the State-owned land abutting Goldstream Road. The RE-2 zone for the State-owned land in northeast portion of the rezone will allow slightly more residential density than RA-5 zone but it will be significantly lower than that allowed with the current GU-1 zone. This rezone and the resulting low-density residential and compatible commercial development will minimize the potential for unknown, and potentially unlimited, vehicle trip generation under its current GU-1 zone.

Community Planning does not find this rezone request to be a spot zone or a reverse spot zone.

Staff Recommendation: Approval
## II. GENERAL INFORMATION

### Property Information

<table>
<thead>
<tr>
<th>Sponsor</th>
<th>Mayor Bryce Ward per FNSBC 18.104.020(B)</th>
</tr>
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<tbody>
<tr>
<td>Property owner</td>
<td>State of Alaska Department of Natural Resources (320 acres)</td>
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<tr>
<td></td>
<td>University of Alaska (264 acres) (see Table 1)</td>
</tr>
<tr>
<td>PAN</td>
<td>See Table 1</td>
</tr>
<tr>
<td>Lot size</td>
<td>Approximately 584 acres</td>
</tr>
<tr>
<td>Existing zoning</td>
<td>General Use 1 (GU-1)</td>
</tr>
<tr>
<td>Existing land use</td>
<td>Vacant land</td>
</tr>
<tr>
<td>Proposed zoning</td>
<td>Rural and Agricultural 5 (RA-5) (344 Ac.), Rural Estate 2 (RE-2) (240 Ac.)</td>
</tr>
<tr>
<td>Comprehensive plan</td>
<td>Outskirt Area (81%), Outskirt Area Preferred Residential Land (19%)</td>
</tr>
<tr>
<td>Flood zone</td>
<td>X (100%) (Source: March 17, 2014 dFIRM)</td>
</tr>
<tr>
<td>Code violations</td>
<td>None on file</td>
</tr>
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### Adjacent Zoning/Land Use

<table>
<thead>
<tr>
<th>North</th>
<th>GU-1/RE-2, Vacant land</th>
</tr>
</thead>
<tbody>
<tr>
<td>South</td>
<td>GU-1/OR, Residential across Goldstream Road</td>
</tr>
<tr>
<td>East</td>
<td>GU-1, Vacant land</td>
</tr>
<tr>
<td>West</td>
<td>GU-1, Residential</td>
</tr>
</tbody>
</table>

### Public Services

<table>
<thead>
<tr>
<th>Water and sewage</th>
<th>Private</th>
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<tr>
<td>Electricity</td>
<td>GVEA</td>
</tr>
<tr>
<td>Police</td>
<td>Alaska State Troopers</td>
</tr>
<tr>
<td>Fire</td>
<td>Chena Goldstream Fire Service Area</td>
</tr>
</tbody>
</table>

### Transportation

<table>
<thead>
<tr>
<th>Access roads</th>
<th>Goldstream Road</th>
</tr>
</thead>
<tbody>
<tr>
<td>Road types</td>
<td>Major Collector</td>
</tr>
<tr>
<td>Maintenance authority</td>
<td>Alaska DOT&amp;PF</td>
</tr>
<tr>
<td>Traffic counts</td>
<td>880 daily trips (2017)</td>
</tr>
</tbody>
</table>

### Zoning History

<table>
<thead>
<tr>
<th>March 28, 1968</th>
<th>FNSB adopted first zoning ord., established Unrestricted Use (UU) zone</th>
</tr>
</thead>
<tbody>
<tr>
<td>April 25, 1988</td>
<td>Rezone from Unrestricted Use (UU) to General Use 1 (GU-1)</td>
</tr>
</tbody>
</table>

### Existing GU-1 Zoning Standards

<table>
<thead>
<tr>
<th>Permitted uses</th>
<th>Any use (except conditional uses)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Conditional uses</td>
<td>Nuclear power plant, large scale development, petrochemical plant, sanitary landfill, storage of hazardous substances, etc.</td>
</tr>
<tr>
<td>Minimum lot size</td>
<td>40,000 sq.ft.</td>
</tr>
<tr>
<td>Setback requirement</td>
<td>None</td>
</tr>
<tr>
<td>Building height</td>
<td>Unlimited</td>
</tr>
</tbody>
</table>

### Proposed RA-5 Zoning Standards

<table>
<thead>
<tr>
<th>Permitted uses</th>
<th>Single-family and two-family dwellings, guesthouse, kennels, agriculture, commercial outdoor recreation, marijuana cultivation facility, etc.</th>
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<tbody>
<tr>
<td>Conditional uses</td>
<td>Cemeteries, day care facilities, commercial sawmills, schools, outdoor</td>
</tr>
</tbody>
</table>
shooting range, stadium arenas and fairgrounds, etc.

<table>
<thead>
<tr>
<th>Minimum lot size</th>
<th>200,000 sq.ft. (approx. 4.6 acres or 5 nominal acres)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Setback requirement</td>
<td>35 feet from front-property line, 10 feet from all other property lines</td>
</tr>
<tr>
<td>Building height</td>
<td>Unlimited</td>
</tr>
</tbody>
</table>

**Proposed RE-2 Zoning Standards**

<table>
<thead>
<tr>
<th>Permitted uses</th>
<th>Single-family and two-family dwellings, guesthouse, domestic livestock, bed and breakfast, home occupations, etc.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Conditional uses</td>
<td>Cemeteries, minor kennels, day care facilities, professional offices, animal and veterinary hospitals, schools, vocational schools, etc.</td>
</tr>
<tr>
<td>Minimum lot size</td>
<td>80,000 sq.ft. (approx. 1.8 acres or 2 nominal acres)</td>
</tr>
<tr>
<td>Setback requirement</td>
<td>35 feet from front-property line, 25 feet from all other property lines</td>
</tr>
<tr>
<td>Building height</td>
<td>Unlimited</td>
</tr>
</tbody>
</table>

**Agency Comments**

<table>
<thead>
<tr>
<th>FNSB Floodplain Administrator</th>
<th>The rezone area is located in Flood Zone X (100%) and is not required to meet FNSB Title 15.04 Floodplain Management Regulations</th>
</tr>
</thead>
<tbody>
<tr>
<td>AKDOT&amp;PF</td>
<td>AKDOT&amp;PF fully supports the rezone</td>
</tr>
</tbody>
</table>

**Summary of Staff Analysis**

**Conformance to FNSB Regional Comprehensive Plan (2005)**

*Land Use Goal 3:* To have a variety of land uses that fit the diverse needs of the community  
*Strategy 7:* Provide a variety of residential land use opportunities  
*Action B:* Encourage a mix of lot sizes  
  - Address compatibility of the surrounding community, conformance with natural systems, and availability of public or private water/sewer facilities  
  - Ensure and recognize the importance of the rural lifestyle in the Borough  

*Land Use Goal 4:* To enhance development opportunities while minimizing land use conflicts  
*Strategy 10:* Attract and support development that is compatible with and enhances existing land use  
*Action A:* Support innovative land development and compatible land use that addresses special area needs, site constraints, energy, or design objectives  
  - Rezone new subdivisions to appropriate land use designations concurrent with the platting process

**Hearing and Recommendation by the Planning Commission, FNSBC 18.104.020(C)**

Conforms to the comprehensive plan  
Conforms to the public health, safety and welfare

**Spot Zone Analysis**

<table>
<thead>
<tr>
<th>Consistency with the comprehensive plan</th>
<th>Consistent with the comprehensive plan land use designations: Outskirt Area, Preferred Residential Land</th>
</tr>
</thead>
<tbody>
<tr>
<td>Benefits and deterrents</td>
<td>Benefits the property owners by ensuring compatible development prior to the sale, benefits the adjacent landowners by limiting traffic, and benefits the community by implementation of the land use vision.</td>
</tr>
<tr>
<td>Size of the area</td>
<td>Rezones of over 13 acres are almost always found to not be spot zones. The RA-5 rezone area of 344 acres and the RE-2 rezone area of 240 acres are independently significantly larger than 13 acres</td>
</tr>
<tr>
<td>Determination</td>
<td>Not a spot zone or a reverse spot zone</td>
</tr>
</tbody>
</table>
III. REZONE REQUEST DESCRIPTION

This Borough Administration-sponsored application is to rezone approximately 584 acres north of Goldstream Road from GU-1 to RA-5 and RE-2. The rezone area is located approximately one mile west of the Steese Highway (see Figure 1 for location map).

The University of Alaska (UA) and the State of Alaska Department of Natural Resources (ADNR) are the majority land owners in the surrounding area. The 584-acre rezone area includes 320-acre State-owned land and 264-acre University-owned land (see Figure 2 for ownership in the surrounding area).

In October 2018, ADNR proposed to sell their 320-acre land (see Exhibit 1 for the land sale public notice). In November 2018, UA recorded a final plat for their 264-acre land creating six lots for sale (see Exhibit 2 for the Silver Creek Subdivision plat).

The rezone area is currently zoned GU-1. This zone is prone to land use conflicts because it allows for a wide variety of commercial, residential, and industrial uses outright without any setback requirements. In November 2018, the FNSB Department of Community Planning submitted comments to ADNR requesting to collaborate for rezoning the State-owned land to appropriate zones prior to its sale in order to ensure that the properties conform to the FNSB Regional Comprehensive Plan and protect the health, safety and welfare (see Exhibit 3 for comments from Community Planning). At the same time, UA subdivided their land adjacent west to the ADNR land for sale. The Department of Community Planning reached out to both ADNR and UA to discuss the appropriateness of rezoning for their lands prior to the sale. The Department of Community Planning had at least three meetings with representatives from ADNR and UA before FNSB Administration sponsored this rezone (see Table 1 for the parcels included in this rezone).
### Table 1: Parcels included in the Rezone RZ2019-003

<table>
<thead>
<tr>
<th>Legal Description</th>
<th>PAN</th>
<th>Lot Size (Acres)</th>
<th>Property Owner</th>
<th>Current Zone</th>
<th>Proposed Zone</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lot 1, Silver Creek Subdivision</td>
<td>687183</td>
<td>6.583</td>
<td>University of Alaska</td>
<td>GU-1</td>
<td>RA-5</td>
</tr>
<tr>
<td>Lot 2, Silver Creek Subdivision</td>
<td>687193</td>
<td>5.822</td>
<td>University of Alaska</td>
<td>GU-1</td>
<td>RA-5</td>
</tr>
<tr>
<td>Lot 3, Silver Creek Subdivision</td>
<td>687201</td>
<td>6.106</td>
<td>University of Alaska</td>
<td>GU-1</td>
<td>RA-5</td>
</tr>
<tr>
<td>Lot 4, Silver Creek Subdivision</td>
<td>687211</td>
<td>5.814</td>
<td>University of Alaska</td>
<td>GU-1</td>
<td>RA-5</td>
</tr>
<tr>
<td>Lot 5, Silver Creek Subdivision</td>
<td>687221</td>
<td>6.332</td>
<td>University of Alaska</td>
<td>GU-1</td>
<td>RA-5</td>
</tr>
<tr>
<td>Lot 6, Silver Creek Subdivision</td>
<td>687153</td>
<td>16.561</td>
<td>University of Alaska</td>
<td>GU-1</td>
<td>RA-5</td>
</tr>
<tr>
<td>Tract A, Silver Creek Subdivision</td>
<td>687173</td>
<td>78.33</td>
<td>University of Alaska</td>
<td>GU-1</td>
<td>RA-5</td>
</tr>
<tr>
<td>Tract B, Silver Creek Subdivision</td>
<td>687143</td>
<td>138.224</td>
<td>University of Alaska</td>
<td>GU-1</td>
<td>RA-5</td>
</tr>
<tr>
<td>South half (SE¼) of southeast one-quarter (SE¼), Section 35, T2N R1W FM</td>
<td>207811</td>
<td>80</td>
<td>Alaska Department of Natural Resources</td>
<td>GU-1</td>
<td>RA-5</td>
</tr>
<tr>
<td>North half (N½) of southeast one-quarter (SE¼), Section 35, T2N R1W FM</td>
<td>207811</td>
<td>80</td>
<td>Alaska Department of Natural Resources</td>
<td>GU-1</td>
<td>RE-2</td>
</tr>
<tr>
<td>Northeast one-quarter (NE¼), Section 35, T2N R1W FM</td>
<td>207781</td>
<td>160</td>
<td>Alaska Department of Natural Resources</td>
<td>GU-1</td>
<td>RE-2</td>
</tr>
</tbody>
</table>

### Existing Zoning and Land Uses

The proposed rezone area is currently undeveloped and zoned GU-1 (see Figure 3 for existing zoning map and Figure 4 for existing land use map). The GU-1 zone "is intended to be located in rural areas where community sewer and water systems are unavailable" (FNSBC 18.84.010). The area surrounding the rezone to the west and east is also zoned GU-1. The area surrounding the rezone to the north is zoned GU-1 and RE-2. The area surrounding the rezone to the south is zoned GU-1 and OR.

![Figure 3: Existing Zoning in the Surrounding Area](image-url)
The area surrounding the rezone is predominantly undeveloped except to the southwest which is developed with single-family residential uses along Goldstream Road.

**Proposed Zoning**

After consultation with ADNR and UA, the FNSB Administration has proposed RA-5 zone for the University-owned parcels in the Silver Creek Subdivision and for the State-owned south half (S½) of southeast one-quarter (SE¼) of Section 35. The FNSB Administration has proposed RE-2 zone for the State-owned northeast one-quarter (NE¼) and north half (N½) of southeast one-quarter (SE¼) of Section 35 (see Figure 5 for proposed zoning map).

The RA-5 zone is "intended for agricultural uses of land for very low density residential development. These districts are intended for areas where community sewer and water systems are unavailable" (FNSBC 18.28.010).

The RE-2 zone is "intended for low density residential development and other compatible uses in areas where community sewer and water systems are unavailable" (FNSBC 18.36.010).

**Comprehensive Plan Designations**

Figure 6 shows the comprehensive plan designations in the rezone area. Approximately 81% of the rezone area has "Outskirt Area" comprehensive plan designation and approximately 19% of the rezone area has "Outskirt Area Preferred Residential Land" comprehensive plan designation.

Outskirt Area is "Area generally within a 20 to 30 minute travel time of urban destinations, and which contains primarily open space, mining and residential uses; variable densities are encouraged provided they are compatible with the surrounding community, sensitive to natural systems and have adequate water and sewer facilities. Other uses include agriculture, and supporting commercial uses."
Preferred Residential Land is “Land determined to be more suitable than other lands for development because it is generally: a) on slopes of 20% or less, b) not designated wetlands, c) has a lower probability of containing detrimental permafrost conditions.”

The Comprehensive Plan Designation map notes that “boundary lines are approximate and may out of necessity, or public input be changed. It is not the intent to divide lots or specific uses by these boundary lines.”

**Land Development Suitability**

The FNSB prepared a land development suitability report in 2013 with the help of Comprehensive Plan Advisory Board. The goal of this document is to help planners and residents understand the characteristics that may make property suitable for varying degrees of development. The analysis considers factors such as soil conditions, slopes, solar aspect, natural hazards and natural features. The report ranks land on a scale from “Least Capable for Development” to “Most Capable for Development.”

**Figure 7** shows that land development suitability map for the rezone area. The western portion of the rezone area i.e. the University-owned land is predominantly shown as “Least Capable for Development.” The eastern portion i.e. the State-owned land is predominantly shown as “Most Capable for Development.”
Wetlands

The western portion of the rezone area is predominantly located in Wetlands (see Figure 8 for wetlands map). Any development in the wetland is required to meet U.S. Army Corps of Engineers regulations irrespective of their zoning designation.

![Wetlands Map](image_url)

**IV. APPLICABLE APPROVAL CRITERIA**

Rezones are governed by FNSBC18.104.050(C) which states that "the planning commission shall review, hear and recommend whether or not a request for rezoning should be approved. The planning commission shall also consider and adopt findings of fact demonstrating whether or not the proposed rezoning conforms to the comprehensive plan and to the public health, safety and welfare."

**V. PUBLIC NOTICE**

The Department of Community Planning mailed 25 dear property owner notices and did not receive any inquiries about this case (see Exhibit 4 for public comments). The Borough Administration posted a public hearing notice sign on February 20, 2019 (see Exhibit 5). This sign meets the 'notice by applicant' requirements.

**VI. AGENCY COMMENTS**

Community Planning contacted the following agencies for comments (see Exhibit 6 for agency comments):

a. State Fire Marshal  
b. Chena Goldstream Fire Service Area  
c. Alaska State Troopers  
d. Alaska Department of Transportation and Public Facilities (ADOT&PF)  
e. FNSB Land Management  
f. FNSB Floodplain Administrator  
g. Alaska Department of Environmental Conservation (ADEC)  
h. Alaska Department of Natural Resources (ADNR)  
i. Alaska Department of Fish and Game (ADF&G)  
j. U.S. Army Corps of Engineers  
k. University of Alaska Land Management  
l. Golden Valley Electric Association (GVEA)  
m. Alyeska Pipeline Services
STAFF ANALYSIS

VII. ZONING AND LAND USES

The proposed rezone area is currently undeveloped and zoned GU-1 (see Figure 3 for existing zoning map and Figure 4 for existing land use map). The area surrounding the rezone is also zoned GU-1 except a 240-acre privately-owned parcel to the north is zoned RE-2 and a 118-acre State-owned parcel to the south is zoned CR. The area surrounding the rezone is predominantly vacant except the residential-developed properties adjacently west along Goldstream Road. This rezone area is approximately one mile west of the Goldstream Road and Old Steese Highway intersection. The properties around this intersection are developed with a mix of residential, commercial and industrial uses. In between this intersection and the rezone area, commercial/industrial uses such as Polar Mining, Jon's Machine Shop, Arm & Hammer Construction, CNC Drilling, Silver Gulch Quarry, Becker Truck Shop, and Fox Transfer Station are located along the Goldstream Road. As the University-owned and State-owned lots within the rezone area become available for sale, the area is likely to experience greater development.

The GU-1 zone “is intended to be located in rural areas where community sewer and water systems are unavailable” (FNSBC 18.84.010). The GU-1 zone is predisposed to having land use incompatibilities in developed areas because it allows for a wide variety of residential, commercial or industrial development as outright permitted uses. Only twelve (12) uses in the GU-1 zone require conditional uses permits. The conditional uses in GU-1 include very high impact developments such as a nuclear power plant, large scale development, petrochemical plant, sanitary landfill, and storage of hazardous substances etc. The GU-1 zone has a relatively small minimum lot size of 40,000 sq.ft. and has no setback requirements.

Figure 7 shows that land development suitability map for the rezone area. The western portion of the rezone area (i.e. the University-owned land) is predominantly shown as “Less Capable for Development.” The eastern portion (i.e. the State-owned land) is predominantly shown as “Most Capable for Development.”

The proposed RA-5 zone is more appropriate for the University-owned parcels in the Silver Creek Subdivision and for the State-owned south half (S½) of southeast one-quarter (SE¼) of Section 35 (see Figure 5 for proposed zoning map). The RA-5 zone is “intended for agricultural uses of land for very low density residential development. These districts are intended for areas where community sewer and water systems are unavailable” (FNSBC 18.28.010). The RA-5 zone will limit the residential density to a maximum of two dwelling units per 200,000 sq.ft. The RA-5 zone will also allow for agricultural and other compatible commercial uses such as marijuana cultivation facilities, commercial outdoor recreation and blacksmith shops etc. as permitted uses. The RA-5 zone will allow for day care, professional offices, group homes, commercial sawmills etc. as conditional uses. In addition to ensuring low density residential, agricultural and other compatible development, the RA-5 zone will establish a minimum lot size requirement of 200,000 sq.ft., a minimum front-yard setback requirement of 35 feet and a minimum side and rear-yard setback requirement of 10 feet which would allow development on one lot to be buffered from development on neighboring lots. The RA-5 zone would minimize the potential for land use incompatibility in the rezone area. The RA-5 zone will limit the overall development density in the “Less Capable for Development” area shown in the land development suitability map. Simultaneously, the RA-5 zone will provide some commercial potential to the State-owned lots abutting Goldstream Road.

The proposed RE-2 zone is more appropriate for the State-owned northeast one-quarter (NE¼) and north half (N½) of southeast one-quarter (SE¼) of Section 35 (see Figure 5 for proposed zoning map). The RE-2 zone is “intended for low density residential development and other compatible uses in areas where community sewer and water systems are unavailable” (FNSBC 18.36.010). The RE-2
zone will establish a minimum lot size requirement of 80,000 sq. ft. The RE-2 zone will limit the residential density to a maximum of two dwelling units per 80,000 sq. ft. The RE-2 zone allows for a very few commercial uses as permitted uses that are compatible with the low-density residential uses such as home occupations and bed and breakfast. The RE-2 zone will allow for day care, professional offices, and group homes etc. as conditional uses. In addition to ensuring low density residential and other compatible development, the RE-2 zone will establish a minimum front-yard setback requirement of 35 feet and a minimum side and rear-yard setback requirement of 25 feet which would allow development on one lot to be buffered from development on neighboring lots. The RE-2 zone would mitigate the potential for land use incompatibility in the rezone area.

The RE-2 zone will allow more residential density than RA-5 zone in the "Most Capable for Development" area shown in the land development suitability map. However, the residential density allowed with the RE-2 zone will still be significantly lower than that allowed with the current GU-1 zone. In addition to this, the private property abutting the rezone area to the north is already zoned RE-2 and this rezone would expand that existing RE-2 zoning boundary onto the northeastern portion of the rezone area.

VIII. COMPREHENSIVE PLAN

Figure 6 shows the comprehensive plan designations in the rezone area. Approximately 81% of the rezone area has 'Outskirt Area' comprehensive plan designation and approximately 19% of the rezone area has 'Outskirt Area Preferred Residential Land' comprehensive plan designation. The 'Outskirt Area Preferred Residential Land' comprehensive plan designation is predominantly located on the State-owned land proposed to be rezoned RE-2. On the other hand, the 'Outskirt Area' comprehensive plan designation is predominantly located on the land proposed to be rezoned RA-5.

Outskirt Area is "Area generally within a 20 to 30 minute travel time of urban destinations, and which contains primarily open space, mining and residential uses; variable densities are encouraged provided they are compatible with the surrounding community, sensitive to natural systems and have adequate water and sewer facilities. Other uses include agriculture, and supporting commercial uses."

Preferred Residential Land is "Land determined to be more suitable than other lands for development because it is generally: a) on slopes of 20% or less, b) not designated wetlands, c) has a lower probability of containing detrimental permafrost conditions."

The current GU-1 zoning is not consistent with the Comprehensive Plan 'Outskirt Area' and 'Outskirt Area Preferred Residential Land' land use designations because the GU-1 zone "is intended for rural areas where community sewer and water systems are unavailable" (FNSBC 18.84.010). The GU-1 zoning allows for most residential, commercial, and industrial uses without any permits with the exception of a few very intensive commercial and industrial uses that require conditional use permits.

The 'Outskirt Area' land use designation envisions primarily residential uses with agricultural and supporting commercial uses. This designation also envisions the development to be sensitive to natural systems and have adequate water and sewer facilities. The proposed RA-5 zone would better implement 'Outskirt Area' land use designation. The RA-5 zone allows for low-density residential, agricultural and supporting commercial uses. The minimum lot size requirement of 200,000 sq. ft. in the RA-5 zone would minimize development in the wetlands around Silver Creek.

The 'Outskirt Area Preferred Residential Land' indicates more suitable land for development compared to other lands. The proposed RE-2 zone would better implement 'Outskirt Area Preferred Residential Land' land use designation. The RE-2 zone allows for low-density residential uses with
very few compatible commercial uses. The minimum lot size requirement of 80,000 sq.ft. in the RE-2 zone would ensure accommodation of private residential wells and septic systems.

The proposed rezone conforms to the following FNSB Regional Comprehensive Plan goals:

**FNSB Comprehensive Plan (2005) goals:**

*Land Use Goal 3: To have a variety of land uses that fit the diverse needs of the community*

*Strategy 7: Provide a variety of residential land use opportunities*

*Action B: Encourage a mix of lot sizes*

- Address compatibility of the surrounding community, conformance with natural systems, and availability of public or private water/sewer facilities
- Ensure and recognize the importance of the rural lifestyle in the Borough

The rezone request from GU-1 to RA-5 and RE-2 would encourage a mix of lot sizes. Additionally, this rezone would minimize the potential for land use incompatibility in the rezone area with the current GU-1 zone. The RA-5 zone allows for low-density residential, agricultural and supporting commercial uses. The minimum lot size requirement of 200,000 sq.ft. in the RA-5 zone would minimize development in the wetlands around Silver Creek. The RE-2 zone allows for low-density residential uses with very few compatible commercial uses. The minimum lot size requirement of 80,000 sq.ft. in the RE-2 zone would ensure accommodation of private residential wells and septic systems.

*Land Use Goal 4: To enhance development opportunities while minimizing land use conflicts*

*Strategy 10: Attract and support development that is compatible with and enhances existing land use*

*Action A: Support innovative land development and compatible land use that addresses special area needs, site constraints, energy, or design objectives*

- Rezone new subdivisions to appropriate land use designations concurrent with the platting process

The rezone request from GU-1 to RA-5 and RE-2 would minimize the potential for land use incompatibility in the rezone area with the current GU-1 zone. This rezone would implement the comprehensive plan land use designations on public property before it is made available for sale.

**IX. TRAFFIC AND TRIP GENERATION**

The rezone area is accessed from Goldstream Road, a major collector road maintained by Alaska DOT&PF. Average Daily Traffic (ADT) counts on this section of Goldstream Road were 880 vehicles per day in 2017.\(^1\) This rezone and the resulting low-density residential and compatible commercial development will minimize the potential for unknown, and potentially unlimited, vehicle trip generation under its current GU-1 zone.

**X. NONCONFORMING LOTS, STRUCTURES AND USES**

The proposed rezone would not make any existing lots nonconforming within the rezone area. There are no existing structures or uses within the rezone area.

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\(^1\) 2017 Annual Average Daily Traffic (AADT) GIS Map, Alaska DOT&PF Transportation Data Programs
XI. PLANNING COMMISSION RECOMMENDATION CRITERIA [FNSBC 18.104.020 (C)]

(1) The proposed rezone conforms to the comprehensive plan.

Figure 6 shows the comprehensive plan designations in the rezone area. Approximately 81% of the rezone area has 'Outskirt Area' comprehensive plan designation and approximately 19% of the rezone area has 'Outskirt Area Preferred Residential Land' comprehensive plan designation. The 'Outskirt Area Preferred Residential Land' comprehensive plan designation is predominantly located on the State-owned land proposed to be rezoned RE-2. On the other hand, the 'Outskirt Area' comprehensive plan designation is predominantly located on the land proposed to be rezoned RA-5.

The current GU-1 zoning is not consistent with these comprehensive plan designations because it allows for most residential, commercial, and industrial uses without any permits with the exception of a few very intensive commercial and industrial uses that require conditional use permits.

The 'Outskirt Area' land use designation envisions primarily residential uses with agricultural and supporting commercial uses. This designation also envisions the development to be sensitive to natural systems and have adequate water and sewer facilities. The proposed RA-5 zone would better implement 'Outskirt Area' land use designation. The RA-5 zone allows for low-density residential, agricultural and supporting commercial uses. The minimum lot size requirement of 200,000 sq.ft. in the RA-5 zone would minimize development in the wetlands around Silver Creek.

The 'Outskirt Area Preferred Residential Land' indicates more suitable land for development compared to other lands. The proposed RE-2 zone would better implement 'Outskirt Area Preferred Residential Land' land use designation. The RE-2 zone allows for low-density residential uses with very few compatible commercial uses. The minimum lot size requirement of 80,000 sq.ft. in the RE-2 zone would ensure accommodation of private residential wells and septic systems. Therefore, the proposed rezone conforms to the comprehensive plan (see Section VIII of this staff report for details).

(2) The proposed rezone conforms to the public health, safety and welfare.

The proposed rezone area is currently undeveloped and zoned GU-1 (see Figure 3 for existing zoning map and Figure 4 for existing land use map). The current GU-1 zoning doesn't conform to the public health, safety and welfare because it allows for most residential, commercial, and industrial uses without any permits with the exception of a few very intensive commercial and industrial uses that require conditional use permits.

Figure 7 shows that land development suitability map for the rezone area. The western portion of the rezone area (i.e. the University-owned land) is predominantly shown as "Less Capable for Development." The eastern portion (i.e. the State-owned land) is predominantly shown as "Most Capable for Development."

The RA-5 zone will limit the overall development density in the "Less Capable for Development" area shown in the land development suitability map. Simultaneously, the RA-5 zone will provide some commercial potential to the State-owned lots abutting Goldstream Road.

The RE-2 zone will allow more residential density than RA-5 zone in the "Most Capable for Development" area shown in the land development suitability map. However, the residential
density allowed with the RE-2 zone will be significantly lower than that allowed with the current GU-1 zone.

This rezone and the resulting low-density residential and compatible commercial development will minimize the potential for unknown, and potentially unlimited, trip generation under its current GU-1 zone. The proposed rezone would not make any existing lots nonconforming within the rezone area. There are no existing structures or uses within the rezone area. Therefore, the proposed rezone conforms to the public health, safety and welfare (see Section VII, IX and X of this staff report for details).

XII. SPOT ZONE ANALYSIS

The Alaska Supreme Court has stated that the classic definition of spot zoning is, "the process of singling out a small parcel of land for a use classification totally different from that of the surrounding area, for the benefit of the owner of such property and to the detriment of other owners." Determining whether a rezone constitutes spot zoning depends on the facts and circumstances of each case. In Griswold v. City of Homer, 925 P.2d 1015, Alaska, 1996 the court stated it would consider the following three factors in determining the constitutionality of spot zoning:

1. The consistency of the amendment with the comprehensive plan;
2. The benefits and detriments of the amendment to the owners, adjacent landowners, and community; and
3. The size of the area rezoned.

Community Planning does not find this rezone request to be a spot zone or a reverse spot zone because of the following reasons:

(1) Consistency of the amendment with the comprehensive plan;

Figure 6 shows the comprehensive plan designations in the rezone area. Approximately 81% of the rezone area has 'Outskirt Area' comprehensive plan designation and approximately 19% of the rezone area has 'Outskirt Area Preferred Residential Land' comprehensive plan designation. The 'Outskirt Area Preferred Residential Land' comprehensive plan designation is predominantly located on the State-owned land proposed to be rezoned RE-2. On the other hand, the 'Outskirt Area' comprehensive plan designation is predominantly located on the land proposed to be rezoned RA-5.

The current GU-1 zoning is not consistent with these comprehensive plan designations because it allows for most residential, commercial, and industrial uses without any permits with the exception of a few very intensive commercial and industrial uses that require conditional use permits.

The 'Outskirt Area' land use designation envisions primarily residential uses with agricultural and supporting commercial uses. This designation also envisions the development to be sensitive to natural systems and have adequate water and sewer facilities. The proposed RA-5 zone would better implement 'Outskirt Area' land use designation. The RA-5 zone allows for low-density residential, agricultural and supporting commercial uses. The minimum lot size requirement of 200,000 sq.ft. in the RA-5 zone would minimize development in the wetlands around Silver Creek.

The 'Outskirt Area Preferred Residential Land' indicates more suitable land for development compared to other lands. The proposed RE-2 zone would better implement 'Outskirt Area Preferred Residential Land' land use designation. The RE-2 zone allows for low-density
residential uses with very few compatible commercial uses. The minimum lot size requirement of 80,000 sq.ft. in the RE-2 zone would ensure accommodation of private residential wells and septic systems. Therefore, the proposed rezone conforms to the comprehensive plan (see Section VIII of this staff report for details).

(2) The benefits and detriments of the amendment to the owners, adjacent landowners, and community;

Benefit and Detriments to the Property Owners

The rezone benefits both property owners, ADNR and UA, within the rezone area because when they market these properties they can ensure that the properties have been zoned appropriately to minimize land use incompatibilities.

Benefit and Detriments to the Adjacent Landowners

The area surrounding the rezone is predominantly vacant except the residential-developed properties adjacent west along Goldstream Road. This rezone area is approximately a mile west of the Goldstream Road and Old Steese Highway intersection. The properties around this intersection are developed with a mix of residential, commercial and industrial uses. This rezone benefits the adjacent landowners by minimizing the potential for unknown, and potentially unlimited, trip generation under its current GU-1 zone.

Benefit and Detriments to the Community

The FNSB residents have developed a land use vision for the area through the comprehensive planning process which designated this area as 'Outskirt Area' and 'Outskirt Area Preferred Residential Land'. Therefore, the implementation of the land use plan is a benefit to the community. Specifically, the proposed rezone conforms to the FNSB Regional Comprehensive Plan goals related to minimizing land use incompatibilities and encouraging a mix of lot sizes.

(3) The size of the area rezoned.

The case law does not give an exact size for making a spot zone determination, and the size of the property is not the only factor in the spot zone determination. Yet the case law provides guidance that parcels less than 3 acres are almost always a spot zone and parcels over 13 acres are almost always found not to be a spot zone. The 584-acre rezone area encompasses 344 acres of proposed RA-5 zone and 240 acres of proposed RE-2 zone. The proposed RA-5 rezone area of 344 acres and the proposed RE-2 rezone area of 240 acres are independently significantly larger than 13 acres and therefore, do not constitute a spot zone.

The area within the remainder GU-1 zone boundary is estimated to be more than 2,000 acres. Therefore, this rezone would not constitute a reverse spot zone because this rezone does not single out parcels of GU-1 zoned land totally differently from that of the surrounding area.

XIII. RECOMMENDATION

Based on the staff analysis above, the Department of Community Planning recommends APPROVAL of the rezone.
XIV. FINDINGS OF FACT

The Department of Community Planning further recommends adoption of the staff report and following findings of fact in support of APPROVAL of the rezone.

1. The FNSB Regional Comprehensive Plan designates approximately 81% of the rezone area as 'Outskirt Area' and approximately 19% of the rezone area as 'Outskirt Area Preferred Residential Land'. Outskirt Area is "Area generally within a 20 to 30 minute travel time of urban destinations, and which contains primarily open space, mining and residential uses; variable densities are encouraged provided they are compatible with the surrounding community, sensitive to natural systems and have adequate water and sewer facilities. Other uses include agriculture, and supporting commercial uses." Preferred Residential Land is "Land determined to be more suitable than other lands for development because it is generally: a) on slopes of 20% or less, b) not designated wetlands, c) has a lower probability of containing detrimental permafrost conditions."

2. The current GU-1 zoning is not consistent with the Comprehensive Plan 'Outskirt Area' and 'Outskirt Area Preferred Residential Land' designations because the GU-1 zone is intended for rural areas where community sewer and water systems are unavailable." The GU-1 zoning allows for most residential, commercial, and industrial uses without any permits with the exception of a few very intensive commercial and industrial uses that require conditional use permits.

3. The proposed RA-5 zone would better implement 'Outskirt Area' land use designation. The RA-5 zone allows for low-density residential, agricultural and supporting commercial uses. The minimum lot size requirement of 200,000 sq.ft. in the RA-5 zone would minimize development in the wetlands around Silver Creek.

4. The proposed RE-2 zone would better implement 'Outskirt Area Preferred Residential Land' land use designation. The RE-2 zone allows for low-density residential uses with very few compatible commercial uses. The minimum lot size requirement of 80,000 sq.ft. in the RE-2 zone would ensure accommodation of private residential wells and septic systems.

5. The rezone conforms to the following FNSB Regional Comprehensive Plan goals:
   a. Land Use Goal 3, Strategy 7, Action B which encourages a mix of lot sizes, addresses compatibility of the surrounding community, conformance with natural systems, and recognize the importance of the rural lifestyle in the Borough.
   b. Land Use Goal 4, Strategy 10, Action A which encourages compatible land uses and recommends rezoning new subdivisions concurrent with platting process.

6. The rezone conforms to the public health, safety or welfare because:
   a. The proposed RA-5 zone will better implement 'Outskirt Area' land use designation.
   b. The proposed RE-2 zones will better implement 'Outskirt Area Preferred Residential Land' land use designation.
   c. The proposed RA-5 and RE-2 zones will minimize the potential for land use incompatibility in the rezone area with the current GU-1 zone.
d. The RA-5 zone will limit the overall development density in the "Less Capable for Development" area shown in the land development suitability map. Simultaneously, the RA-5 zone will provide some commercial potential to the State-owned lots abutting Goldstream Road.

e. The RE-2 zone will allow more residential density than RA-5 zone in the "Most Capable for Development" area shown in the land development suitability map. However, the residential density allowed with the RE-2 zone will be significantly lower than that allowed with the current GU-1 zone.

f. This rezone and the resulting low-density residential and compatible commercial development will minimize the potential for unknown, and potentially unlimited, trip generation under its current GU-1 zone.

g. The rezone would not make any existing lots nonconforming within the rezone area. There are no existing structures or uses within the rezone area.

7. The rezone is not a spot zone or a reverse spot zone because:

a. The rezone is consistent with the comprehensive plan because it will better implement ‘Outskirt Area’ and ‘Outskirt Area Preferred Residential Land’ land use designations. The rezone advances Land Use Goals 3 and 4 of the Regional Comprehensive Plan.

b. The rezone benefits both property owners, ADNR and UA, within the rezone area because when they market these properties they can ensure that the properties have been zoned appropriately to minimize land use incompatibilities.

c. The area surrounding the rezone is predominantly vacant except the residential-developed properties adjacent it along Goldstream Road. This rezone area is approximately a mile west of the Goldstream Road and Old Steese Highway intersection. The properties around this intersection are developed with a mix of residential, commercial and industrial uses. This rezone benefits the adjacent landowners by minimizing the potential for unknown, and potentially unlimited, trip generation under its current GU-1 zone.

d. The FNSB residents have developed a land use vision for the area through the comprehensive planning process which designated this area as ‘Outskirt Area’ and ‘Outskirt Area Preferred Residential Land’. The implementation of the land use plan is a benefit to the community.

e. The case law provides guidance that parcels over 13 acres are almost always found not to be a spot zone. The proposed RA-5 rezone area of 344 acres and the proposed RE-2 rezone area of 240 acres are independently significantly larger than 13 acres.

f. The area within the remainder GU-1 zone boundary is estimated to be more than 2,000 acres. Therefore, this rezone does not constitute a reverse spot zone because this rezone does not single out parcels of GU-1 zoned land totally different from that of the surrounding area.
DRAFT PLANNING COMMISSION MOTION:

I move to recommend approval of the rezone (RZ2019-003) including Silver Creek Subdivision Lots 1 through 6, Tract A and Tract B, and south half (S½) of southeast one-quarter (SE¼), Section 35, T2N R1W FM from General Use 1 (GU-1) to Rural and Agricultural 5 (RA-5), and; northeast one-quarter (NE¼), north half (N½) of southeast one-quarter (SE¼), Section 35, T2N R1W FM from General Use 1 (GU-1) to Rural Estate 2 (RE-2), and adopt the staff report and seven (7) Findings of Fact in support of the recommendation of approval.
October 22, 2018

Re: Proposal to sell State land and create easements in Fox (DMVA Tracts project area)

Dear George,

The Alaska Department of Natural Resources (DNR) proposes to sell 320 acres of State-owned land north of Goldstream Road located approximately one mile west of the Steese Highway and Goldstream Road intersection. You are receiving this letter because the proposal area is within the Fairbanks North Star Borough.

DNR also proposes to authorize two easements:

- an access easement across State land to improve access options between Goldstream Road and the land sale area; and
- a private easement to the DNR Office of History and Archaeology for historic preservation of the Davidson Ditch within the land sale area.

Included are two maps that illustrate the location of the land sale area and the approximate location of the proposed easements.

Want to know more or comment on this proposal? I have included our public notice information sheet. It explains how to find the proposal documents, how to submit comments, and the deadline for commenting.

To access the full proposal or learn more about DNR Land Sales, visit: http://landsales.alaska.gov.

Please feel free to contact me if you have any input, questions, or want more information.

Sincerely,

Colin Craven  
(907) 451-2730  
colin.craven@alaska.gov  
Land Sales Section  
Division of Mining, Land and Water  
Department of Natural Resources  
3700 Airport Way  
Fairbanks, AK 99709
This map is for graphic representation only. It is intended to be used as a guide only and may not show the exact location of existing surveyed parcels or show all easements and reservations. Source documents remain the official record.

Township 2N Range 1W
Section 35 Fairbanks Meridian

USGS Quad 1:63,360, Fairbanks D-2
Colin Craven
Department of Natural Resources
Division of Mining, Land, and Water
Land Sales Section
907-451-2730
land.development@alaska.gov
Attachment A: Easements Map
DMVA Tracts, ADL 420894

This map is for graphic representation only. It is intended to be used as a guide only and may not show the exact location of existing surveyed parcels or show all easements and reservations. Source documents remain in the official record.

Township 2N Range 1W
Section 35 Fairbanks Meridian

USGS Quad 1:53,360, Fairbanks D-2
Colin Craven
Department of Natural Resources
Division of Mining, Land, and Water
Land Sales Section
907-451-2730
land.development@alaska.gov
STATE OF ALASKA
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF MINING, LAND, & WATER
LAND SALES SECTION

PUBLIC NOTICE
Requesting Input for:
Proposed Land Offering, DMVA Tracts, ADL 420894
Proposed Public Access Easement, ADL 421103
Proposed Private Easement, ADL 421088

COMMENT PERIOD ENDS 5:00PM, WEDNESDAY, NOVEMBER 28, 2018

This proposed project includes offering for sale parcels in a future offering under the method and the two proposed easements as described in the Preliminary Decision document.

Located within DNR’s Northern Region, approximately one mile west of the Steese Highway and Goldstream Road intersection, the project area is within Section 35, Township 2 North, Range 1 West, Fairbanks Meridian, within the Fairbanks North Star Borough (FNSB).

Project size: 320 acres proposed for sale.

The proceeds from sale of this State land have been appropriated by the Alaska Legislature to fund development of the Interior Alaska Veterans Cemetery by the Alaska Department of Military and Veterans Affairs.

To obtain the notice of the Preliminary Decision or instructions on submitting comment, go to http://landsales.alaska.gov/ or http://aws.state.ak.us/OnlinPublicNotices/. For assistance in obtaining the documents by an alternative method, to request auxiliary aids, services, or special accommodations, contact DNR’s Public Information Centers on State work days, Monday through Friday, between 10AM and 5PM in Anchorage at 907.269.8400 (TDD for the hearing impaired: 907.269.8411) or Fairbanks at 907.451.2705 (TDD for the hearing impaired: 907.451.2770), or the Southeast Land Office in Juneau at 907.465.3400 (TDD for the hearing impaired: 907.465.3886), or go to http://dnr.alaska.gov/commiss/pic/ for additional contact information. Individuals who require special assistance must request assistance from the Public Information Center in Anchorage no later than 4:00 PM, Wednesday, November 21, 2018.

Pursuant to AS 38.05.945 Notice, the public is invited to submit comment the Preliminary Decision. The deadline for public comment is 5:00PM, WEDNESDAY, NOVEMBER 28, 2018. Only persons from whom DNR DMLW LSS receives timely, written comment during the identified comment period will be eligible to file an appeal of the Final Finding and Decision. Written comment may be received by fax, email or postal mail. To submit comments or for direct inquiries, contact Colin Craven, DNR Land Sales, 3700 Airport Way, Fairbanks, AK 99709, fax # 907.451.2751, land.development@alaska.gov. If you have questions, call Colin Craven at 907.451.2730.

If no significant change is required, the Preliminary Decision, including any minor changes and a summary of comments and responses, will be issued as the Final Finding and Decision without further notice. A copy of the Final Finding and Decision will be sent to any persons who commented timely on the Preliminary Decision.

DNR reserves the right to waive technical defects in this notice.
November 26, 2018

Colin Craven
Land Sales Section
Division of Mining, Land and Water
Department of Natural Resources
3700 Airport Way
Fairbanks, AK 99709
Via email: colin.craven@alaska.gov

RE: Proposal to sell State land and create easements in Fox (DMVA Tracts project area)

Dear Mr. Craven,

The FNSB Community Planning Department recently received notification of an opportunity for public comment regarding the proposed sale of 320 acres of State-owned land north of Goldstream Road located approximately one mile west of the Steese Highway and Goldstream Road Intersection. In regards to the proposed authorization of an access easement across State land to improve access options between Goldstream Road and the land sale area, an easement of that nature would appear to qualify as a dedication as defined by FNSBC 17.04.010 as "the deliberate grant of land by an owner to the public for any general and public use..." The dedication of this easement across state land for means of access would be required to go through the subdivision process, as FNSBC 17.04.010 includes in its definition of subdivision "the dedication to public use of a street or other specified area in or through a tract of land."

In regards to the land sale itself, because of the proximity of the subject property to the urban area, the FNSB Community Planning Department strongly recommends that this land be rezoned to an appropriate residential zone prior to its sale in order to ensure that the property conforms to the Fairbanks North Star Borough Regional Comprehensive Plan and protects the health, safety, and welfare of the public. The Comprehensive Plan includes Goal 4, "to enhance development opportunities while minimizing land use conflicts" which includes rezoning new subdivisions to appropriate land use designations concurrent with the platting process.

Exhibit 1 shows that the subject property is designated as Outskirt Area and Preferred Residential Land on the Regional Comprehensive Plan Map. The Comprehensive Plan defines Outskirt Area as an "area generally within a 20 to 30 minute travel time of urban destinations, and which contains primarily open space, mining and residential uses; variable densities are encouraged provided they are compatible with the surrounding community, sensitive to natural systems and have adequate water and sewer facilities. Other uses include agriculture, and supporting commercial uses." Preferred Residential Land is "land determined to be more
suitable than other lands for development because it is generally on slopes of 20% or less, not
designated wetlands, or has lower probability of containing detrimental permafrost conditions."

The subject property is currently zoned General Use 1 (GU-1). This zone can be prone to land
use conflicts because it allows for a wide variety of commercial, residential, and industrial uses
with no setback requirements. Rezoning this property would better protect the health, safety,
and welfare of the public. Rezoning also could better protect the State’s intent for the property
by establishing setback requirements for fire separation purposes and by decreasing land use
conflicts between residential and more intensive commercial and industrial uses permitted in the
GU-1 zone. A rezone would promote a variety of compatible land uses that fit the needs of the
community as well as the State.

In the past, the State has worked with the FNSB Community Planning Department to rezone
lands prior to sale and this collaboration is encouraged. If the State is interested in a no-cost
applicant-initiated rezone, we recommend that you contact our department for the discussion of
next steps. Otherwise the Borough has the authority to, and may choose to pursue a Borough-
sponsored rezone of this area. If you have any questions or concerns about the rezone process,
please let me know.

Thank you for the opportunity to provide comments on the proposed land sale.

Respectfully,

Kellen Spillman
Community Planning Deputy Director
Fairbanks North Star Borough
907 Terminal Street
P.O Box 71267
Fairbanks, AK 99707
(907) 459-1266

KS/bh

cc: Mayor Bryce Ward
Jim Williams, Chief of Staff
Christine Nelson, Community Planning Director
Exhibit 4

As of March 1, 2019, no public comments (telephonic or written) were received.
PUBLIC NOTICE SIGN POSTING AFFIDAVIT

STATE OF ALASKA )
) ss.
FOURTH JUDICIAL DISTRICT )

Comm. Planning Dept
FEB 20 2019
RECEIVED

1. Manish Singh, being first duly sworn, depose and state that:
   1. I have submitted an application identified as R22019-003.
   2. I have posted and will maintain public notice sign # H in accordance with the following provisions:
      a. Sign is posted on the property on which my request for rezone, conditional use or variance has been made.
      b. Sign is clearly visible from streets and roads.
      c. Sign will be maintained free of snow or other materials which impede readability.
      d. Sign is posted between an elevation of 2' and 8' above ground level and no further than 50' from the edge of the road to further ensure readability from streets.
      e. Sign was posted on Feb 20, 2019 (date) and complies with posting requirements of 20 days prior to the public hearing date.
      f. I shall return the sign to the FNSB Department of Community Planning within 10 days following the final public hearing.

2. I understand a refund check of $200.00 (the amount I have deposited for said sign) will be issued 7-10 days following return of the sign providing that sign is returned in usable condition. I further understand I may receive only partial refund if the sign is damaged when returned to the Borough.

3. This document is null and void when necessary action has been completed as provided in Item #2 f.

Signature
Manish Singh
407 Terminal Dr
Fairbanks, AK 99701
(Print Name and Address of Affiant)

SUBSCRIBED AND SWORN TO BEFORE ME on this 20 day of February, 2019

Commission Expires

Notary Public in and for Alaska

Fairbanks North Star Borough is subject to the Alaska Public Records Act, AS 40.25 et seq. and this document may be subject to public disclosure under state law.
Agency Notifications

SAFETY
- State Fire Marshal
- Fire Service Area (see attachment)
  Specify: Cheng Goldstream
- City of Fairbanks
  - Chief of Staff
  - Fire Department
  - Police Department
  - Building Department
- City of North Pole
  - City Clerk – Mayor
  - Fire Department
  - Police Department
  - Building Department
- Alaska State Troopers

OTHER AGENCIES

STATE
- Alaska Department of Environmental Conservation (ADEC)
- Alaska Department of Natural Resources (ADNR)
- Alaska Department of Fish and Game (ADF&G)
- Alaska Railroad (ARR)
- University of Alaska Land Management

FEDERAL
- U.S. Department of the Interior Bureau of Land Management (BLM)
- U.S. Army Corps of Engineers
- U.S. Environmental Protection Agency (EPA) Region 10
- U.S. Department of Agriculture (USDA)
  - Natural Resources Conservation Service
- Fort Wainwright Army Base
- Eielson Air Force Base
- Federal Emergency Management Agency (FEMA) Region 10

ROADS AGENCIES
- Alaska Department of Transportation and Public Facilities (AK DOT & PF)
- FNSB Rural Services
- Road Service Area (see attachment)
  Specify: ____________________________

OTHER BOROUGH
- Land Management
- Public Works
- Parks & Recreation
- Assessing
- Transit
- Chief of Staff
- Other Floodplain Administrator
UTILITIES

ENERGY

☐ Fairbanks Natural Gas
☐ Golden Valley Electric Association (GVEA)
☐ Interior Gas Utility
☐ Alyeska Pipeline Services Co.
☐ Aurora Energy
☐ Other __________________

WATER/SEWER

☐ Utility Services of Alaska
☐ Valley Water, INC.
☐ City of North Pole Public Works
☐ College Utilities
☐ Golden Heart Utilities
☐ Other __________________

TELECOMMUNICATION

☐ Alaska Communications
☐ GCI FCC (Fiber Optic Cable)
☐ Alaska Wireless Network, LLC (GCI)
☐ AT&T Alascom
☐ AlasConnect
☐ Summit Telephone
☐ Verizon Wireless
☐ Other __________________

Comments to be returned by: March 1st, 2019 (2 weeks)

I have sent the application materials for File # R2 2019-003 to all of the agencies checked above on Feb 15th, 2019

Name of Planner (PRINTED)  Date Signed

Marish Singh  March 2019
Case No. RZ2019-003

State Fire Marshall

David Tyler, Alaska State Fire Marshal/Director
David.tyler@alaska.gov

David Aden, Building Plans Examiner 1
David.aden@alaska.gov

Jillian Roberts, Deputy Fire Marshal
jillian.roberts@alaska.gov

Lloyd Nakano, Assistant State Fire Marshal
lloyd.nakano@alaska.gov

Chena Goldstream Fire Service Area

Jack Willard, Fire Chief
chief@cgfr.com

Chris Hunger, Deputy Chief
chunger@cgfr.com

Dianne Young, Administrative Assistant
dyoung@cgfr.com

State Troopers

AST Directors Office
dps.ast.directors.office@alaska.gov

FNSB Departments

Sandra Mota, Land Management
smota@fnsb.us

Nancy Durham, Floodplain Administrator
NDurham@fnsb.us
Alaska Department of Transportation (ADOT)

Randi Bailey, Transportation Planner  
randi.bailey@alaska.gov

Pete Eagan, Right-Of-Way Agent IV  
pete.eagan@alaska.gov

Alaska Department of Environmental Conservation (ADEC)

Tonya Bear, Division of Water, Wastewater Discharge  
Tonya.bear@alaska.gov

Doug Buteyn, ADEC Solid Waste Program  
Doug.buteyn@alaska.gov

Alaska Department of Natural Resources (ADNR)

George Horton, Land Surveyor  
George.horton@alaska.gov

Tim Shilling, Natural Resource Manager  
Timothy.shilling@alaska.gov

Colin Craven, Natural Resource Specialist  
Colin.craven@alaska.gov

Alaska Department of Fish and Game (ADF&G)

Audra Brase, Regional Supervisor  
audra.brase@alaska.gov

Army Core of Engineers

Benjamin N. Solseth, Supervisor, Fairbanks Regulatory Field Office  
Benjamin.n.solseth@usace.army.mil

Executive Office  
POA.ExecutiveOffice@usace.army.mil
GVEA

Julie Karl, Land Management Supervisor
JLKarl@gvea.com

Richard Possenti, Lead Construction Field Representative
RJPossenti@gvea.com

Alyeska Pipeline Service Company

General contact information
alyeskamail@alyeska-pipeline.com

University of Alaska Land Management

Laurie Swartz, Senior Property Manager
lkswartz@alaska.edu

Dian Siegfried, Real Property Specialist II
desiegfried@alaska.edu
Dear Sir/Ma’am,

The Fairbanks North Star Borough Planning Commission is considering **RZ2019-003**, a request to rezone approximately 584 acres (see attached proposed ordinance & map), including Silver Creek Subdivision Lots 1 through 6, Tract A and Tract B, and south half (S½) of southeast one-quarter (SE¼), Section 35, T2N R1W FM from General Use 1 (GU-1) to Rural and Agricultural 5 (RA-5) or other appropriate zone, and; northeast one-quarter (NE¼), north half (N½) of southeast one-quarter (SE¼), Section 35, T2N R1W FM from General Use 1 (GU-1) to Rural Estate 2 (RE-2) or other appropriate zone. (Located on the north side of Goldstream Road, approximately one mile west of the Old Steese Highway).

This rezone is initiated and sponsored by Mayor Bryce Ward. This case is scheduled for the Planning Commission meeting on **March 12, 2019**. The Department of Community Planning requests you to send us your comments for this proposal by March 1, 2019. For more information about this case, please email **msingh@fnsb.us** or contact Manish Singh at (907) 459-1225. The staff report to the commission will be available online at [www.fnsb.us/Boards/Pages/Planning-Commission.aspx](http://www.fnsb.us/Boards/Pages/Planning-Commission.aspx) at least five days before the hearing.

Thanks,
Manish

Manish Singh, AICP
Planner III
Department of Community Planning
Fairbanks North Star Borough
(907) 459-1225 / msingh@fnsb.us
Manish Singh

From: Nancy Durham
Sent: Tuesday, February 19, 2019 1:20 PM
To: Manish Singh
Subject: RE: RZ2019-003: Requesting Comments for Rezone (584 acres, Goldstream Rd)

Follow Up Flag: Follow up
Flag Status: Flagged

Manish,

RZ2019-003 is located in Flood Zone X (100%) and is not required to meet FNSBC 15.04 Floodplain Management Regulations.

Kind Regards,

Nancy Durham, MURP, CFM
Flood Plain Administrator
FNSB Community Planning
ndurham@fnsb.us
(907) 459-1263

** Any property can flood! Flood insurance is recommended.

---

From: Manish Singh <MSingh@fnsb.us>
Sent: Friday, February 15, 2019 4:25 PM
To: David.tyler@alaska.gov; David.aden@alaska.gov; Jillian.roberts@alaska.gov; lloyd.nakano@alaska.gov; chief@cgfr.com; chunger@cgfr.com; dyoun@cgfr.com; dps.ast.directors.office@alaska.gov; Sandra Mota <smota@fnsb.us>; Nancy Durham <NDurham@fnsb.us>; randi.bailey@alaska.gov; pete.eagan@alaska.gov; Tonya.bear@alaska.gov; Doug.buteyn@alaska.gov; George.horton@alaska.gov; Timothy.shilling@alaska.gov; Colin.crvon@alaska.gov; audra.brase@alaska.gov; Benjamin.n.soiseth@usace.army.mil;
POA.ExecutiveOffice@usace.army.mil; JLKarl@gvea.com; RJPossenti@gvea.com; alyesкамail@alieska-pipeline.com;
lkswartz@alaska.edu; desiegfried@alaska.edu
Subject: RZ2019-003: Requesting Comments for Rezone (584 acres, Goldstream Rd)

Dear Sir/Ma’am

The Fairbanks North Star Borough Planning Commission is considering RZ2019-003, a request to rezone approximately 584 acres (see attached proposed ordinance & map), including Silver Creek Subdivision Lots 1 through 6, Tract A and Tract B, and south half (S½) of southeast one-quarter (SE¼), Section 35, T2N R1W FM from General Use 1 (GU-1) to Rural and Agricultural 5 (RA-5) or other appropriate zone, and; northeast one-quarter (NE¼), north half (N½) of southeast one-quarter (SE¼), Section 35, T2N R1W FM from General Use 1 (GU-1) to Rural Estate 2 (RE-2) or other appropriate zone. (Located on the north side of Goldstream Road, approximately one mile west of the Old Steese Highway).

This rezone is initiated and sponsored by Mayor Bryce Ward. This case is scheduled for the Planning Commission meeting on March 12, 2019. The Department of Community Planning requests you to send us your comments for this
proposal by March 1, 2019. For more information about this case, please email msingh@fnsb.us or contact Manish Singh at (907) 459-1225. The staff report to the commission will be available online at www.fnsb.us/Boards/Pages/Planning-Commission.aspx at least five days before the hearing.

Thanks,
Manish

Manish Singh, AICP
Planner III
Department of Community Planning
Fairbanks North Star Borough
(907) 459-1225 / msingh@fnsb.us
March 1, 2019

Manish Singh
Department of Community Planning
459-1225
msingh@fnsb.us

Rezone is initiated and sponsored by: Mayor Bryce Ward

Type of Request: Rezone Application RZ2019-003: Silver Creek Subdivision (581 acres)

Property Location: Lots 1-6; Tract A and Tract B, and South half (S ½) of Southeast one-quarter (SE ¼), Section 35, T.2N., R.1W., FM and Northeast one-quarter (NE ¼) and North half (N ½) of Southeast one-quarter (SE ¼), Section 35, T.2N., R.1W., FM.

ADOT&PF has reviewed the above request and has the following comment:

- ADOT&PF fully supports the rezone

Driveways on state owned roads must meet current Alaska DOT&PF standards. If they do not meet these standards, ADOT&PF may request that they be modified to do so. If the owner wishes to modify an existing permitted driveway, or create a new driveway, an ADOT&PF driveway permit is required. The ADOT&PF permitting website can be found at: http://www.dot.state.ak.us/permits/index.shtml

Thank you.

Sincerely,

Randi Bailey

Randi Bailey
Fairbanks Area Transportation Planner
(907) 451-2386

cc: George Stefan, FNSB
    Dan Welch, FNSB

"Keep Alaska Moving through service and infrastructure."
FAIRBANKS NORTH STAR BOROUGH

ORDINANCE NO. 2019 -

AN ORDINANCE REZONING APPROXIMATELY 581.35 ACRES, DESCRIBED AS SILVER CREEK SUBDIVISION (Plat No. 2018-79 FRD) LOTS 1 – 6, TRACT A AND TRACT B; SOUTHEAST ONE-QUARTER (SE¼); AND NORTHEAST ONE-QUARTER (NE¼) ALL WITHIN SECTION 35 T2N R1W FROM GENERAL USE 1 (GU-1) TO RURAL AND AGRICULTURE (RA-5) OR RURAL ESTATE (RE-2) OR OTHER APPROPRIATE ZONE (LOCATED ON THE NORTH SIDE OF GOLDSTREAM ROAD, APPROXIMATELY ONE MILE WEST OF THE OLD STEESE HIGHWAY)

NOW, THEREFORE, BE IT ORDAINED by the Assembly of the Fairbanks North Star Borough:

Section 1. Classification. This ordinance is not of a general and permanent nature and shall not be codified.

Section 2. The following described property is rezoned from General Use 1 (GU-1) to Rural and Agricultural (RA-5):

Silver Creek Subdivision Lots 1-6; Tract A and Tract B, and South half (S½) of Southeast one-quarter (SE¼), Section 35, T2N R1W FM.

Section 3. The following described property is rezoned from General Use 1 (GU-1) to Rural Estate (RE-2):

Northeast one-quarter (NE¼) and North half (N½) of Southeast one-quarter (SE¼), Section 35, T2N R1W FM.

AMENDMENTS ARE SHOWN IN LEGISLATIVE FORMAT
Text to be added is underlined
Text to be deleted is [BRACKETED, CAPITALIZE]
Effective date. This ordinance shall be effective at 5:00 p.m. on the first
borough business day following its adoption.

PASSED AND APPROVED THIS _____ DAY OF __________, 2019.

__________________________

Matt Cooper
Presiding Officer

ATTEST: APPROVED:

__________________________

April Trickey, CMC
Borough Clerk

Jill S. Dolan
Borough Attorney

AMENDMENTS ARE SHOWN IN LEGISLATIVE FORMAT
Text to be added is underlined
Text to be deleted is [BRACKETED, CAPITALIZE]
FAIRBANKS NORTH STAR BOROUGH
Parks and Recreation Dept.
907 Terminal St. ♦ P.O. Box 71267 ♦ Fairbanks, Alaska 99707-1267
(907) 459-1461 ♦ FAX (907) 459-1199

MEMORANDUM

TO: Fairbanks North Star Borough Assembly

THROUGH: Bryce Ward, Borough Mayor
Mike Bork, Parks and Recreation Director

FROM: Donnie Hayes, Manager
Pioneer Park

DATE: April 11, 2019

SUBJECT: ORDINANCE NO. 2019-17, AN ORDINANCE AUTHORIZING THE MAYOR TO ENTER INTO A LEASE AGREEMENT WITH THE NORTHERN LIGHTS COUNCIL OF DANCERS INC. WITHIN GL-12, SECTION 9, T.1S., R.1W., F.M. AND THAT PORTION OF THE SW ¼ OF THE SW ¼ OF SECTION 9, T.1S., R.1W., F.M (PIONEER PARK)

The Northern Lights Council of Dancers (NLCD) has operated in Fairbanks for 40 years, with most of those years located here in Pioneer Park, formerly Alaska Land. The Farthest North Square and Round Dance Center was built in 1982 through in-kind donations, fundraising by the NLCD, Alaska State and City of Fairbanks funds. This building has been home to generations of dancers and has continued to be maintained and programmed by the NLCD since its creation. This ordinance would authorize the Mayor to enter into a lease with The NLCD and in so doing, continue to support the existence of a community based non-profit focusing on folk dance.

FNSBC 20.16.020(D) states the Assembly may authorize the Mayor to lease Borough land for less than fair rental value only if the ordinance authorizing the lease contains a finding that the lease is for a compelling public purpose or use and a statement of the facts on which the finding is based. NLCD has directly helped to fulfill Pioneer Park’s Master Plan by promoting the heritage, history, and culture of Fairbanks and the Interior of Alaska.

Additionally, Pioneer Park management has worked to evaluate each facility confirming that it still meets the standards of our mission statement by maximizing “…resident and visitor use of Pioneer Park as a premiere and essential recreation facility...” The NLCD has a strong following in the community drawing dancers from all over the state through local and state dance festivals, interesting weekly classes, and instruction. Our partnership with the NLCD provides a great service to the community and a substantial number of visitors year round to Pioneer Park.

We support this ordinance and urge its adoption.
FAIRBANKS NORTH STAR BOROUGH

ORDINANCE NO. 2019 -17

AN ORDINANCE AUTHORIZING THE MAYOR TO ENTER INTO A LEASE AGREEMENT WITH THE NORTHERN LIGHTS COUNCIL OF DANCERS INC. WITHIN GL-12, SECTION 9, T.1S., R.1W., F.M. AND THAT PORTION OF THE SW ¼ OF THE SW ¼ OF SECTION 9, T.1S., R.1W., F.M. (PIONEER PARK)

WHEREAS, The Fairbanks North Star Borough owns a parcel of land described as Pioneer Park, within GL-12, Section 9, T.1S., R.1W., F.M. and that portion of the SW ¼ of the SW ¼ of SECTION 9, T.1S., R.1W., F.M. (Pioneer Park); and

WHEREAS, In 2005 a Pioneer Park Master Plan was created to guide the growth of the park, the focus of which is on the heritage, history, and culture of the Fairbanks and interior Alaska area; and

WHEREAS, For over 30 years the Northern Lights Council of Dancers has operated the facility known as the Square Dance Hall, within what was initially designated as Alaskaland and is now known as Pioneer Park; and

WHEREAS, Throughout said time, the Northern Lights Council of Dancers has operated and maintained the Square Dance Hall, providing quality dance programs to the Fairbanks community and its visitors in direct support of the Pioneer Park Master Plan objectives; and

WHEREAS, The existing lease granted to The Northern Lights Council of Dancers for use of the Square Dance Hall in Pioneer Park has expired; and

AMENDMENTS ARE SHOWN IN LEGISLATIVE FORMAT
Text to be added is underlined
Text to be deleted is [BRACKETED, CAPITALIZED]
WHEREAS, Those with a known land interest in adjoining properties have been notified of the proposed lease; and

WHEREAS, Land Management has reviewed records for the property and there are no existing mining claims or other third-party interests known to Land Management within the proposed lease area which Land Management believes impact or are impacted by the proposed lease.

NOW, THEREFORE, BE IT ORDAINED by the Assembly of the Fairbanks North Star Borough:

Section 1. This ordinance is not of a general and permanent nature and shall not be codified.

Section 2. Determination of a Compelling Public Purpose or Need. The Assembly hereby finds that this proposed lease at less than fair market rental value is for a compelling public purpose based upon the following facts:

1. The Northern Lights Council of Dancers, with courses available to the whole community, has successfully operated for over 30 years.

2. The Dance Hall was built with grant funds through the City of Fairbanks and the State of Alaska for the express purpose of providing a home for historical styles of dance.

3. The Northern Lights Council of Dancers provides free instruction to the community periodically during the year. This includes public performances during Pioneer Park's opening weekend, the Fourth of July, and Labor Day.

4. The Northern Lights Council of Dancers provides instruction in the following disciplines of dance: Ballroom, Contra, English Country, Square, and Middle Eastern.
Section 3. **Authorization.** The Borough Mayor or his delegate is hereby authorized to take all actions necessary to enter into a new lease with Northern Lights Council of Dancers, on the property described as a portion of GL-12, SECTION 9, T.1S., R.1W., F.M. and that portion of the SW ¼ of the SW ¼ of SECTION 9, T.1S., R.1W., F.M. (Pioneer Park), as shown on attached Exhibit Map “A”, at a rental rate of ONE (1) DOLLAR per year, for an initial term of four (4) years, with two (2) renewals of four (4) years each upon mutual agreement of the parties. All expenses associated with improvements, maintenance and utilities pertaining to the Leased Premises shall rest with the Lessee.

Section 4. **Effective Date.** This ordinance is effective at 5:00 p.m. on the first Borough business day following its adoption.

PASSED AND APPROVED THIS ______ DAY OF ___________ 2019.

__________________________
Matt Cooper
Presiding Officer

__________________________
April Trickey, CMC
Borough Clerk

__________________________
Jill S. Dolan
Borough Attorney
AN ORDINANCE AUTHORIZING THE MAYOR TO ENTER INTO A LEASE AGREEMENT WITH THE NORTHERN LIGHTS COUNCIL OF DANCERS INC. WITHIN GL-12, SECTION 9, T.1S., R.1W., F.M. AND THAT PORTION OF THE SW ¼ OF THE SW ¼ OF SECTION 9, T.1S., R.1W., F.M (PIONEER PARK)
TO: Fairbanks North Star Borough Assembly
THRU: Bryce Ward, Borough Mayor
FROM: David Bredlie, Director
Department of Public Works
DATE: April 11, 2019
SUBJECT: Ordinance 2019 - 18
FNSBC Title 21 Code Changes

Attached for your approval is an ordinance amending FNSB Title 21 regarding landfill and recycling facility fees, removing definitions that are not used in FNSB Title 21, amending definitions related to solid waste, and amending appendix E-user fee schedule/public works/central recycling facility and attachment C of ordinance No. 2018-20 (FY2018-19 budget)

I urge its adoption.

Attachment: Ordinance
Appendix E – User Fee Schedule
Sustainability Commission Comment on the proposed ordinance
FAIRBANKS NORTH STAR BOROUGH

ORDINANCE NO. 2019-18

AN ORDINANCE AMENDING FNSBC TITLE 21 REGARDING LANDFILL TIPPING FEES AND FEES AT BOROUGH RECYCLING FACILITIES, REMOVING DEFINITIONS THAT ARE NOT USED IN FNSBC TITLE 21, AMENDING DEFINITIONS RELATED TO SOLID WASTE, AND AMENDING APPENDIX E-USER FEE SCHEDULE/PUBLIC WORKS/CENTRAL RECYCLING FACILITY AND APPENDIX E-USER FEE SCHEDULE/PUBLIC WORKS/SOLID WASTE MATERIALS AND ATTACHMENT C OF ORDINANCE NO. 2018-20 (FY 2018-19 BUDGET)

WHEREAS, FNSBC 21.20.010 contains definitions that are not used elsewhere in FNSBC Title 21; and

WHEREAS, FNSBC 21.20.010 lacks definitions regarding certain borough solid waste disposal facilities; and

WHEREAS, The Central Recycling Facility opened September 1, 2017 to collect regular and electronic recyclables from the community; and

WHEREAS, The assembly approved the FY19 user fee schedule for the Central Recycling Facility charging some commercial loads to generate revenue for the Central Recycling Facility; and

WHEREAS, FNSBC 21.20.090(B) allows for the waiver of tipping fees at the landfill for Internal Revenue Code 501(c) or 501(d) nonprofits that receive items that are in disrepair that cannot be resold or distributed; and

AMENDMENTS ARE SHOWN IN LEGISLATIVE FORMAT
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WHEREAS, FNSBC 21.20.090(C) allows the borough mayor to waive fees for materials brought to the landfill for borough recycling programs and for community cleanup activities; and

WHEREAS, The intent is to promote recycling efforts by providing the borough mayor the same ability to waive fees for recyclables at a recycling facility that is already permitted for recyclables at the landfill; and

WHEREAS, the User Fee Schedule should be amended to reflect the changes in FNSBC Title 21.

NOW, THEREFORE, BE IT ORDAINED by the Assembly of the Fairbanks North Star Borough:

Section 1. Sections 2 through 9 of this ordinance are of a general and permanent nature and shall be codified. Sections 10 and 11 of this ordinance is not of a general and permanent nature and shall not be codified.

Section 2. FNSBC 21.20.010, Definitions, is hereby amended as follows:

In this chapter unless the context requires otherwise:

"Biomass" means a given quantity of organic material.

"Bulky wastes" are large items of refuse including but not limited to appliances, vehicles, furniture, large auto parts, tires, trees and branches, stumps and flotage.

["COMMINGLED RECYCLABLES" MEANS A MIXTURE OF SEVERAL RECYCLABLE MATERIALS INTO ONE CONTAINER."

"CURBSIDE COLLECTION" MEANS PROGRAMS WHERE RECYCLABLE MATERIALS ARE COLLECTED AT THE CURB FROM SPECIAL CONTAINERS, TO BE BROUGHT TO VARIOUS PROCESSING FACILITIES.

AMENDMENTS ARE SHOWN IN LEGISLATIVE FORMAT
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“DIRECTOR” MEANS THE PUBLIC WORKS DIRECTOR OR HIS/HER DESIGNEE.

“DIVERSION RATE” MEANS A MEASURE OF THE AMOUNT OF RECYCLABLES DIVERTED FOR RECYCLING COMPARED WITH THE TOTAL AMOUNT THAT WAS PREVIOUSLY LANDFILLED.

“DOCUMENTATION” MEANS WRITTEN PROOF THAT A QUANTITY OF RECYCLABLES HAS BEEN RECYCLED AND WILL NOT BE LANDFILLED.

“DROP-OFF CENTER” MEANS A METHOD OF COLLECTING RECYCLABLE OR COMPOSTABLE MATERIALS IN WHICH INDIVIDUALS TAKE MATERIALS TO COLLECTION SITES AND DEPOSIT THEM INTO DESIGNATED CONTAINERS.]

“Garbage” means any putrescible solid and semisolid animal or vegetable wastes resulting from the production, handling, preparation, cooking, serving or consumption of food or food materials.

“Hazardous waste” means a waste or combination of wastes that because of quantity, concentration or physical, chemical or infectious, pathological or radiological characteristics might cause, or significantly contribute to:

1. An increase in mortality or an increase in serious irreversible, or incapacitating reversible, illness; or

2. A substantial present or potential hazard to human health or to the environment if improperly managed, treated, stored, transported or disposed of or otherwise managed.

“Industrial solid waste” means any waste substance or a combination thereof resulting from the operation of or from any process of industry, manufacturing, trade or business, or from the development of any agricultural or natural resources.

[“INERT SOLID WASTES” MEANS WASTES INCLUDING BUT NOT LIMITED TO WOOD, GLASS, CROCKERY, BRICK, PLASTICS, RUBBER OR OTHER MATERIALS WHICH HAVE MINIMUM POTENTIAL FOR ENVIRONMENTAL DEGRADATION AND LEACHATE PRODUCTION.]
"Infectious waste" means certain laboratory, surgical and hospital waste; surgical specimens including pathological specimens, tissues, blood elements, excreta and secretions obtained from patients; disposable materials that have been in contact with persons who have a suspected or diagnosed communicable disease; a substance that might harbor or transmit pathogenic organisms; disposable materials from outpatient areas, emergency rooms and rooms of patients with a suspected or diagnosed communicable disease that requires isolation; and certain equipment, including instruments, syringes and needles.

["JUNK" MEANS USED MATERIALS WHICH WILL NOT BE FURTHER UTILIZED UNLESS COLLECTED AND PROCESSED FOR REUSE OR RECYCLING.]

"Landfill" means a borough-operated site for the disposal and burial of waste materials in compliance with all regulatory requirements and permits.

"Litter" means any discarded, used or unconsumed substance or waste material which has not been deposited in a suitable litter receptacle.

["MANUAL SEPARATION" MEANS THE SEPARATION OF RECYCLABLE OR COMPOSTABLE MATERIALS FROM WASTE BY HAND SORTING.

"MATERIALS RECOVERY" MEANS EXTRACTION OF MATERIALS FROM THE WASTE STREAM FOR REUSE OR RECYCLING, INCLUDING SOURCE SEPARATION, FRONT-END RECOVERY, IN-PLANT RECYCLING, POST-COMBUSTION RECOVERY, LEAF COMPOSTING, ETC.

"MECHANICAL SEPARATION" MEANS THE SEPARATION OF WASTE INTO VARIOUS COMPONENTS USING MECHANICAL MEANS, SUCH AS CYCLONES, TROMMELS AND SCREENS.]

"Putrescible waste" means material that can decompose and cause obnoxious odors.

["RECYCLABLE METALS" MEANS COPPER, BRASS, BRONZE, ALUMINUM, LEAD, ZINC, AND FERROUS METALS, BUT DOES NOT INCLUDE STEEL CANS AND THOSE METALS THAT ARE BONDED OR FUSED TO OTHER MATERIALS AND CANNOT BE READILY SEPARATED.

AMENDMENTS ARE SHOWN IN LEGISLATIVE FORMAT
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Text to be deleted is [BRACKETED, CAPITALIZED]
“Recyclables” or “recyclable materials” means any materials that have useful physical or chemical properties after serving their original purpose and that can, therefore, be reused or remanufactured into additional products, [INCLUDING REFUSE DERIVED FUEL (RDF)] but excludes items collected as waste-to-energy fuels.

“Recycling” means the process by which a material that would otherwise be placed in the landfill is collected, reprocessed, or remanufactured, and then reused[, OR USED FOR ENERGY].

“Recycling facility” means any borough-operated facility that processes recyclable materials for reuse, but excludes waste-to-energy facilities.

“Refuse” means any putrescible or nonputrescible solid waste, except human excreta.

“Resource recovery” means the processing of solid wastes in such a way as to produce materials or energy which may be used in manufacturing, agriculture, or other processes.

["RUBBISH" MEANS ANY SOLID WASTE EXCEPT ASHES AND PUTRESCIBLE WASTE.]

“Secured” means tied down or otherwise not subject to release.

[“SEWAGE SLUDGE” MEANS THE ORGANIC SLUDGE GENERATED BY MUNICIPAL OR OTHER WASTEWATER COLLECTION AND TREATMENT ACTIVITIES, AND MAY INCLUDE PRIMARY, SECONDARY AND DIGESTED SLUDGES, GRIT AND SCREENINGS.]

“Sludge” means any solid, semisolid or liquid waste which contains at least five percent solids by weight generated at a municipal, commercial or industrial wastewater treatment plant, septic tank, water supply treatment plant or air pollution control facility; “sludge” includes any similar material accumulated in and removed from a storage tank or surface impoundment containing oil, industrial liquid waste, acid, chemicals or other similar substances.

“Solid waste” means drilling wastes, garbage, refuse, sludge and other discarded material, including recyclables and waste-to-energy fuels, and solid, liquid, semi-solid or contained gaseous material resulting from industrial, commercial and agricultural
operations, and from community activities. For the purposes of this chapter "solid waste" does not include:

1. Spoil and overburden from road construction, land clearing or mining operations;

2. Mining waste regulated by the Federal Surface Mining Control and Reclamation Act of 1977, as amended, and by the Alaska Surface Mining Control and Reclamation Act of 1982 (AS 27.21);

3. Domestic sewage and other wastes that are discharged into the pass through a sewer system to a publicly owned treatment works;

4. Industrial or mining wastes that are being collected, stored or treated in:
   a. A wastewater treatment plant before discharge or removal, or
   b. An industrial processing facility for continual reuse;

5. Industrial discharges that are point sources subject to permits under Section 402 of the Federal Water Pollution Control Act, as amended;


"Solid waste disposal facility" or "solid waste facility" means any borough-operated landfill, recycling or waste-to-energy facility, or transfer site.

["SOURCE SEPARATION" MEANS THE SEgregation OF SPECIFIC MATERIALS AT THE POINT OF GENERATION FOR SEparate COLLection. RECYCLABLES ARE SOURCE SEparated AT RESIDENCES AS PART OF A RECYCLING PROGRAM.]

"Special solid waste" means hazardous, infectious, radioactive, or industrial wastes or sludges and sewage residues.

"Transfer site" means any borough-operated site for the collection and transfer of solid waste materials to a landfill, recycling, or waste-to-energy facility, and that may provide areas for re-use (re-use platforms).
“Waste-to-energy” means the controlled combustion of solid waste in solid waste combustors having state-of-the-art pollution controls and energy recovery therefrom, including refuse derived fuel (RDF).

Section 3. FNSBC 21.20.030, Solid waste disposal facilities, is hereby amended as follows:

A. The borough may require any person [DUMPING] disposing of solid waste at [THE FOLLOWING AREAS] any borough owned or operated solid waste facility to [DUMP] deposit solid waste where specified, and may reject or impound any waste which is judged to be unacceptable. Impoundment implies that the waste and its container, but not the vehicle used to transport the waste, may be impounded. [THE FOLLOWING FACILITIES ARE DESIGNATED FOR THE DISPOSAL OF ALL TYPES OF SOLID WASTE, WITH THE EXCEPTION OF SPECIAL SOLID WASTE:

1. SOUTH CUSHMAN LANDFILL;
2. OTHER BOROUGH-OWNED OR BOROUGH-OPERATED FACILITIES.]

B. [COLLECTION AND T]Transfer sites provided as part of the borough’s solid waste collection district are designated solely for the disposal of residential solid waste by residents of the borough residing outside the city of Fairbanks.

C. The following facilities are for the disposal of solid waste as approved by the owners of such facilities. Only persons with the prior approval of the owners may [DUMP] dispose of solid waste at these facilities:

1. Military landfills;
2. Other containers which will be [DUMPED] disposed of at [THE SOUTH CUSHMAN LANDFILL OR] borough [RECYCLING] solid waste facilities, including private dumpsters or recycling bins located at apartment complexes, mobile home parks, commercial businesses, and other locations. For the purposes of this subsection, in the case of leased private dumpsters, the lessee shall be considered the owner;

AMENDMENTS ARE SHOWN IN LEGISLATIVE FORMAT
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Text to be deleted is [BRACKETED, CAPITALIZED]
3. Other locations, as approved and permitted by the state, subject to the conditions of such permits.

Section 4. FNSBC 21.20.040, Recycling of materials, is hereby amended as follows:

A. The borough shall ensure that, at all borough-owned or operated [LANDFILLS AND PRIMARY COLLECTION AND TRANSFER SITES] solid waste facilities, separate locations or containers are provided to receive and hold recyclable materials. Materials accepted in such a manner will be determined by the administration and dependent on the borough's or community's ability to accept, process, and transport the materials to an appropriate end market location or facility for reuse, recycling, or waste-to-energy. [THESE MAY INCLUDE BUT ARE NOT LIMITED TO:

1. GLASS;
2. ALUMINUM CANS, STEEL CANS, AND TIN CANS;
3. CORRUGATED CARDBOARD, FLATTENED;
4. COMPUTER PAPER, OFFICE PAPER, AND MIXED PAPER;
5. ELECTRONICS;
6. SCRAP METAL:
   A. ALUMINUM,
   B. COPPER,
   C. IRON,
   D. BRASS,
   E. STAINLESS STEEL;
7. CAR RADIATORS;
8. PLASTIC;
9. BIOMASS MATERIAL;
10. OTHER MATERIALS SELECTED BY THE BOROUGH.]

B. The borough may provide for this separation by either:

AMENDMENTS ARE SHOWN IN LEGISLATIVE FORMAT
Text to be added is underlined
Text to be deleted is [BRACKETED, CAPITALIZED]
1. Ensuring that borough-provided locations or containers are available; or
2. Contracting with a private firm to furnish and service such locations or containers.

C. If the borough provides for the deposit of such materials directly, periodically the borough shall process to end markets the materials collected in these locations or containers.

D. Deposit of materials other than the appropriate, designated materials in any of the thus-established locations or containers, or the removal of any such materials, except by prior written permission of the borough, is prohibited.

E. It is the policy of the Fairbanks North Star Borough to encourage reduction, reuse and recycling of solid wastes generated in the borough.

Section 5. FNSBC 21.20.060, General prohibition, is hereby amended as follows:

A. No person shall dispose of solid wastes, special solid wastes or sludge in any place except those listed in FNSBC 21.20.030.

B. No person shall [DUMP] dispose, throw, drop or deposit any special solid waste in the Fairbanks North Star Borough except approved haulers at approved facilities.

C. No person shall allow the accumulation of garbage, solid waste, animal feces, etc., on property where he resides or which he owns or controls to impose a threat to public health. Nothing in this section shall be construed to restrict normal agricultural practices in the rural and agricultural or general use zones.

D. No person shall discard any litter into or on any water or land within the borough, except that nothing in this section shall be construed to affect the authorized collection and discarding of such litter in or on areas or receptacles provided for such purpose.

AMENDMENTS ARE SHOWN IN LEGISLATIVE FORMAT
Text to be added is underlined
Text to be deleted is [BRACKETED, CAPITALIZED]
E. No person shall [DUMP] dispose of solid waste in the borough's public dumpsters collected from any location other than individual residences located in the borough outside the city of Fairbanks.

F. No solid waste shall be dropped, deposited, discarded or otherwise disposed at a public dumpster unless it remains within the public dumpster. Any disposal outside the container is a violation of subsection (D) of this section.

G. No person shall [DUMP] dispose at the borough's public dumpsters bulky wastes, dead animals, infectious wastes, demolition debris or special solid wastes.

Section 6. FNSBC 21.20.070, Landfill tipping fees, is hereby renamed "Fees" and is amended as follows:

FNSBC 21.20.070 [LANDFILL TIPPING] Fees

A. Except as otherwise provided in this chapter, any person disposing of any solid waste at [THE BOROUGH LANDFILL] any borough solid waste facility shall pay a [TIPPING] fee established in accordance with FNSBC 8.60.010.

B. The borough mayor may permit a commercial hauler regulated by the state of Alaska to dispose of residential solid waste collected solely from individual residences located in the solid waste collection district and delivered directly to the borough landfill without direct payment of a [TIPPING] fee. Such [TIPPING] fees shall be paid to the landfill by the solid waste collection district.

Section 7. FNSBC 21.20.080, Use of borough waste facilities, is hereby renamed "Use of borough solid waste facilities" and is amended as follows:

FNSBC 21.20.080 Use of borough solid waste facilities

A. Any person wishing to dispose of solid waste generated or collected from a location outside of the borough shall be charged a fee that reflects the actual costs of providing such services, including but not limited to current operational costs, probable

AMENDMENTS ARE SHOWN IN LEGISLATIVE FORMAT
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operational and monitoring costs for the life of the landfill, and landfill closure and replacement costs.

B. Disposal of solid waste generated or collected from a location outside of the borough shall not be permitted unless the solid waste meets the conditions of the borough's ADEC solid waste permit.

C. Disposal of more than 25 tons of solid waste per month from a source outside of the borough shall not be permitted unless the mayor determines that:

1. The solid waste can be safely and efficiently disposed of at the borough landfill;

2. The solid waste will not significantly impact the capacity of the borough landfill; and

3. There will be no harm to the borough or the borough landfill.

D. Disposal of solid waste from a source outside the borough for longer than 60 days shall also require concurrence of the borough assembly.

Section 8. FNSBC 21.20.090, Waiver of tipping fees, is hereby renamed "Waiver of fees" and amended as follows:

FNSBC 21.20.090 Waiver of [TIPPING] fees

A. 1. The borough will waive the [TIPPING] fee to residents of the borough who bring minor loads of residential nonhazardous solid waste to the landfill. For the purpose of this subsection, loads of residential nonhazardous waste brought to the landfill from a residence in a passenger vehicle, a pick-up truck, or a trailer with two wheels and a single axle or four wheels and a double axle will be considered minor loads[ IF THE VEHICLE IS NOT REGISTERED IN THE NAME OF A COMPANY OR BUSINESS OR USED FOR COMMERCIAL PURPOSES].

2. The borough will waive the fee to residents of the borough who bring loads of residential recyclables and for minor commercial loads brought to a recycling facility. For the purpose of this subsection, loads of commercial recyclables brought to a

AMENDMENTS ARE SHOWN IN LEGISLATIVE FORMAT
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recycling facility from a passenger vehicle, pick-up truck, or trailer with two wheels and a single axle will be considered minor commercial loads.

B. Any Internal Revenue Code Section 501(c)(3) or 501(d) nonprofit organization [WHICH] that accepts clothing, furniture, or other items of personal property, on a year-round basis and sells those items of personal property to raise funds for the organization's services, or distributes those items of personal property to persons in need, shall be exempt from paying [TIPPING] fees on that personal property [WHICH] that is in such disrepair that it cannot be resold and must be transported to and disposed of or recycled [IN THE LANDFILL] at a solid waste facility.

C. THE BOROUGH MAYOR MAY WAIVE TIPPING FEES FOR MATERIALS TO THE LANDFILL FOR BOROUGH RECYCLING OR HAZARDOUS WASTE DISPOSAL PROGRAMS AND FOR COMMUNITY CLEANUP ACTIVITIES. THE MAYOR MAY WAIVE TIPPING FEES FOR DEBRIS FROM PRIVATE RESIDENCES IN THE BOROUGH DAMAGED BY FIRE IF THERE IS NO REIMBURSEMENT FOR SUCH WAIVED FEES FROM ANY OTHER SOURCE. THE MAYOR, WHEN THERE IS A DIRECT AND PRIMARY BENEFIT TO THE PUBLIC, MAY WAIVE TIPPING FEES FOR MATERIALS REMOVED FROM DETERIORATED PROPERTY, AS DEFINED IN FNSBC 8.04.010, DURING THE COURSE OF REHABILITATION, REPAIR, CONSTRUCTION, RECONSTRUCTION, RENOVATION, DEMOLITION, REMOVAL OR REPLACEMENT OF ANY STRUCTURE ON SUCH PROPERTY.]

C. The borough mayor may waive fees for materials brought to a solid waste disposal facility for:

1. Borough recycling or hazardous waste disposal programs.

2. Community cleanup activities.

3. Recyclables from educational programs, community events, and other activities that promote and educate the community on recycling.

4. Debris from private residences in the borough damaged by fire if there is no reimbursement for such waived fees from any other source.
5. Materials removed from deteriorated property, as defined in FNSBC 8.04.010, during the course of rehabilitation, repair, construction, reconstruction, renovation, demolition, removal, or replacement of any structure on such property when there is a direct and primary benefit to the public to waive fees.

D. All other loads will be considered commercial and will be charged the [USUAL] applicable [TIPPING] fee on the entire load.

Section 9. Subsection D of FNSBC 21.20.100, Collection and transportation of solid waste, is amended to read:

D. Any person who arrives at any borough-operated solid waste disposal facility[, including the South Cushman Balfill/LANDFILL AND ANY BOROUGH SOLID WASTE TRANSFER STATION,] with a vehicle or container which is not covered or with a load which is not secured is in violation of this section.

Section 10. Appendix E – User Fee Schedule/Public Works/Central Recycling Facility and Appendix E – User Fee Schedule/Public Works/Solid Waste Materials and Attachment C of Ordinance No. 2018-20 are hereby amended with respect to residential and commercial loads, as reflected on Attachment A hereto.

Section 11. Effective date. This ordinance shall be effective at 5:00 p.m. of the first Borough business day following its adoption.

PASSED AND APPROVED THIS ___ DAY OF __________, 2019.

__________________________________________
Matt Cooper
Presiding Officer

AMENDMENTS ARE SHOWN IN LEGISLATIVE FORMAT
Text to be added is underlined
Text to be deleted is [BRACKETED, CAPITALIZED]
ATTEST:

April Trickey, CMC
Borough Clerk

APPROVED:

Jill S. Dolan
Borough Attorney
## ATTACHMENT A

### APPENDIX E - User Fee Schedule

**Public Works (Continued)**

<table>
<thead>
<tr>
<th>Facility</th>
<th>Rate</th>
<th>Comments</th>
</tr>
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<tbody>
<tr>
<td><strong>CENTRAL RECYCLING</strong></td>
<td></td>
<td>Regular Recyclables include:</td>
</tr>
<tr>
<td><strong>Residential</strong>: Accepted free of charge.</td>
<td></td>
<td>* Aluminum Beverage Cans</td>
</tr>
<tr>
<td><strong>Commercial</strong>:</td>
<td></td>
<td>* Cardboard</td>
</tr>
<tr>
<td>1. Loads transported in a passenger vehicle, pickup truck, or trailer with two wheels and a single axle - Accepted free of charge</td>
<td></td>
<td>* Mixed Paper</td>
</tr>
<tr>
<td>2. Other loads accepted at $70.00/ton (2,000 lbs)</td>
<td></td>
<td>* Newspaper</td>
</tr>
<tr>
<td>Approved application and Memorandum of Agreement required prior to delivery.</td>
<td></td>
<td>* Office Paper</td>
</tr>
<tr>
<td><strong>Regular Recyclables generated outside the FNSB</strong>:</td>
<td></td>
<td>* Plastic #1 PET Bottles</td>
</tr>
<tr>
<td><strong>NOT ACCEPTED</strong></td>
<td></td>
<td>* Plastic #2 HDPE Jugs</td>
</tr>
<tr>
<td><strong>Electronic Recyclables</strong></td>
<td></td>
<td>Recyclables must be separated and free of contamination.</td>
</tr>
<tr>
<td><strong>Residential</strong>: Accepted free of charge.</td>
<td></td>
<td><strong>NOTE: NOT A COMPLETE LIST</strong></td>
</tr>
<tr>
<td><strong>Commercial</strong>:</td>
<td></td>
<td>For additional information visit:</td>
</tr>
<tr>
<td>1. [UP TO TEN (10) ITEMS ACCEPTED FREE OF CHARGE] Loads transported in a passenger vehicle, pickup truck, or trailer with two wheels and a single axle - Accepted free of charge.</td>
<td></td>
<td><a href="http://fnsb.us/pw/Pages/CentralRecyclingFacility.aspx">http://fnsb.us/pw/Pages/CentralRecyclingFacility.aspx</a></td>
</tr>
<tr>
<td>2. [TEN (10) ITEMS OR MORE ACCEPTED AT $0.35/ OR $700.00/TON (2,000 LBS).] Other loads accepted at $0.35/lb. or $700.00/ton (2,000 lbs)</td>
<td></td>
<td><strong>Electronic Recyclables include:</strong></td>
</tr>
<tr>
<td>Approved application and Memorandum of Agreement required prior to delivery.</td>
<td></td>
<td>* TV's &amp; Monitors</td>
</tr>
<tr>
<td><strong>Electronic Recyclables generated outside the FNSB</strong>:</td>
<td></td>
<td>* Computers/Laptops/Servers</td>
</tr>
<tr>
<td><strong>NOT ACCEPTED</strong></td>
<td></td>
<td>* Tablets &amp; Smartphones</td>
</tr>
<tr>
<td><strong>CANNOT ACCEPT</strong>: CD/DVD/Floppy Discs, Exit Signs, Light Bulbs, Smoke Alarms, Thermostats, Vacuum Cleaners, Vehicle Batteries, VHS/Cassette Tapes</td>
<td></td>
<td>* Desktop Peripherals</td>
</tr>
</tbody>
</table>

Recycled by the Fairbanks North Star Borough Solid Waste Facility
# APPENDIX E - User Fee Schedule

<table>
<thead>
<tr>
<th>SOLID WASTE MATERIALS</th>
<th>Rate</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Regular Solid Waste</strong></td>
<td>Residential - Accepted free of charge.</td>
<td>Residential: Loads from a &quot;residence in a passenger vehicle, pick-up truck, or a trailer with two wheels and a single axle or four wheels and a double axle will be considered minor loads [IF THE VEHICLE IS NOT REGISTERED IN THE NAME OF A COMPANY OR BUSINESS OR USED FOR COMMERCIAL PURPOSES.]&quot; (FNSBC 21.00.090) Lumber, pipe, cable, etc., must be less than 8 ft. in length. All loads must be tared or secured.</td>
</tr>
<tr>
<td></td>
<td>Commercial $111.00/ton (2,000 lbs)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Regular Solid Waste generated outside the FNSB:</td>
<td></td>
</tr>
<tr>
<td></td>
<td>1. Disposal of less than 25 tons per month of solid waste accepted at 200% of Regular Solid Waste rate ($222.00/ton).</td>
<td></td>
</tr>
<tr>
<td></td>
<td>2. Disposal of more than 25 tons per month of solid waste refer to Request to use Solid Waste Facility form on website. Rate for approved projects will be 200% of Regular Solid Waste rate ($222.00/ton).</td>
<td></td>
</tr>
<tr>
<td><strong>Brush</strong></td>
<td>Residential - All loads accepted free of charge.</td>
<td>Must be free of trash and debris. Refer to the above website for Automobile Disposal Form and requirements.</td>
</tr>
<tr>
<td></td>
<td>Commercial - Same as Regular Solid Waste.</td>
<td></td>
</tr>
<tr>
<td><strong>Junk Automobiles</strong></td>
<td>Residential - Accepted free of charge.</td>
<td>Certificate of removal required to avoid $20.00 charge.</td>
</tr>
<tr>
<td></td>
<td>Commercial - $30.00/each.</td>
<td></td>
</tr>
<tr>
<td><strong>Household Appliances</strong> (washers, dryers, stoves, refrigerators, etc.)</td>
<td>Same as Regular Solid Waste.</td>
<td>Refer to the website for Construction &amp; Demolition Project Application.</td>
</tr>
<tr>
<td></td>
<td>Commercial - Additional $20.00 charge per appliance that contains Freon.</td>
<td></td>
</tr>
<tr>
<td><strong>Mobile Homes</strong></td>
<td>Same as Regular Solid Waste.</td>
<td>Metal pieces etc. must be less than 8 feet in length.</td>
</tr>
<tr>
<td><strong>Scrap Metal</strong></td>
<td>Same as Regular Solid Waste.</td>
<td>Must be clean and have one end completely cut out. Metal containers larger than 500 gallons must be cut into sections no larger than a 500 gallon container.</td>
</tr>
<tr>
<td><strong>Metal Containers</strong> (drums and tanks)</td>
<td>Same as Regular Solid Waste.</td>
<td></td>
</tr>
<tr>
<td><strong>Construction Debris</strong></td>
<td>Same as Regular Solid Waste</td>
<td></td>
</tr>
<tr>
<td><strong>Loader Assistance</strong></td>
<td>Residential - free of charge.</td>
<td>Refer to the above website for a Waste Shipment Manifest prior to disposal. Metal pieces etc. must be less than 8 feet in length.</td>
</tr>
<tr>
<td></td>
<td>Commercial - $2.00/minute.</td>
<td></td>
</tr>
<tr>
<td><strong>Aluminum</strong></td>
<td>Accepted free of charge.</td>
<td></td>
</tr>
<tr>
<td><strong>Asbestos</strong></td>
<td>Asbestos material generated within the FNSB, accepted at $167.00/ton, plus $50.00 flat rate fee per load of asbestos brought to the Solid Waste Facility.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Asbestos material generated outside the FNSB:</td>
<td></td>
</tr>
<tr>
<td></td>
<td>1. Disposal of less than 25 tons per month of asbestos accepted at 200% of Regular Solid Waste rate ($222.00/ton) plus $50.00 flat rate fee per load.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>2. Disposal of more than 25 tons per month of asbestos refer to Request to use Solid Waste Facility form on website. Rate for approved projects will be 200% of Regular Solid Waste Rate ($222.00/ton) plus $50.00 flat rate fee per load.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>*$200.00 flat rate fee for customer caused asbestos discrepancy.</td>
<td></td>
</tr>
</tbody>
</table>

*Recycled by the Fairbanks North Star Borough Solid Waste Facility*
October 3, 2018

Fairbanks North Star Borough Assembly
assembly@fnsb.us

Dear Assembly,

The Commission has reviewed and discussed a proposed ordinance regarding borough recycling fees. We call your attention to the topics discussed below.

PROPOSED DELETION OF DEFINITIONS IN CODE
We question the need to strike several code definitions related to recycling. It seems wise to provide the public, commissioners and staff with definitions related to ideas or issues that may arise in the near future. If concerns exist about definitions in code, perhaps it would be wise to adopt industry-standard definitions of terms used by the Solid Waste Association of North America.

PROPOSED CHANGES TO THE FEE AND ADMINISTRATION
We support the proposed fee waivers for recyclable materials collected by non-profits and for materials collected at public events. We also suggest recycling fees for commercial entities remain below tipping fees creating a financial incentive to recycle. We also encourage investing in a scale to simplify fee transactions like those at the landfill. However, we suggest the Assembly consider an alternate approach to raising funds to generate revenue for the CRF. With additional equipment, such as a horizontal baler and scale, and with greater volume, we believe the cost for recycling will get closer to the cost of the landfill tipping fee.

IMPACT OF THE COMMERCIAL E-WASTE RECYCLING FEE
We are concerned that the new FY19 fee for recyclable commercial e-waste materials is discouraging future recycling and sending those materials to the landfill. The new $700 fee is several orders of magnitude greater than the $111 solid waste landfill tipping fee commercial entities currently pay. As we predicted in an April 2018 letter to you, the e-waste tonnage has dropped substantially in FY19. We believe the FY19 e-waste recycling fee is the cause. Perhaps a better approach, as we suggested in April, is a ban on e-waste at transfer stations and the landfill. This could be implemented in phases. E-waste contains valuable materials that are not renewable and can be recycled. We encourage the administration and the assembly to prevent e-waste from being lost in our landfills.

We thank Mayor Kassel and the Assembly for their tremendous support of reducing waste in our community.

Sincerely yours,

Sustainability Commission
Brett Parks, Chair
John Davies
Jimmy Fox
Morgan Hough

Ariane Glover, Vice-Chair
Wyatt Hurlbut
Karl Monetti

cc: Mayor Karl Kassel
MEMORANDUM

To: Assembly Members

Through: Bryce J. Ward, Borough Mayor

From: David Bredlie, Public Works Director

Date: April 11, 2019

Subject: Ordinance No. 2019-21
Updating the Goal of the Multi-Year and Capital Projects Budget

Attached for your approval is a proposed ordinance to amend the goal of the Multi-Year and Capital Projects Budget to provide an exception for small capital projects, less than $50,000, carried out by the Facilities Maintenance division to allow such projects to be included in the Public Works department budget rather than the Multi-Year and Capital Projects budget.

Attachment
FAIRBANKS NORTH STAR BOROUGH

ORDINANCE NO 2019- 21

AN ORDINANCE AMENDING THE FY 2018-19 BUDGET BY UPDATING THE GOAL OF THE MULTI-YEAR AND CAPITAL PROJECTS BUDGET

WHEREAS, In Ordinance No. 2018-20, the Assembly approved the FY2018-19 Budget Document; and

WHEREAS, The FY 2018-19 Budget Document, on page 341, states that “The goal of the Multi-Year and Capital budget is to provide funding, for non-road service area projects (road service areas have their own definition of a project) of $20,000 or more, that may cross fiscal years and for small non-major capital projects, and/or larger dollar value equipment requests which have a useful life of five or more years;” and

WHEREAS, The $20,000 limitation has been in place since FY 2005-06; and

WHEREAS, For buildings and improvements other than buildings (such as landscaping and parking lots), the Borough’s capitalization threshold is $50,000 and allowing small projects in the Facilities Maintenance division up to $50,000 would be prudent, judicious, and practical; and

WHEREAS, It is important to understand that the capitalization thresholds and limitations for accounting and budgeting purposes are separate and distinct from the procurement requirements of the Fairbanks North Star Borough Code of Ordinances, the Borough’s procurement policies, and the General Services’ Procurement Handbook.

AMENDMENTS ARE SHOWN IN LEGISLATIVE FORMAT
Text to be added is underlined
Text to be deleted is [BRACKETED, CAPITALIZED]
NOW, THEREFORE, BE IT ORDAINED by the Assembly of the Fairbanks North
Star Borough:

Section 1. Classification. This ordinance is not of a general and permanent
nature and shall not be codified.

Section 2. Amendment to Multi-Year and Capital Projects Budget Goal.
The FY 2018-19 Budget Document, page 341 of the Multi-Year and Capital Projects
Summary, Goal, first paragraph is amended as follows:
The goal of the Multi-Year and Capital budget is to provide funding, for non-
road service area projects (road service areas have their own definition of a
project) of $20,000 or more, that may cross fiscal years and for small non-
major capital projects, and/or larger dollar value equipment requests which
have a useful life of five or more years, except for small projects of less
than $50,000 in the budget of the Public Works department, Facilities
Maintenance division. Major capital projects are normally appropriated
through a supplemental appropriation, and are not part of the annual
operating budget.

Section 3. Effective Date. This ordinance shall be effective at 5:00 p.m. on
the first Borough business day following its adoption.

PASSED AND APPROVED THIS ____ DAY OF __________, 2019.

Matt Cooper
Presiding Officer

AMENDMENTS ARE SHOWN IN LEGISLATIVE FORMAT
Text to be added is underlined
Text to be deleted is [BRACKETED, CAPITALIZED]
ATTEST:

April Trickey, CMC
Borough Clerk

APPROVED:

Jill S. Dolan
Borough Attorney
MEMORANDUM

To: Fairbanks North Star Borough Assembly
From: Bryce Ward, Mayor
Date: April 11, 2019
Subject: Ordinance No. 2018-20-1Z
2020 Census Complete Count Committee

Attached is an ordinance establishing a project fund that would be used to stand up and staff a 2020 Census Complete Count Committee.

The 2020 Census is approaching and it's important to get a thorough and accurate count of the Fairbanks community. Population totals will determine many future outcomes, to include U.S. Congressional and State Legislative districting and federal/state formula funding. In addition, an accurate census count will help federal, state and local officials understand how our community is changing.

The Mayor's office is proposing, on recommendation of best practice from the U.S. Census Bureau, to form a 2020 Census Complete Count Committee. If approved, the Complete Count Committee will function out of the Mayor's office, and the committee chairperson would be a part-time casual employee. The project level of effort is estimated to be 1,200 hours. Work is projected to begin in July 2019 and is expected to end in early May 2020. Complete Count Committee Members, in addition to the Mayor's office chairperson, are likely to be community leaders from local non-profit organizations, education, Tribes, utilities, military bases, and local municipal government.

I urge your support of this important project and ordinance adoption.

Attachment: Ordinance
FAIRBANKS NORTH STAR BOROUGH

ORDINANCE NO. 2018-20-1Z

AN ORDINANCE AMENDING THE FY 2018-19 BUDGET BY APPROPRIATING $61,200 FROM THE GENERAL FUND FUND BALANCE TO THE MULTI-YEAR GENERAL SUBFUND FOR THE 2020 CENSUS COMPLETE COUNT COMMITTEE PROJECT

WHEREAS, The U.S. Census results in a complete count of the population and is required by the Constitution of the United States of America; and

WHEREAS, The next U.S. Census will happen in 2020; and

WHEREAS, The final Census count data will be used to determine many important factors that significantly influence communities, such as U.S. Congressional and Statewide legislative districting, community development, education, transportation, social services, and more; and

WHEREAS, In 2010, the Fairbanks North Star Borough Assembly adopted Resolution No. 2010-20, which highlighted a significant discrepancy between the 2008 State of Alaska’s Fairbanks North Star Borough’s population estimate of 93,779 and the U.S. Census Bureau’s 2010 Fairbanks North Star Borough count of 98,660; and

WHEREAS, Resolution No. 2010-20 affirmed the U.S. Census Bureau’s population estimate to be a reliable data source; and
WHEREAS, Undercounting the Fairbanks North Star Borough’s 2010 census count population by 4,881 residents would have resulted in profoundly negative economic and social impacts for the Fairbanks community for an entire decade; and

WHEREAS, It is vitally important to accurately count and report the Fairbanks North Star Borough population during the upcoming 2020 census; and

WHEREAS, The U.S. Census Bureau recommends community leaders form Complete Count Committees in order to engage and motivate community residents to participate in the census, ultimately achieving an accurate and thorough population count; and

WHEREAS, Complete Count Committees are typically organized by tribal, state, or local governments and comprised of volunteer community leaders as committee members and typically led by a community’s highest elected or appointed official; and

WHEREAS, Economic Development is a conferred non-areawide power of the Fairbanks North Star Borough (Borough) and the Mayor’s office oversees the Borough’s economic development functions; and

WHEREAS, The estimated level of staff effort to chair a 2020 Census Complete Count Committee will be 1,200 hours and if situated in the Mayor’s office, the intent is to staff the committee chair work to a casual, part-time employee; and

WHEREAS, It is in the best economic interest of the Fairbanks community to stand up a 2020 Census Complete Count Committee in the Borough Mayor’s office.
NOW, THEREFORE, BE IT ORDAINED by the Assembly of the Fairbanks North Star Borough:

Section 1. Classification. This ordinance is not of a general and permanent nature and shall not be codified.

Section 2. General Fund Appropriation. The FY 2018-19 budget is hereby amended by appropriating $61,200 to the General Fund budgetary guideline entitled "Contribution to Multi-Year General Subfund" and by increasing Contribution from Fund Balance by a like amount.

Section 3. Multi-Year General Subfund Appropriation. The FY 2018-19 budget is hereby amended by appropriating $61,200 to the Multi-Year General Subfund budgetary guideline entitled "2020 Census Complete Count Committee" and by increasing Contribution from General Fund by a like amount.

Section 4. Lapse of Funds. Upon completion or abandonment of the project, any unexpended, unencumbered funds will lapse to the fund balance of the General Fund.

Section 5. Effective Date. This ordinance shall be effective at 5:00 p.m. on the first Borough business day following its adoption.

PASSED AND APPROVED THIS _____ DAY OF __________, 2019.

__________________________________________
Matt Cooper
Presiding Officer

AMENDMENTS ARE SHOWN IN LEGISLATIVE FORMAT
Text to be added is underlined
Text to be deleted is [BRACKETED, CAPITALIZED]
ATTEST:

April Trickey, CMC
Borough Clerk

APPROVED:

Jill S. Dolan
Borough Attorney

AMENDMENTS ARE SHOWN IN LEGISLATIVE FORMAT
Text to be added is underlined
Text to be deleted is [BRACKETED, CAPITALIZED]
FAIRBANKS NORTH STAR BOROUGH
FISCAL NOTE

I. Request

Ordinance No: 2018-20-1Z Date Introduced: April 11, 2019

Abbreviated Title: Appropriating $61,200 from the General Fund Fund Balance to the Multi-Year General Subfund for the 2020 Census Complete Count Committee Project

II. Financial Detail

Department/Division Affected: Mayor's Office

<table>
<thead>
<tr>
<th>EXPENDITURE</th>
<th>General Fund FY 18/19</th>
<th>Multi-Year General Subfund FY 18/19</th>
<th>Total FY 18/19</th>
</tr>
</thead>
<tbody>
<tr>
<td>Awaiting Budget</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Contractual Services</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Contribution to Multi-Year Subfund</td>
<td>61,200</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>61,200</td>
<td>61,200</td>
<td></td>
</tr>
</tbody>
</table>

SOURCE OF FUNDING

| Contribution from General Fund       | 61,200                |                                    |                |
| Contribution from Fund Balance       | 61,200                |                                    |                |
| State Grants                         |                       |                                    |                |
| Total                                | 61,200                | 61,200                             |                |

Specify Funding Sources: General Fund fund balance

OTHER FUNDING (PREVIOUSLY APPROPRIATED)


III. Project Purpose:

To establish the 2020 Census Complete Count Committee project

IV. Analysis of Future Liabilities and Funding Sources:

None

V. Fund Certification: I certify that funding sources are available as detailed in II above.

Debra L. R. Brady
Chief Financial Officer

Date: 3/18/19
Fairbanks North Star Borough  
Fiscal Impact Statement (FIS) (FNSBC 2.09.035 C.)

Originator's Name: Jim Williams  
Department: Mayor's

To Be Introduced/Sponsored By: Mayor Ward

Abbreviated Ordinance Title: 2020 Census Complete Count Committee

Department(s)/Division(s) Affected: Mayor, Community Planning

Proposed Introduction Date: April 11, 2019  
Ordinance No.: 2018-20-17

Does this ordinance authorize:
1) a new or expansion of services which entails additional costs beyond that approved in the current adopted budget? Yes  No √ *
2) a project that is capital in nature and increases operational costs of the Borough in the current or any future fiscal year? Yes  No √ *

<table>
<thead>
<tr>
<th>Required Information/Estimates</th>
<th>FISCAL IMPACT PRO FORMA SUMMARY - BEST ESTIMATE</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Timeline inclusive of all phases</td>
<td>FY 2018 / 19</td>
</tr>
<tr>
<td>2. Number and type of new positions which may be required</td>
<td>none</td>
</tr>
<tr>
<td>3. Cost of operations and maintenance</td>
<td>$0.00</td>
</tr>
<tr>
<td>4. Future costs to complete capital assets</td>
<td>$0.00</td>
</tr>
<tr>
<td>5. Estimated revenue impact</td>
<td>$0.00</td>
</tr>
<tr>
<td>6. Estimated non-Borough funds that may be received:</td>
<td></td>
</tr>
<tr>
<td>a. to fund the ordinance</td>
<td>$0.00</td>
</tr>
<tr>
<td>b. to fund future phases</td>
<td>$0.00</td>
</tr>
<tr>
<td>c. to fund future operations and maintenance costs</td>
<td>$0.00</td>
</tr>
<tr>
<td>7. Anticipated annual tax subsidy</td>
<td>$0.00</td>
</tr>
</tbody>
</table>

Is backup attached? Yes  No √ *

Contact Person's Name, for FIS questions: Jim Williams  
Extension: 1305

Director(s) Signature(s):  
Date:

Mayor's Office or Assembly Member Signature:  
Date: 3/13/19

Chief Financial Officer Signature:  
Date: 3/18/19
Ordinance 2018-20-1Z

2020 Census Complete Count Committee

Jim Williams
FNSB Chief of Staff

April 17, 2019
2020 Census is Coming!

- Census Day is April 1, 2020

- Everyone needs to be counted!

- Informed Citizens = Increased Participation

- Complete Count Committee’s are key
What is a Complete Count Committee?

- Team of local leaders, aware of unique counting barriers
- Know the best ways to reach community
- Formed by Tribal, State, Local Governments
- Goal: count everyone once, and only once
2020 Census Timelines

2018
- Local Update of Census Addresses (LUCA) Operations
- Start Complete Count Committee Training

2019
- Establish Complete Count Committee
- Open Area Census Office
- Establish Area Count Strategy and Work Plans

2020
- Begin Census Mobilization (Advertising, Organization)
- April 1, Conduct Census
- Wrap up – Lessons Learned – Close Project
2020 FNSB CCC Structure (DRAFT)

Committee Chair

- Community
- Military & Government
- Education
- Communications

CCC Branding Ideas:
- Future of the Golden Heart
- Golden Heart - Where Everyone Counts
- Golden Heart - Everyone Counts
- Everyone Counts in the Golden Heart
- Tanana Valley Complete Count Committee
What 2018-20-1Z Accomplishes

- Funds 1 Part-time/Temp Employee
- Mayor’s Office
- “Complete Count Committee – Chairperson”
- Estimated 1200 hours level of effort
- Start: ~July 2019
- End: ~May 2020
- Will cover nominal meeting expenses
Memorandum

To: Fairbanks North Star Borough Assembly

From: Glenn Miller, Transportation Director

Through: Bryce Ward, Fairbanks North Star Borough Mayor

Date: April 11, 2019

Subject: Ordinance 2018-20-2A
Vehicle and Equipment Fleet Fund (VEFF) Additional Funding

The Borough Assembly authorized and appropriated a total of $616,110 for vehicle and equipment replacement in the fiscal year 2018-19 budget within the Vehicle and Equipment Fleet Fund to purchase a total of 13 items. A number of vehicle costs were higher than anticipated which resulted in insufficient available funds to complete all purchases authorized in the 2018-19 fiscal year budget.

An additional appropriation of $16,330 is necessary to complete the purchases and acquisition of all the authorized equipment listed in the current budget. Equipment identified for replacement has reached the end of its useful life and will experience higher than acceptable maintenance costs and/or become unreliable to depend upon for assigned tasks.

I urge the adoption of this ordinance.
FAIRBANKS NORTH STAR BOROUGH

ORDINANCE NO. 2018–20–2A

AN ORDINANCE AMENDING THE FY 2018-19 BUDGET BY APPROPRIATING $16,330 FROM THE VEHICLE AND EQUIPMENT FLEET FUND UNRESTRICTED NET POSITION TO PROVIDE ADDITIONAL FUNDING FOR THE PURCHASE OF VEHICLES AND EQUIPMENT

WHEREAS, Insufficient funds within the Vehicle and Equipment Fleet Fund (VEFF) division budget exist to complete purchases of vehicles and equipment authorized by the assembly in the fiscal year 2018-19 budget; and

WHEREAS, Several vehicle purchases authorized in the fiscal year 2018-19 budget exceeded budgeted costs creating a shortage of available funds for total equipment purchases.

NOW, THEREFORE, BE IT ORDAINED by the Assembly of the Fairbanks North Star Borough:

Section 1. Classification. This ordinance is not of a general and permanent nature and shall not be codified.

Section 2. Vehicle and Equipment Fleet Fund Appropriation. The FY 2018-19 budget is hereby amended by appropriating $16,330 to the Vehicle and Equipment Fleet Fund budgetary guideline entitled “Capital Outlay” and by increasing Contribution from Unrestricted Net Position by a like amount.
Section 3. Effective Date. This ordinance is effective at 5:00 p.m. on
the first Borough business day following its adoption.

PASSED AND APPROVED THIS _____ DAY OF __________, 2019.

Matt Cooper
Presiding Officer

ATTEST:

April Trickey, CMC
Borough Clerk

APPROVED:

Jill S. Dolan
Borough Attorney
I. Request

Ordinance No: 2018-20-2A  Date Introduced:  April 11, 2019

Abbreviated Title: Appropriating $16,330 from the Vehicle and Equipment Fleet Fund Unrestricted Net Position for Additional Funding for the Purchase of Vehicles and Equipment

II. Financial Detail

Department/Division Affected: Transportation/Vehicle and Equipment Fleet

<table>
<thead>
<tr>
<th>EXPENDITURE</th>
<th>Vehicle &amp; Equipment Fleet Fund</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>FY 18/19</td>
<td>FY 18/19</td>
</tr>
<tr>
<td>Commodities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Contractual Services</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Capital Outlay</td>
<td>16,330</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>16,330</td>
<td></td>
</tr>
</tbody>
</table>

SOURCE OF FUNDING

<p>| | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Federal Grants</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Contribution from Unrestricted Net Position</td>
<td>16,330</td>
<td></td>
</tr>
<tr>
<td>State Grants</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>16,330</td>
<td></td>
</tr>
</tbody>
</table>

Specify Funding Sources: Vehicle and Equipment Fleet Fund unrestricted net position

OTHER FUNDING (PREVIOUSLY APPROPRIATED)

| Ord. No. 2018-20 | 616,110 |

III. Project Purpose:

To provide additional funding for the purchase of vehicles and equipment

IV. Analysis of Future Liabilities and Funding Sources:

Ongoing vehicle and equipment maintenance

V. Fund Certification: I certify that funding sources are available as detailed in II above.

Debra L. R. Brady
Chief Financial Officer

3/18/19

Date
Fairbanks North Star Borough Fiscal Impact Statement (FIS) (FNSBC 3.20.010 C.)

Originator’s Name: Robert Wells  Department: Transportation

To Be Introduced/Sponsored By: Mayor Bryce Ward

Abbreviated Ordinance Title: Appropriating $16,330 from VEFF to the Transit Dept. VEFF Division Budget

Department(s)/Division(s) Affected: Transportation, Vehicle Fleet Fund

Proposed Introduction Date: April 11, 2019  Ordinance No.: 2018-20-2A

Does this ordinance authorize:
1) a new or expansion of services which entails additional costs beyond that approved in the current adopted budget?  Yes ☑  No ☑
2) a project that is capital in nature and increases operational costs of the Borough in the current or any future fiscal year?  Yes ☑  No ☑

<table>
<thead>
<tr>
<th>Required Information/Estimates</th>
<th>FISCAL IMPACT PRO FORMA SUMMARY - BEST ESTIMATE</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>FY 2018 / 19</td>
</tr>
<tr>
<td>1. Timeline inclusive of all phases</td>
<td>0</td>
</tr>
<tr>
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<td>$0.00</td>
</tr>
</tbody>
</table>

Is backup attached?  Yes ☑  No ☑

Contact Person’s Name, for FIS questions: Robert Wells  Extension: 1012

Director(s) Signature(s):  March 15, 2019

Mayor’s Office or Assembly Member Signature:  Debra L. Brady  Date: 3/18/19

Chief Financial Officer Signature:  Debra L. Brady  Date: 3/18/19
FAIRBANKS NORTH STAR BOROUGH

RESOLUTION NO. 2019 – 19

A RESOLUTION SUPPORTING HB 81 AN ACT PROHIBITING DISPOSABLE PLASTIC SHOPPING BAGS; AND PROVIDING FOR AN EFFECTIVE DATE

WHEREAS, Representative Josephson introduced HB 81, proposing to add a new section to AS 46.06 prohibiting disposable plastic shopping bags, and providing for an effective date; and

WHEREAS, The use of disposable plastic shopping bags in the State of Alaska burdens the environment, endangers wildlife, and has been shown to be harmful to bodies of water and problematic for solid waste management; and

WHEREAS, Plastic bags are toxic, take hundreds of years to decompose or degrade, easily escape from consumers, trash containers, garbage trucks, and landfills, and contaminate the State of Alaska’s natural environment and scenery where land mammals, fish and birds eat or become entangled in them; and

WHEREAS, Switching from free disposable plastic shopping bags to reusable shopping bags is a valid alternative that effectively reduces plastic bag usage and promotes environmental stewardship and sustainability; and

WHEREAS, To decrease the use of disposable plastic shopping bags in the State of Alaska, it is necessary and reasonable to restrict and mitigate such use; and

WHEREAS, It is in the best interest of the health, safety and welfare of all residents and visitors to restrict the use of disposable plastic shopping bags;
NOW THEREFORE BE IT RESOLVED that the Assembly of the Fairbanks North Star Borough urges the Alaska State Legislature to pass House Bill 81.

BE IT FURTHER RESOLVED that a copy of this resolution shall be distributed to the Alaska State Legislature.

PASSED AND APPROVED THIS ___ DAY OF _____________, 2019.

__________________________________________
Matt Cooper
Presiding Officer

ATTEST:

__________________________________________
April Trickey, CMC
Borough Clerk
HOUSE BILL NO. 81

IN THE LEGISLATURE OF THE STATE OF ALASKA

THIRTY-FIRST LEGISLATURE - FIRST SESSION

BY REPRESENTATIVE JOSEPHSON

Introduced: 3/6/19
Referred: Community and Regional Affairs, Labor and Commerce

A BILL

FOR AN ACT ENTITLED

"An Act prohibiting disposable plastic shopping bags; and providing for an effective date."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

* Section 1. AS 46.06 is amended by adding a new section to read:

Sec. 46.06.145. Shopping bags. (a) Except as provided in (b) of this section, a retail seller of goods or services may not provide a disposable plastic shopping bag to a purchaser to carry away or protect goods purchased from, or serviced by, the retail seller.

(b) The prohibition established in (a) of this section does not apply to a disposable plastic shopping bag that is

(1) used only to contain a product that does not have other packaging, including bulk grains, fruit, nuts, vegetables, meat, candy, bakery goods, prepared foods, or other food products or small hardware items;

(2) used only to contain ice;
(3) used only to contain or wrap flowers;
(4) provided by a pharmacist for the sole purpose of containing
prescription drugs;
(5) used only to package an unconsumed portion of a bottle of wine in
compliance with AS 04.16.120;
(6) used only to contain a newspaper;
(7) sold in packages containing multiple bags intended for use as
garbage, pet waste, or yard waste bags; or
(8) a reusable bag.

(c) The department may assess an administrative fine against a retail seller that
violates (a) of this section. An administrative fine under this subsection may not
exceed

(1) $250 for a first violation;
(2) $500 for a second violation within one year; and
(3) $750 for each violation after a second violation within one year.

(d) In this section,
(1) "disposable plastic shopping bag" means a bag made exclusively or
partially of plastic, other than a reusable bag;
(2) "retail seller" includes
(A) a market, grocery store, convenience store, drug store, or
similar establishment that
(i) is located in a permanent building;
(ii) sells to consumers household supplies, perishable
items, or food merchandise, including meat, produce, dairy products, or
snack foods; or
(B) a retail establishment that has annual gross sales of
$250,000 or more in the previous calendar year;
(3) "reusable bag" means a bag that
(A) is designed and manufactured to withstand repeated use
over time;
(B) is machine washable or is made from material that can be
cleaned and disinfected regularly;

(C) if it is made from plastic, is made with plastic that is at least four mils thick; and

(D) is designed to have a minimum lifetime of 75 uses.

*Sec. 2.* This Act takes effect January 1, 2021.
MEMORANDUM

To: Fairbanks North Star Borough Assembly

Through: Bryce Ward, Mayor

From: Debra L. R. Brady, Chief Financial Officer

Date: April 25, 2019

Subject: Resolution No. 2019-21

Attached for your approval is a proposed resolution approving certain unincorporated communities and their respective incorporated nonprofit entity for participation in the FY 2020 Community Assistance Program. In accordance with AS 29.60.865 and 3 AAC 180.010, written evidence of Assembly approval is required.

I recommend adoption of this resolution.

Attachment
FAIRBANKS NORTH STAR BOROUGH

RESOLUTION NO. 2019 - 21

A RESOLUTION APPROVING CERTAIN UNINCORPORATED COMMUNITIES AND THEIR RESPECTIVE INCORPORATED NONPROFIT ENTITY/ENTITIES FOR PARTICIPATION IN THE FY 2019-2020 COMMUNITY ASSISTANCE PROGRAM

WHEREAS, AS 29.60.865 and 3 AAC 180.010 require the assembly of a borough to adopt a resolution identifying those unincorporated communities located within their municipal boundaries that the assembly determines meet the Community Assistance Program eligibility criteria established under AS 29.60.865, AS 29.60.879, and 3 AAC 180.110; and

WHEREAS, The unincorporated community has an incorporated nonprofit entity that will agree to receive and spend the Community Assistance payment for the public benefit of the unincorporated community; and

WHEREAS, The unincorporated community has 25 or more residents residing as a social unit; and

WHEREAS, At least three of the following services; fire protection, emergency medical, water and sewer, solid waste management, public road or ice road maintenance, public health, and search and rescue; are generally available to all residents of the unincorporated community and each of the three services, in any combination, are provided by one or more qualifying incorporated nonprofit entities or are substantially paid for by the residents of the unincorporated community through taxes, charges, or assessments levied or authorized by the Borough.
NOW, THEREFORE, BE IT RESOLVED by the Assembly of the Fairbanks North Star Borough:

Section 1. Certification. The Fairbanks North Star Borough Assembly, by this resolution, hereby certifies that the following unincorporated communities and their respective incorporated nonprofit entity/entities are eligible for funding under the FY 2019-2020 Community Assistance Program:

<table>
<thead>
<tr>
<th>Unincorporated Community</th>
<th>Nonprofit Entity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chena Hot Springs</td>
<td>Steese Area Volunteer Fire Department, Inc.</td>
</tr>
<tr>
<td>Ester</td>
<td>Ester Community Association, Inc.</td>
</tr>
<tr>
<td></td>
<td>Ester Volunteer Fire Department, Inc.</td>
</tr>
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<td></td>
<td>John Trigg Ester Library</td>
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<tr>
<td>Ester Dome</td>
<td>Chena-Goldstream Fire and Rescue, Inc.</td>
</tr>
<tr>
<td>Fox</td>
<td>Fox Lions Club, Inc.</td>
</tr>
<tr>
<td>Goldstream</td>
<td>North Star Community Foundation</td>
</tr>
<tr>
<td></td>
<td>Chena-Goldstream Fire and Rescue, Inc.</td>
</tr>
<tr>
<td></td>
<td>Goldstream Valley Lions Club, Inc.</td>
</tr>
<tr>
<td>Haystack/Chatanika</td>
<td>Steese Area Volunteer Fire Department, Inc.</td>
</tr>
<tr>
<td>Moose Creek</td>
<td>North Star Volunteer Fire Department, Inc.</td>
</tr>
<tr>
<td>North Pole Community</td>
<td>North Pole Lions Foundation, Inc. (dba Aurora Borealis Lions Eyeglass Recycling &amp; Vision Center)</td>
</tr>
<tr>
<td></td>
<td>Santa's Senior Center Corporation, Inc.</td>
</tr>
<tr>
<td>Ptarmigan Heights</td>
<td>Ptarmigan Heights Utilities, Inc.</td>
</tr>
<tr>
<td>Salcha</td>
<td>Salcha Fair Association, Inc.</td>
</tr>
<tr>
<td></td>
<td>Salcha Fire &amp; Rescue Inc.</td>
</tr>
<tr>
<td></td>
<td>Senior Citizens of Interior Alaska, Inc.</td>
</tr>
<tr>
<td>Two Rivers/Pleasant Valley</td>
<td>Pleasant Valley Community Association</td>
</tr>
</tbody>
</table>

Section 2. Contingency. Distribution of funds to each entity is contingent upon the entity being considered active and in good standing with the Alaska Department of Commerce, Community, and Economic Development.
PASSED AND APPROVED THIS ____ DAY OF ________, 2019.

Matt Cooper
Presiding Officer

APPROVED:

Jill S. Dolan
Borough Attorney

ATTEST:

April Trickey, MMC
Borough Clerk
MEMORANDUM

TO: Fairbanks North Star Borough Assembly

THROUGH: Bryce J. Ward, Borough Mayor
Ivar Halvarson, Director Assessing

FROM: Sandra Mota, Land Manager

DATE: April 25, 2019

SUBJECT: ORDINANCE NO. 2019- 22

AN ORDINANCE AUTHORIZING THE MAYOR TO ENTER INTO A LEASE AGREEMENT AT LESS THAN FAIR MARKET VALUE WITH THE SALCHA FAIR ASSOCIATION, INC. ON BOROUGH LAND IDENTIFIED AS TRACT D, GRIEME FARM SUBDIVISION (Richardson Hwy MP 332)

The attached Ordinance requests authorization for the Mayor to enter into a 4 year term lease at less than fair market value with the Salcha Fair Association, Inc. (Salcha Fair).

Salcha Fair first entered into a lease agreement with the Fairbanks North Star Borough in March of 1990 within this same Tract D, Grieme Farm Subdivision. In 2002 they received Assembly approval to expand their leased footprint by 21.26 acres to the present usage of 36.26 acres, encompassing all of Tract D.

Through the years Salcha Fair has been awarded State grant funding to assist with the construction and maintenance of the various recreational facilities located on the premises. They are responsible for all utilities and maintenance on the premises to include watering and mowing of the baseball field and fairground. Salcha Fair also operates on the premises the only ADEC regulated potable water well in the community known as Jacob’s Well.

FNSB 20.16.020(D) states the Assembly may authorize the mayor to lease Borough land for less than fair rental value only if the ordinance authorizing the lease contains a finding that the lease is for a compelling public purpose or use and a statement of the facts on which the finding is based. Salcha Fair offers a continuing contribution to the Salcha community by providing a venue for social and recreational, family oriented activities.

We support this ordinance and urge its adoption.
FAIRBANKS NORTH STAR BOROUGH

ORDINANCE NO. 2019 - 22

AN ORDINANCE AUTHORIZING THE MAYOR TO ENTER INTO A LEASE AGREEMENT AT LESS THAN FAIR MARKET VALUE WITH THE SALCHA FAIR ASSOCIATION, INC. ON BOROUGH LAND IDENTIFIED AS TRACT D, GRIEME FARM SUBDIVISION (RICHARDSON HWY MP 332)

WHEREAS, The Fairbanks North Star Borough (Borough) holds good and equitable title to land within Section 18, Township 4 South, Range 4 East, Fairbanks Meridian, described as Tract D, Grieme Farm Subdivision, according to the plat filed April 30, 1999 as Plat No. 99-32 of the Fairbanks Recording District; and

WHEREAS, The Borough and Salcha Fair Association, Inc. (Salcha Fair) entered into their first lease agreement in March of 1990; and

WHEREAS, Operation of Salcha Fair’s facilities on Borough land include a community water well, various vendor fair booths, an outdoor stage, a playground, and a baseball field, providing Salcha residents with an important community gathering place; and

WHEREAS, Salcha Fair has requested a new lease to continue their operations in the Salcha community with an initial term of four (4) years, and two (2) renewal options of four (4) years each; and

WHEREAS, FNSBC 20.16.020(D) states the Assembly may authorize the Mayor to lease Borough land for less than fair rental value only if the ordinance

AMENDMENTS ARE SHOWN IN LEGISLATIVE FORMAT
Text to be added is underlined
Text to be deleted is [BRACKETED, CAPITALIZED]
authorizing the lease contains a finding that the lease is for a compelling public purpose or use and a statement of the facts on which the finding is based; and

WHEREAS, All utilities and maintenance requirements associated with the leased premises will be the full responsibility of Salcha Fair; and

WHEREAS, Land Management has reviewed records for the property and there are no existing mining claims or other third-party interests known to Land Management within the proposed lease area which Land Management believes impact or are impacted by the proposed lease; and

WHEREAS, Those with a known land interest in adjoining properties have been notified of the proposed lease.

NOW, THEREFORE, BE IT ORDAINED by the Assembly of the Fairbanks North Star Borough:

Section 1. Determination of a Compelling Public Purpose or Need. The Assembly hereby finds that granting this lease at less than fair market rental value meets the conditions of a compelling public purpose based upon the following facts:

1. Salcha Fair provides residents of and visitors to the Salcha community with an important venue for recreational, family oriented, and community based activities.

2. Salcha Fair provides the only source of ADEC regulated potable water to the Salcha community by means of a State Grant Funded community water well known as Jacob’s Well.

Section 2. Authorization: The Borough Mayor or his delegate is hereby authorized to take all actions necessary to enter into a new lease with the Salcha Fair
Association, Inc., on the property described as Tract D, Grieme Farm Subdivision as shown on attached Exhibit "A", at a rental rate of one (1) dollar per year, for an initial term of four (4) years, with two (2) renewal options of four (4) years each.

Section 3. Effective Date. This ordinance is effective at 5:00 p.m. on the first Borough business day following its adoption.

PASSED AND APPROVED THIS _____ DAY OF __________, 2019.

______________________________
Matt Cooper
Presiding Officer

ATTEST:

______________________________
April Trickey, CMC
Borough Clerk

APPROVED:

______________________________
Jill S. Dolan
Borough Attorney
AN ORDINANCE AUTHORIZING THE MAYOR TO ENTER INTO A LEASE AGREEMENT AT LESS THAN FAIR MARKET VALUE WITH THE SALCHA FAIR ASSOCIATION, INC. ON BOROUGH LAND IDENTIFIED AS TRACT D, GRIEVE FARM SUBDIVISION (Richardson Hwy MP 332)
MEMORANDUM

TO: Fairbanks North Star Borough Assembly
THRU: Bryce Ward, Borough Mayor
FROM: David Bredlie, Public Works Director
DATE: April 25, 2019
SUBJECT: Ordinance No. 2018-20-2B
School District Facilities Management/Warehouse Building
Water Service Replacement
School District Facilities Maintenance Reserve

Attached for your approval is a proposed budget ordinance. This ordinance amends the FY 2018-19 budget by appropriating $60,000 in additional funding from the School District Facilities Maintenance Reserve (SDFMR) to the Capital Project Fund for replacement of the water service at the School District Facilities Management/Warehouse Building.

In Ordinance No. 2017-20-1U, $120,000 was appropriated for this project, however, bid results for this project showed that additional funding is required.

The Board of Education passed and approved Resolution 2017-16 on June 20, 2017 recommending this project for funding through the SDFMR.

I urge adoption of this ordinance.

Attachment: FNSB Board of Education Resolution 2017-16
FAIRBANKS NORTH STAR BOROUGH

ORDINANCE NO. 2018-20-2B

AN ORDINANCE AMENDING THE FY 2018-19 BUDGET BY APPROPRIATING AN ADDITIONAL $60,000 FROM THE SCHOOL DISTRICT FACILITIES MAINTENANCE RESERVE TO THE CAPITAL PROJECTS FUND FOR SCHOOL DISTRICT FACILITIES MANAGEMENT/WAREHOUSE BUILDING WATER SERVICE REPLACEMENT

WHEREAS, The Fairbanks North Star Borough School District (School District) occupies buildings owned by the Fairbanks North Star Borough (Borough) totaling 2,447,174 square feet; and

WHEREAS, These facilities age and need constant care and maintenance; and

WHEREAS, The water service at the School District Facilities Maintenance/Warehouse building has failed and needs to be replaced; and

WHEREAS, In Ordinance No. 2017-20-1U, the Assembly appropriated $120,000 from the School District Facilities Maintenance Reserve (SDFMR) for the School District Facilities Management/Warehouse Building Water Service Replacement project (Project); and

WHEREAS, Prior bid results obtained by the Borough have shown that additional funding is required for the Project; and

WHEREAS, The Borough Assembly established the SDFMR by Ordinance No. 2009-37 to accumulate funds for major school facilities maintenance, repairs, and

Amendments are shown in legislative format
Text to be added is underlined
Text to be deleted is [BRACKETED, CAPITALIZED]

Fairbanks North Star Borough, Alaska

ORDINANCE NO. 2018-20-

Page 1 of 3
upgrade costs to avoid placing additional burdens on property taxpayers for such purposes; and

WHEREAS, the SDFMR currently has a fund balance of $1,724,881; and

WHEREAS, Ordinance No. 2009-37, Section 3, a non-codified section, states that funds in the SDFMR are "...to be used on projects recommended by the Fairbanks North Star Borough School Board (School Board)"; and

WHEREAS, The School Board passed and approved Resolution No. 2017-16 on June 20, 2017, recommending the Project for funding through the SDFMR.

NOW, THEREFORE, BE IT ORDAINED by the Assembly of the Fairbanks North Star Borough:

Section 1. Classification. This ordinance is not of a general and permanent nature and shall not be codified.


Section 3. Capital Projects Fund Appropriation. The FY 2018-19 budget is hereby amended by appropriating $60,000 to the Capital Projects Fund budgetary guideline entitled "School District Facilities Management/Warehouse Building Water
Service Replacement” and by increasing Contribution from School District Facilities Maintenance Reserve by a like amount.

Section 4. Lapse of Funds. Upon completion or abandonment of the project, the unencumbered, unexpended funds will lapse to the fund balance of the School District Facilities Maintenance Reserve.

Section 5. Effective Date. This ordinance is effective at 5:00 p.m. on the first Borough business day following its adoption.

PASSED AND APPROVED THIS _____ DAY OF __________, 2019.

Matt Cooper  
Presiding Officer

ATTEST:  
APPROVED:  

April Trickey, CMC  
Borough Clerk  
Jill S. Dolan  
Borough Attorney
FAIRBANKS NORTH STAR BOROUGH
FISCAL NOTE

I. Request

Ordinance No: 2018-20- 2B Date Introduced: April 25, 2019

Abbreviated Title: An Additional $60,000 from the School District Facilities Maintenance Reserve to the Capital Projects Fund for School District Facilities Management/Warehouse Building Water Service Replacement

II. Financial Detail

Department/Division Affected: Public Works/Design & Construction

<table>
<thead>
<tr>
<th>EXPENDITURE</th>
<th>School District Facilities Maintenance Reserve</th>
<th>Capital Projects Fund</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Awaiting Budget</td>
<td>FY 18/19</td>
<td>FY 18/19</td>
<td>FY 18/19</td>
</tr>
<tr>
<td>Contractual Services</td>
<td></td>
<td>60,000</td>
<td></td>
</tr>
<tr>
<td>Contribution to Capital Projects Fund</td>
<td>60,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>60,000</td>
<td>60,000</td>
</tr>
</tbody>
</table>

SOURCE OF FUNDING

| Contribution from School District Facilities Maintenance Reserve | 60,000 |
| Contribution from Fund Balance                                     | 60,000 |
| Total                                                               | 60,000  |

Specify Funding Sources: School District Facilities Maintenance Reserve fund balance

OTHER FUNDING (PREVIOUSLY APPROPRIATED)

| Ord. No. 2017-20-1U | 120,000 |

III. Project Purpose:

Additional funding for the School District Facilities Management/Warehouse Building Water Service replacement

IV. Analysis of Future Liabilities and Funding Sources:

Continued maintenance

V. Fund Certification: I certify that funding sources are available as detailed in II above.

[Signature]
Debra L. R. Brady
Chief Financial Officer

3/30/19
**Fairbanks North Star Borough Fiscal Impact Statement (FIS)** (FNSBC 3.20.010 C.)

**Originator's Name:** David Bredlie
**Department:** Public Works

**To Be Introduced/Sponsored By:** Mayor Ward

**Abbreviated Ordinance Title:** School District Facilities Management/Warehouse Water Service Replacement App.

**Department(s)/Division(s) Affected:** Public Works / Design and Construction

---

**Proposed Introduction Date:** April 25, 2019
**Ordinance No.:** 2018-20-2B

---

**Does this ordinance authorize:**
1) a new or expansion of services which entails additional costs beyond that approved in the current adopted budget? **Yes**, **No** ✓  
2) a project that is capital in nature and increases operational costs of the Borough in the current or any future fiscal year? **Yes**, **No** ✓

---

**FISCAL IMPACT PRO FORMA SUMMARY - BEST ESTIMATE**

<table>
<thead>
<tr>
<th>Required Information/Estimates</th>
<th>FY 2020 Re</th>
<th>1st FY of</th>
<th>2nd FY of</th>
<th>3rd FY of</th>
<th>4th FY of</th>
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<tr>
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<td>[Table Content]</td>
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</tr>
</tbody>
</table>

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**Is backup attached?** Yes **No** ✓

**Contact Person's Name, for FIS questions:** David Bredlie
**Extension:** 1360

**Director(s) Signature(s):**

**Date:** 3/4/19

**Mayor's Office or Assembly Member Signature:**

**Date:** 3/11/19

**Chief Financial Officer Signature:**

**Date:** 3/30/19
FAIRBANKS NORTH STAR BOROUGH BOARD OF EDUCATION

RESOLUTION 2017-16:
REQUEST FOR USE OF THE BOROUGH’S
SCHOOL DISTRICT FACILITIES MAINTENANCE RESERVE FUND

WHEREAS, public safety, good maintenance, and energy conservation of all Fairbanks North Star Borough school buildings are consistent goals of the school district; and

WHEREAS, periodic investment in our buildings is one of the best ways to reach these stated goals; and

WHEREAS, the borough has established a school district facilities maintenance reserve fund (SDFMR) for these stated purposes; and

WHEREAS, this is a long-term investment in public facilities; and

WHEREAS, the district would like to work with the borough on completing this major maintenance and construction project;

NOW, THEREFORE, BE IT RESOLVED, the Fairbanks North Star Borough Board of Education requests the Fairbanks North Star Borough Assembly and Mayor approve the following project using the SDFMR as soon as possible:

- New sprinkler/water service to the Facilities Management/Warehouse Building that meets compliance with new Golden Heart Utilities installation requirements (Cost Unknown at this point).

Passed and Approved: June 20, 2017

Heidi Haas, President
Board of Education

ATTEST:

Sharon Tuttle
Executive Assistant to the Board of Education