



FAIRBANKS CITY COUNCIL
REGULAR MEETING MINUTES, AUGUST 24, 2020
FAIRBANKS CITY COUNCIL CHAMBERS
800 CUSHMAN STREET, FAIRBANKS, ALASKA

The City Council convened at 6:30 p.m. on the above date to conduct a Regular Meeting of the Fairbanks City Council at the City Council Chambers, 800 Cushman Street, Fairbanks, Alaska, with Mayor Jim Matherly presiding (remotely) and with the following Council Members in attendance:

Council Members Present: Shoshana Kun, Seat A
 June Rogers, Seat B (remotely)
 Valerie Therrien, Seat C
 Aaron Gibson, Seat D (remotely)
 Jerry Cleworth, Seat E
 David Pruhs, Seat F (remotely)

Absent: None

Also Present: Margarita Bell, Chief Financial Officer(remotely)
 Paul Ewers, City Attorney
 D. Danyielle Snider, City Clerk
 Jeff Jacobson, Public Works Director (remotely)
 Mike Meeks, Chief of Staff
 Kristi Merideth, FECC Manager (remotely)
 Angela Foster-Snow, HR Director (remotely)
 Tod Chambers, Fire Chief (remotely)
 Annie Witt, Warehouse/Records Clerk (remotely)

City Clerk Danyielle Snider read the Mission Statement of the City of Fairbanks.

INVOCATION

The Invocation was given by City Clerk Danyielle Snider.

FLAG SALUTATION

Mayor Matherly asked everyone to join him in the Pledge of Allegiance.

CEREMONIAL MATTERS

Mayor Matherly read aloud a Proclamation honoring Annie Witt for her 43 years and two months of service to the City. He proclaimed August 28, 2020 as Annie Witt Appreciation Day.

Ms. Witt shared that she has enjoyed working at the City and that she would miss everyone. She stated she is looking forward to retirement.

CITIZENS' COMMENTS

Victor Buberger, P.O. Box 58192, Fairbanks – Mr. Buberger stated he does not support the resolution directing funds to Explore Fairbanks. He stated he heard that the organization wrote the resolution and asked if he could do the same for himself. He stated the last thing the City of Fairbanks needs during the pandemic is more tourists. He stated he knows they want money for the Polaris Building and, with unemployment rates so high, there is no reason to even look into demolition of the Polaris Building. Mr. Buberger stated the City budget is supposed to be balanced by the Mayor. He commented that now the alcohol tax may be increased, and the City is just taxing, spending, and giving money away.

John Scherzer, 813 Noble Street, Fairbanks – Mr. Scherzer stated he is the Sales Manager for the Westmark Hotel and Conference Center and serves on the Explore Fairbanks Board. He spoke in support of Resolution No. 4932 and shared how much the hospitality industry has been impacted by the pandemic. He shared statistics and information that supported funding Explore Fairbanks directly with CARES Act funds.

Dawn Murphy, 101 Dunkel Street, Fairbanks – Ms. Murphy stated she is the Director of Finance and Administration at Explore Fairbanks and spoke in support of Resolution No. 4932. Ms. Murphy stated that the tourism industry has been hard hit locally and shared statistics supporting the need for the direct grant to Explore Fairbanks. She stated that prior to the pandemic, there was hope that tourism would exceed that in prior years, and she spoke to losses to hotel/motel tax revenue. She stated that under the current parameters set by the City CARES committee, remarketing expenses are not covered. She stated that Explore Fairbanks has the resources to manage the grant and an independent audit. Ms. Murphy stated that she recently submitted some revised projections to the City CFO of between \$585,000 and \$727,000, depending on the grant requirements. She urged the Council to vote in support of Resolution No. 4932.

Ms. Therrien asked Ms. Murphy to clarify the difference between the projections of \$585,000 and \$727,000. Ms. Murphy stated she had a brief conversation with CFO Bell in regard to use of the funds, but she did not receive anything in writing. She stated that the projections will depend mostly upon some payroll questions that she does not yet have an answer to. **Ms. Therrien** asked Ms. Murphy if she would prefer that the Council vote on the resolution right away or postpone the resolution until she has more information. Ms. Murphy stated she would prefer if the Council voted right away.

Deb Hickok, 101 Dunkel Street, Fairbanks – Ms. Hickok stated she is the Chief Executive Officer of Explore Fairbanks and that she is attending to speak in favor of Resolution No. 4932. She reiterated that remarketing expenses are covered under CARES Act funds. She explained that the City of Anchorage recently appropriated \$2 million of its CARES Act funds directly to Visit Anchorage for remarketing. She stated that the MatSu Borough also recently allocated funds to the MatSu Convention and Visitors Bureau to address the hard-hit sector of the economy. Ms. Hickok stated that Explore Fairbanks has been working on a multi-pronged remarketing campaign targeting the travelling public. She stated that the Explore Fairbanks team has been providing regular reports to the City Council on their efforts, and Explore Fairbanks has a 41-year funding history with the City of Fairbanks. She stated that the City and Explore Fairbanks are longtime partners, and Explore Fairbanks is the marketing arm of the City. She stated Explore Fairbanks

works with the City on many different levels, and it and other organizations have drafted resolutions for the City of Fairbanks in the past.

Hearing no more requests for comment, **Mayor Matherly** declared Citizens' Comments closed.

APPROVAL OF AGENDA AND CONSENT AGENDA

Mr. Cleworth, seconded by **Ms. Therrien**, moved to APPROVE the Agenda and Consent Agenda.

Mayor Matherly pulled the Memorandum from the CARES Act Fund Committee and Resolution No. 4932 from the Consent Agenda, and he requested that the two items be discussed together.

Mayor Matherly called for objection to the requested changes and, hearing none, so ORDERED.

Mayor Matherly requested to WITHDRAW Ordinance No. 6139 from the Agenda; he stated the City Administration needs to work with more the unions prior to introducing the ordinance.

Mayor Matherly called for objection to WITHDRAWING Ordinance No. 6139 from the Agenda and, hearing none, so ORDERED.

Mr. Cleworth pulled Resolution No. 4933 and Ordinance No. 6140 from the Consent Agenda.

Mr. Pruhs pulled Resolution No. 4934 from the Consent Agenda.

Mayor Matherly called for objection to the APPROVAL of the Agenda, as Amended, and, hearing none, so ORDERED.

City Clerk Snider read the Consent Agenda, as Amended, into the record.

APPROVAL OF PREVIOUS MINUTES

a) Regular Meeting Minutes of July 27, 2020.

APPROVED on the CONSENT AGENDA.

SPECIAL ORDERS

a) The Fairbanks City Council heard interested citizens concerned with the following Marijuana License Applications for Renewal:

Lic. #	DBA	License Type	Licensee	Address
14467	Tanana Herb Company, LLC	Standard Marijuana Cultivation Facility	Tanana Herb Company, LLC	1200 Well Street

10131	Pakalolo Supply Company, Inc.	Retail Marijuana Store	Pakalolo Supply Company, Inc.	1851 Fox Avenue
10230	Pakalolo Supply Company, Inc.	Standard Marijuana Cultivation Facility	Pakalolo Supply Company, Inc.	1851 Fox Avenue

Mr. Gibson, seconded by **Ms. Kun**, moved to WAIVE PROTEST on the Marijuana License Applications for Renewal.

Mayor Matherly called for public comment and, hearing none, declared Public Testimony closed.

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO WAIVE PROTEST ON THE LIQUOR LICENSE APPLICATIONS FOR RENEWAL AS FOLLOWS:

YEAS: Pruhs, Therrien, Kun, Cleworth, Gibson, Rogers

NAYS: None

Mayor Matherly declared the MOTION CARRIED.

- b) The Fairbanks City Council heard interested citizens concerned with the following Liquor License Application for Transfer of Controlling Interest:

Type: Package Store, License #4076

DBA: Brown Jug – Fairbanks

Applicant: Liquor Stores USA North, Inc.

Location: 559 Harold Bentley Drive, Fairbanks

Ms. Therrien, seconded by **Ms. Rogers**, moved to WAIVE PROTEST on the Liquor License Application for Transfer of Controlling Interest.

Stephanie Meier, Seattle, WA – Ms. Meier stated that there are no changes to the business premises or operations. She stated it is a transfer of controlling interest only.

Ms. Rogers thanked Ms. Meier for making herself available.

Hearing no more requests for comment, **Mayor Matherly** declared Public Testimony closed.

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO WAIVE PROTEST ON THE LIQUOR LICENSE APPLICATION FOR TRANSFER OF CONTROLLING INTEREST AS FOLLOWS:

YEAS: Therrien, Rogers, Pruhs, Gibson, Kun, Cleworth

NAYS: None

Mayor Matherly declared the MOTION CARRIED.

- c) The Fairbanks City Council heard interested citizens concerned with the following New Liquor License Application and Restaurant Designation Permit:

Type: Restaurant/Eating Place, License #5926
DBA: FatBurger
Applicant: Arctic Monty, LLC
Location: 3548 Airport Way, Fairbanks

Ms. Kun, seconded by **Mr. Gibson**, moved to WAIVE PROTEST on the New Liquor License Application and Restaurant Designation Permit.

Dala Thomas, 1133 North Star Drive, North Pole – Ms. Thomas introduced herself as the owner of FatBurger. She stated she is attending in case there are any questions.

Ms. Therrien stated that she has noticed how busy the restaurant has been and asked Ms. Thomas to speak to their procedures regarding COVID-19. Ms. Thomas stated they are not limiting the number of patrons, but patrons seem to be limiting themselves by sitting in their cars. She stated the restaurant is also doing phone orders and working with Door Dash. She stated employees are required to wear masks, but masks are not mandated for patrons. **Ms. Therrien** asked what kinds of alcoholic beverages would be served. Ms. Thomas stated they will be serving beer only.

Ms. Rogers thanked Ms. Thomas for sharing and for staying in such close touch with the Council.

Hearing no more requests for comment, **Mayor Matherly** declared Public Testimony closed.

Mr. Cleworth asked about the population limitations for restaurant/eating place licenses. Clerk Snider replied that the limit is 21, and there are currently 19. **Mr. Cleworth** asked for clarification on the license type. Clerk Snider stated that a Restaurant/Eating Place license is a beer and wine license.

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO WAIVE PROTEST ON THE NEW LIQUOR LICENSE APPLICATION AND RESTAURANT DESIGNATION PERMIT AS FOLLOWS:

YEAS: Gibson, Cleworth, Rogers, Kun, Therrien, Pruhs
NAYS: None

Mayor Matherly declared the MOTION CARRIED.

MAYOR'S COMMENTS AND REPORT

Mayor Matherly stated that Police Chief Nancy Reeder resigned, and Lt. Rick Sweet will be filling in as Acting Chief of Police. **Mayor Matherly** shared that Frank Stepp recently passed away, and he had worked at the Fairbanks Police Department (FPD) from 1977-1997; he stated his thoughts and prayers are with the family. He spoke briefly to his “Mask Up with Matherly” campaign to encourage local businesses to promote mask wearing. **Mayor Matherly** stated the Public Works crew and Housing & Homeless Coordinator Mike Sanders have completely cleared a homeless camp on the Southside, and he thanked everyone for their hard work. He again thanked Annie Witt for all her years of service to the City of Fairbanks. **Mayor Matherly** thanked the City Clerk for her work in promoting the local election.

COUNCIL MEMBERS' COMMENTS

Mr. Gibson stated he had no comments.

Ms. Kun stated she had no comments.

Mr. Pruhs stated that no CARES Act funds will go towards the Polaris Building nor be funneled through Explore Fairbanks to the Polaris Building project.

Ms. Rogers thanked Mayor Matherly for his “mask up” campaign and encouraged everyone to participate in the 2020 U.S. Census.

Mr. Cleworth echoed Mayor Matherly’s comments regarding Annie Witt and shared that he has enjoyed working with her. He stated it is a rare individual who can work with everyone. He stated that in between department heads, she would manage the Public Works Department, and they all acknowledged that she was the power behind the throne.

Ms. Therrien echoed Mr. Cleworth about Ms. Witt and wished her the best in the future. She stated she recently attended the funeral of Connie Karl where she spoke with Senator Sullivan. She stated that Senator Sullivan asked her to introduce Resolution No. 4933.

NEW BUSINESS

- a) Resolution No. 4932 – A Resolution in Support of the Distribution of CARES Act Funding Directly to Explore Fairbanks for a COVID-19 Recovery Plan That is Remarketing the Destination. Introduced by Council Members Therrien, Rogers, and Kun.

Per Mayor Matherly’s request during the Approval of the Agenda, the Memorandum from the CARES Act Fund Committee [Written Communications to Council, Item (a)] was discussed at the same time as Resolution No. 4932.

Mr. Gibson, seconded by **Ms. Kun**, moved to APPROVE Resolution No. 4932.

Mr. Cleworth asked about the makeup of the CARES Act Fund Committee. He asked whether the City’s Grants Administrator serves on the committee. CFO Bell stated that she is not, but HR Director Angela Foster-Snow has expertise in grants. **Mr. Cleworth** asked whether the grant is considered a pass-through grant and, if so, whether the City can allow it. Ms. Bell stated she believes the ordinance Mr. Cleworth is referring to relates to grants regarding buildings. City Attorney Paul Ewers shared that the Code section regarding pass-through grants is found in FGC 2-657. He stated that, in summary, the City will not seek or accept grants on behalf of another entity if the City retains any financial liability for proper use of the grant funds or for the use of any facility purchased with the grant funds. **Mr. Cleworth** asked about the City’s liability in regard to CARES funds. Ms. Bell stated that liability would come into play if the City awarded a grant in excess of \$750,000. She explained that with a direct grant, the City would be responsible for assuring that the funds are spent in accordance the guidelines for CARES funds and ensuring that the grantee has an audit. She stated that allocating funds to beneficiaries is different in that there is no liability as long as the funds are allocated in accordance with the City’s established

CARES fund program. **Mr. Cleworth** asked Mr. Ewers whether the City would be okay in awarding a direct grant to Explore Fairbanks as outlined in Resolution No. 4932. Mr. Ewers stated that it is difficult to answer whether a direct grant as envisioned in the resolution would be allowed without further study. **Mr. Cleworth** read from the committee memo listing the reasoning behind the committee's recommendation to not award the direct grant to Explore Fairbanks. He asked whether the committee's recommendation was unanimous. Ms. Bell stated that members were unanimous in the recommendation. She stated that when the committee first began its work, it was made up of Jeremy Pletnikoff from Mt. McKinley Bank, Brenda Riley with the United Way, City Housing and Homeless Coordinator Michael Sanders, and Chief of Staff Mike Meeks. She stated that she, Mayor Matherly, City Attorney Paul Ewers, Communications Director Teal Soden, and HR Director Angela Foster-Snow attended meetings also. She stated that allocation, award amounts and methodology, and application criteria was initially discussed. She stated that direct grants were discussed by the committee early on, and the committee felt it was more important to get the funds out to the community as quickly as possible. She stated that the sub-group, made up of City staff, has been monitoring the program and ensuring that the process stays in line with the committee's initial program recommendations. **Mr. Cleworth** asked whether an entity could apply at the Borough if they have received CARES funds from the City. Mr. Meeks stated the Borough has divided funds into three pots, and their program is areawide. **Mr. Cleworth** asked whether the State of Alaska has a CARES funds program; Ms. Bell replied affirmatively. She stated that the State's program covers more than the local programs and part of it may be redundant with local programs. She stated that Explore Fairbanks may apply again under phase two, but covered expenses are different under the program than with a direct grant.

Ms. Therrien asked the City Attorney whether his opinion regarding City liability if the grant amount in Resolution No. 4932 was reduced to \$750,000. Mr. Ewers stated that it would not change anything regarding the question about FGC Sec. 2-657. He stated that may be a question for Ms. Bell as to whether that would change the audit requirements. **Ms. Therrien** asked whether everyone who has received CARES funds is considered a grantee. Mr. Ewers stated that those who have been allocated funds through the program were beneficiaries; he stated that there is a difference between a beneficiary and a direct grantee. He stated it is tough to determine at this point whether FGC Sec. 2-657 would prohibit the City from giving a direct grant to Explore Fairbanks. **Ms. Therrien** asked Mr. Ewers if he had spoken with the Municipality of Anchorage or MatSu Borough Attorneys about their direct grants for similar purposes. Mr. Ewers stated he believes that the City's Code section is rather unique, and if the Council were to pass the resolution, he would need to investigate whether the direct grant is allowable under City Code.

Ms. Therrien asked Ms. Bell whether Explore Fairbanks would be subject to the audit requirement if the grant amount were reduced to below \$750,000. Ms. Bell replied that they would not be unless they received additional CARES Act funding.

Ms. Therrien, seconded by **Ms. Kun**, moved to AMEND Resolution No. 4932 by reducing the grant amount from \$860,000 to \$749,000.

Ms. Therrien stated the City of Fairbanks could provide Explore Fairbanks with funding much like the Municipality of Anchorage and the MatSu Borough did with similar organizations in their respective areas. She stated she believes the Council should support the resolution.

Ms. Kun agreed with Ms. Therrien and spoke in support of the City's longtime relationship with Explore Fairbanks.

Ms. Rogers echoed Ms. Therrien's comments. She stated that Explore Fairbanks is an exemplary organization in the community. She stated she has no reservations about how the funds would be spent or audited.

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO AMEND RESOLUTION NO. 4932 BY REDUCING THE GRANT AMOUNT FROM \$860,000 TO \$749,000 AS FOLLOWS:

YEAS: Kun, Therrien, Pruhs, Cleworth, Rogers

NAYS: Gibson

Mayor Matherly declared the MOTION CARRIED.

Mr. Gibson stated he believes the committee came up with responsible parameters and that the resolution is not necessary.

Mr. Pruhs stated he has no reservations about the grant to Explore Fairbanks, and there will be no burden to City taxpayers. **Mr. Pruhs** advocated for the passage of the resolution.

Mr. Cleworth stated he has received calls when the program first began from people in the medical field who wanted the program requirements to loosen up. He expressed his belief that the process has been fair. He stated that everyone should be treated fairly, and he spoke against changing the process.

Ms. Rogers stated that the change in process is in response to a need that has been recognized in the community.

Mayor Matherly stated the Borough was pressuring the City early on to combine CARES fund programs. He stated that the City did not do so, and he pointed out that the Borough still has not begun distributing its CARES Act funds. He stated that the \$100,000 limit for businesses has been removed for phase two, but it does not sit well with him to cut away a certain amount of money for one organization midway through the process. **Mayor Matherly** stated he could not support using Anchorage as a template for CARES Act funding because he does not believe they are following the grant guidelines.

Ms. Rogers expressed what a difficult time it is. She stated she would like everyone to have a better understanding of the needs of Explore Fairbanks. She stated everyone seemed interested earlier on, but now that some time has lapsed there is a "them and us" situation that makes her uncomfortable. She stated that Explore Fairbanks is not making demands; rather they are making a request.

Ms. Therrien stated she thought it was clear that the Council would support funding to Explore Fairbanks because they are in a more unique position than other small businesses. She stated the resolution demonstrates the Council's faith in Explore Fairbanks.

Mr. Cleworth stated he owns a business affected by COVID-19, and he sees very few tourists. He stated that he did not apply for CARES funds. He stated he hears the comments of his fellow Council Members, but he would like to honor the process.

Ms. Kun stated she hears everyone and has been listening to all the discussion. She indicated that now may be a good time to change the process. She encouraged the Council to keep their options open with an entity that has scratched the City's back for 41 years.

Mayor Matherly stated he understands that the City has had a 41-year relationship with Explore Fairbanks. He stated that bed tax funds are different than federally funded grants. He stated that if Explore Fairbanks submits eligible expenses, they can be reimbursed through the program.

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO APPROVE RESOLUTION NO. 4932, AS AMENDED, AS FOLLOWS:

YEAS: Rogers, Therrien, Pruhs, Kun

NAYS: Gibson, Cleworth

Mayor Matherly declared the MOTION CARRIED and Resolution No. 4932 APPROVED.

Mr. Gibson, seconded by **Ms. Kun**, moved to ACCEPT the Memorandum from the CARES Act Fund Committee.

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO ACCEPT THE MEMORANDUM FROM THE CARES ACT FUND COMMITTEE AS FOLLOWS:

YEAS: Cleworth, Gibson

NAYS: Pruhs, Rogers, Kun, Therrien

Mayor Matherly declared the MOTION FAILED.

Mayor Matherly announced his intention to veto Resolution No. 4932, as Amended. He asked Clerk Snider for clarification as to whether a veto and a vote to override the veto could be done right away. Clerk Snider advised that a veto by the Mayor must be submitted to her in writing within five days of the vote on the resolution.

Ms. Therrien, seconded by **Ms. Kun**, moved to SCHEDULE a Special Meeting on August 31, 2020 at 6:30 p.m. should the Mayor issue a veto on Resolution No. 4932, as Amended.

Mr. Cleworth suggested that the Council could vote to override the veto right away if Mayor Matherly quickly put a veto in writing and submitted it to the Clerk. **Ms. Therrien** stated she would like to read the Mayor's veto first and have discussion at a special meeting.

Mayor Matherly called for objection to the motion to SCHEDULE a Special Meeting on August 31, 2020 at 6:30 p.m. should the Mayor issue a veto on Resolution No. 4932, as Amended, and, hearing none, so ORDERED.

- b) Resolution No. 4933 – A Resolution Supporting United States Senate Bill S. 4174 Providing Emergency Appropriations to the United States Postal Service. Introduced by Council Member Therrien.

Ms. Therrien, seconded by **Ms. Kun**, moved to APPROVE Resolution No. 4933.

Mr. Cleworth stated he does not like to get involved in state and national issues because the City of Fairbanks has enough on its plate. He stated the U.S. Postal Service is directly linked to Congress, and it is not possible for the City to pull the entity out of the situation they are in.

Ms. Therrien stated she spoke with Senator Sullivan recently about the issue, and she stated that the USPS needs the City of Fairbanks' help.

Ms. Rogers stated the City does have responsibilities to the people of Alaska that are in need and who are dependent on the USPS. She stated she would proudly vote for the resolution and add her name as a sponsor.

Ms. Kun stated the issue affects the local population, and it is the Council's duty to look out for them. She offered to be a sponsor of the resolution also.

Mr. Cleworth stated that the Council has not been provided with U.S. Senate Bill S. 4174 and members have probably not read it; he advised the Council to read it before voting on the issue.

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO APPROVE RESOLUTION NO. 4933 AS FOLLOWS:

YEAS: Gibson, Rogers, Kun, Therrien, Pruhs

NAYS: Cleworth

Mayor Matherly declared the MOTION CARRIED and Resolution No. 4933 APPROVED.

- c) Resolution No. 4934 – A Resolution in Support of FNSB Ordinance No. 2020-28, an Ordinance Amending FNSB Code Title 4 to Delegate Certain Board of Adjustment Duties to the City of Fairbanks, and Amending Title 4 Regarding Appointments to the Planning Commission. Introduced by Mayor Matherly and Council Member Gibson.

Ms. Rogers, seconded by **Ms. Therrien**, moved to APPROVE Resolution No. 4934.

Mr. Pruhs asked Mayor Matherly if he had spoken with Mayor Ward about the Board of Adjustment issue. Mayor Matherly stated that he had.

Ms. Rogers recalled the history of the issue and stated she would be happy to co-sponsor the resolution.

Mr. Cleworth stated he would like to add his name as a sponsor of the resolution as well.

Ms. Therrien asked Mr. Ewers to speak on the Board of Adjustment issue. Mr. Ewers provided a brief history about the City's role as a Board of Adjustment for appeals concerning properties within the City. **Ms. Therrien** asked to be added as a co-sponsor.

Ms. Kun and **Mr. Pruhs** requested that their names be added as sponsors as well.

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO APPROVE RESOLUTION NO. 4934 AS FOLLOWS:

YEAS: Rogers, Gibson, Therrien, Pruhs, Cleworth, Kun

NAYS: None

Mayor Matherly declared the MOTION CARRIED

- d) Ordinance No. 6139 – An Ordinance Amending Fairbanks General Code Section 42-3, Retroactive Pay. Introduced by Mayor Matherly.

This item was WITHDRAWN from the Agenda by Mayor Matherly during Approval of the Agenda with no objection by the Council.

- e) Ordinance No. 6140 – An Ordinance Amending FGC Section 74-67 to Increase the Alcoholic Beverage Sales Tax Rate from Five Percent to Six Percent. Introduced by Council Member Kun.

Ms. Therrien, seconded by **Ms. Rogers**, moved to ADVANCE Ordinance No. 6140.

Ms. Kun stated she wanted to increase the alcohol tax to help with City revenue and to possibly lower property taxes. She stated that the tax has not been increased in over 35 years, and it is time to raise it.

Mr. Cleworth stated the ordinance may cause property taxes to go down, but it would not bring in any extra revenue because of the tax cap. He stated he would not like to raise the alcohol tax now that the Council has passed the gasoline tax.

Ms. Rogers stated she appreciates Mr. Cleworth's statement, and she agreed with his comments. She spoke about the struggle to pass the gasoline tax and stated that an increase to the alcohol tax would not raise actual revenues for the City.

Mayor Matherly thanked Ms. Kun for bringing forth the ordinance in an effort to increase revenues; he stated that he agreed that the ordinance would not bring in additional revenue. He stated that the ordinance may cause grumbling in the community in the midst of a pandemic, and he would not vote in favor of it if it came down to a tie vote.

Ms. Therrien stated that the Mayor has repeatedly requested that the Council come up with new revenue sources. She asked Ms. Bell whether the alcohol tax would generate new revenue in 2020 if it were implemented in 2020. Ms. Bell replied that if the effective date were prior to the end of 2020, it would make a difference in 2020. **Ms. Therrien** stated she would like the Council to consider the ordinance, see what the community has to say, and possibly amend the effective date.

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO ADVANCE ORDINANCE NO. 6140 AS FOLLOWS:

YEAS: Kun, Gibson, Therrien, Rogers

NAYS: Pruhs, Cleworth

Mayor Matherly declared the MOTION CARRIED.

DISCUSSION ITEMS & COUNCIL MEMBER COMMENTS

Mr. Cleworth asked Mayor Matherly if the problems at the property on 17th Avenue have been mitigated. **Mayor Matherly** stated he met with the owner and two neighbors, and they are awaiting the signature of the judge to allow for the police to forcibly remove the tenants. He stated he advised the owner to clean the property up and look for new tenants.

Mr. Gibson stated that the FAST Planning Policy Board met, and he asked the Mayor to comment on the meeting. **Mayor Matherly** stated the group discussed the 5th Avenue project and that he and the stakeholders want the street to remain one-way. **Mr. Gibson** stated Lacey Street is the next project on FAST Planning's radar. **Mayor Matherly** stated he submitted a bill to FAST Planning to reimburse the City for the arbitration award of \$43,000. He stated he believes FAST Planning should pay the City back for the arbitration award, but they voted against it.

Ms. Kun stated she attended the Explore Fairbanks Board of Directors meeting, and they are in dire straits. She gave a land acknowledgement and urged those in need of help to reach out and ask for help.

Ms. Therrien stated she attended a presentation dealing with private equities as investments and that the Permanent Fund Review Board would be looking at the concept. She stated she attended the memorial service for Connie Karl and that her friend Penny Wakefield recently passed away. She stated that her father will turn 103 later in the week.

Ms. Rogers thanked the Mayor for his outreach in the community regarding problem properties. She stated the Council hears what people say, and she tries to respond to each person who contacts the Council. She asked about the property at 530 Front Street. **Mayor Matherly** reported that he spoke with Dennis Kelley three times the previous week and several times earlier that day in an effort to get him to clean up the property.

Mr. Pruhs stated he had no comments or committee reports.

Mr. Cleworth stated he was part of the stakeholder group for 5th Avenue and that, in the end, the Department of Transportation (DOT) and the City Engineering Department did a great job on the decision. He stated his biggest concern is safety issues concerning the school district building.

WRITTEN COMMUNICATIONS TO COUNCIL

- a) Memorandum from the CARES Act Fund Committee

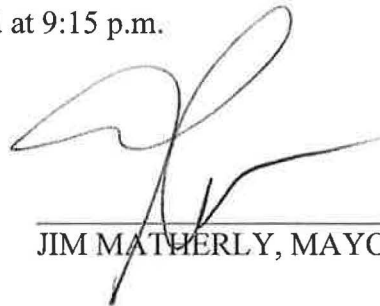
This item was addressed earlier in the meeting under New Business.

ADJOURNMENT

Mr. Cleworth, seconded by **Mr. Gibson**, moved to ADJOURN the meeting.

Mayor Matherly called for objection and, hearing none, so ORDERED.

Mayor Matherly declared the meeting adjourned at 9:15 p.m.



JIM MATHERLY, MAYOR

ATTEST:



D. DANYELLE SNIDER, MMC, CITY CLERK

Transcribed by: EB