

FAIRBANKS CITY COUNCIL AGENDA NO. 2012–04

REGULAR MEETING February 27, 2012

FAIRBANKS CITY COUNCIL CHAMBERS 800 CUSHMAN STREET, FAIRBANKS, ALASKA

REGULAR MEETING

- I 7:00 P.M.
- 1. ROLL CALL
- INVOCATION
- FLAG SALUTATION
- 4. CITIZENS COMMENTS, oral communications to Council on any item not up for Public Hearing. Testimony is limited to five (5) minutes. Any person wishing to speak needs to complete the register located in the hallway. Normal standards of decorum and courtesy should be observed by all speakers. Remarks should be directed to the City Council as a body rather than to any particular Council Member or member of the staff. In consideration of others, kindly silence all cell phone, electronic and messaging devices.
- APPROVAL OF AGENDA AND CONSENT AGENDA

(Approval of Consent Agenda passes all routine items indicated by an asterisk (*). Consent Agenda items are not considered separately unless a Council Member so requests. In the event of such a request, the item is returned to the General Agenda).

- 6. APPROVAL OF PREVIOUS MINUTES
 - *a) Regular Meeting Minutes of November 21, 2011.
 - *b) Regular Meeting Minutes of December 5, 2011.
- 7. SPECIAL ORDERS
 - a) The Fairbanks City Council will convene as a Board of Adjustment in the matter of the below-stated administrative decision of the Fairbanks North Star Borough Planning Commission:

A request by Wayne Sandstrom regarding a Bed and Breakfast Residence.

*NOTE: The board shall not hear arguments nor take additional testimony or other evidence. Only the material contained in the appeal packet shall be considered.

b) VACATION OF PUBLIC RIGHT-OF-WAY (VA 006-12 Wilbur St) — Request by 3-Tier Alaska on Behalf of Fairbanks Montessori Association, Inc., to vacate the Westerly 50 foot wide portion of Wilbur Street Adjacent to the Eastern Boundary of Lot 1, Tract H, ASLS 80-64, and add the 0.37 acre vacated area to create one new lot of 1.37 acres, within Sec 15, T1S R1W, FM (located on 30th Avenue and Wilbur Street).

8. MAYOR'S COMMENTS AND REPORT

9. UNFINISHED BUSINESS

Ordinance No. 5875 – An Ordinance Amending Chapter 86 Vehicles for Hire Chauffeur Requirements. Introduced by Mayor Cleworth. SECOND READING AND PUBLIC HEARING.

10. NEW BUSINESS

- a) Resolution No. 4513 A Resolution Amending the City Schedule of Fees and Charges for Services, Adjusting Costs to Conduct Criminal History Checks for Chauffeurs Applicants. Introduced by Mayor Cleworth.
- *b) Resolution No. 4514 A Resolution Urging the Alaska Legislature to Refrain from Enacting any Legislation that Would Increase the State's Pension Liability. Introduced by Mayor Cleworth.
- *c) Ordinance No. 5876 An Ordinance Amend Chapter 14, 46, and 78, to Repeal, Amend, and Clarify Certain Offenses. Introduced by Mayor Cleworth.
- *d) Ordinance No. 5877 An Ordinance Authorizing a Land Exchange Between the Greater Fairbanks Community Hospital Foundation and the City of Fairbanks to Facilitate Vacation of 11th Avenue and to Provide Parking Adjacent to Fire Station Headquarters. Introduced by Mayor Cleworth.

- 11. DISCUSSION ITEMS (INFORMATION AND REPORT)
 - a) Committee Reports.
 - b) Fairbanks North Star Borough Dispatch Contracts.
- 12. COMMUNICATIONS TO COUNCIL
 - *a) Permanent Fund Review Board Meeting Minutes of November 2, 2011.
 - *b) Chena Riverfront Commission Meeting Minutes of December 5, 2011.
 - *c) Chena Riverfront Commission Meeting Minutes of December 15, 2011.
 - *d) Public Safety Commission Meeting Minutes of January 10, 2012.
 - *e) Reappointment to the Permanent Fund Review Board.
- 13. COUNCIL MEMBERS' COMMENTS
- 14. CITY ATTORNEY'S REPORT
- 15. CITY CLERK'S REPORT
- 16. EXECUTIVE SESSION IBEW Labor Negotiations
- 17. ADJOURNMENT



FAIRBANKS CITY COUNCIL REGULAR MEETING MINUTES, NOVEMBER 21, 2011 FAIRBANKS CITY COUNCIL CHAMBERS 800 CUSHMAN STREET, FAIRBANKS, ALASKA

The City Council convened at 7:00 p.m. on the above date, following an annual presentation by the Community Service Patrol, to conduct a Regular Meeting of the Fairbanks City Council at the City Council Chambers, 800 Cushman Street, Fairbanks, Alaska, with Mayor Jerry Cleworth presiding and with the following Council Members in attendance:

Council Members Present: Vivian Stiver, Seat A

Chad Roberts, Seat B

Bernard Gatewood, Seat C

Jim Matherly, Seat D Lloyd Hilling, Seat E John Eberhart, Seat F

Absent: None

Also Present: Pat Cole, Chief of Staff

Warren Cummings, Fire Chief

Dave Burglin, Deputy City Attorney

Janey Hovenden, City Clerk Ryan Rickels, IT Director

Tony C. Shumate, Director Personnel/Purchasing/RM

Laren Zager, Police Chief

Ernie Misewicz, City Fire Marshal Margarita Bell, Grants Administrator

INVOCATION

The Invocation was given by City Clerk Janey Hovenden.

FLAG SALUTATION

Mayor Cleworth led the Flag Salutation.

Mayor Cleworth asked Chief Zager and Eric Jewkes to come forward.

Police Chief Zager publicly recognized Eric Jewkes for his outstanding work in organizing and managing FPD's Downtown Task Force, a two-year program which was a great success. He announced that, as of December 1, 2011, Mr. Jewkes would be promoted from Sergeant to Lieutenant.

CITIZEN'S COMMENTS

<u>Victor Buberge, PO Box 58192, Fairbanks</u> – Mr. Buberge apologized to the radio audience for his comments the week prior. He spoke to the need for public toilets in the downtown area and read excerpts from a tourism guide on the negative impacts to the tourism industry in areas with poor or inadequate public toilet facilities. He offered solutions to offset the cost should the City choose to provide such facilities.

Mr. Hilling asked Mr. Buberge how many public toilets should be available downtown.

Mr. Buberge replied that he would recommend at least three.

<u>Frank Turney, 201 7th Avenue, Fairbanks</u> – Mr. Turney thanked the City Council for passing the resolution on hemp. He commented on Mr. Buberge's research on public facilities and spoke to the need for restrooms in the core downtown area. He spoke in favor of the proposed changes to City code by Mayor Cleworth regarding penalties for urinating in public.

<u>David Lerman</u>, 126 2nd <u>Avenue</u>, #15, <u>Fairbanks</u> – Mr. Lerman congratulated Mr. Hilling and Mr. Turney on the approval of the hemp resolution. He again advocated for a renovation task force in the City of Fairbanks, stating that renovation decreases crime. He stated that he intends to run for City Council again in 2012 and anticipates voter numbers to increase. He spoke also to forming a DUI Task Force.

Mr. Gatewood asked Mr. Lerman if there was a drug problem at his apartment complex after the renovation was completed.

Mr. Lerman replied that there was not.

Marylee Bates, 1290 Saint Anton Drive, Fairbanks – Ms. Bates, Program Director for Fairbanks Youth Advocates, briefly recapped her public testimony regarding the Community Development Block Grant from the previous City Council Meeting. She provided an update on issues of concern to the Council: liability to the City, sustainability of the program and agency credibility. She spoke to the terms of the five-year plan and briefly outlined the agency's mission statement and business proposal. Ms. Bates stated that, although the Youth Advocates would be actively involved in the project, it would be operated as a program of the Fairbanks Rescue Mission. She added that Mr. Gaskins, Executive Director of the Fairbanks Rescue Mission, and the mission's board would oversee the project and all financial decisions.

<u>Rodney Gaskins, 2033 Sara Lynn Road, Fairbanks</u> – Mr. Gaskins introduced himself and spoke in support of the proposal to allow Fairbanks Rescue Mission to serve as a guarantor for the Fairbanks Youth Advocates.

Mr. Hilling asked if the working relationship between the two organizations would allow for one facility to offer shelter in the event of an overflow.

Mr. Gaskins replied that the homeless population at the Fairbanks Rescue Mission has been growing younger each year and that he would like to direct those individuals to the Youth

Advocates facility, geared specifically towards young people. He explained that the Fairbanks Rescue Mission does not house youth under the age of eighteen, but that in emergency situations they may house runaways for one night until they can be turned over to OCS or the Presbyterian Hospitality House. He added that he sees the proposed facility as an investment opportunity for the rescue mission.

Mr. Hilling asked how the new support from the Fairbanks Rescue Mission would boost the confidence of the City Council in the long-term sustainability of the Youth Advocates Program.

Ms. Bates explained the partnership between the two organizations. She added that the support from an experienced and successful organization such as the Fairbanks Rescue Mission bodes well for the Youth Advocates.

Mr. Matherly thanked Ms. Bates for returning and commended Mr. Gaskins for his work as Director of the Fairbanks Rescue Mission. He asked if the rescue mission has ever been approached by other organizations soliciting similar support and, if so, what it was that attracted him to support this project.

Mr. Gaskins responded that he has never been approached with such a request. He spoke to Ms. Bates' passion and commitment to the Youth Advocates Program.

Ms. Stiver asked if the boards of both organizations were in agreement on the terms of partnership and if they understood the financial liability. She inquired about the business structure of the collaboration between the Fairbanks Youth Advocates and the Fairbanks Rescue Mission.

Mr. Gaskins clarified that the business relationship between the two organizations would not be a partnership; rather, the Fairbanks Rescue Mission would "umbrella" the Fairbanks Youth Advocates as a program.

Mr. Eberhart expressed his confusion regarding Fairbanks Rescue Mission's role in the project. He stated that it could be because he was not present at the last City Council meeting.

Ms. Bates explained that the sale of the property to Clearwater Ministries is being held up due to some paperwork issues at the title company, but that the sale should be finalized within a few weeks. She stated that the business plan Mr. Eberhart was looking at was outdated because things had changed since the last regular Council meeting. She explained to Mr. Eberhart that the Council had asked that the Youth Advocates seek a guarantor for the CDBG, thus initiating the support from the Fairbanks Rescue Mission.

Mr. Eberhart asked who would be the applicant for the CDBG.

Ms. Bates replied that, because the grant would be for the renovation of the property, the applicant would be Clearwater Ministries.

Mr. Eberhart asked if there was a stipulation on minimum facility occupancy in order to qualify for the CDBG.

Ms. Bates stated that the occupancy of the renovated facility would be decided by the state.

Mr. Eberhart asked if the estimated cost of renovation was still \$600,000.

Ms. Bates confirmed the estimate, but clarified that the number is high because of certain stipulations of the grant itself.

Mr. Eberhart asked if Clearwater Ministries would apply for the entire \$750,000 available in the CDBG.

Ms. Bates replied that Resolution No. 4493 includes the administrative costs to the City and construction costs. She explained that costs are reimbursed to the applicant as phases are completed. She clarified that the \$600,000 is a rough guess by contractors until a design estimate is completed and a formal construction plan is proposed.

Mr. Eberhart asked Mr. Gaskins if the Fairbanks Rescue Mission was willing to accept this type of liability.

Mr. Gaskins replied in the affirmative.

Mr. Eberhart spoke to future funding sources and asked about long-term funding for Fairbanks Youth Advocates.

Ms. Bates indicated that specific details will still have to be worked out for long-term funding, but that much of it will come from fundraising and grants.

Mr. Gaskins added that, as the Executive Director of the Fairbanks Rescue Mission and Project Manager, it is his job to ensure sustainability. He spoke to various grants that may be available and to soliciting donations from the community.

Mr. Gatewood thanked Mr. Gaskins and Ms. Bates for coming and applauded the collaboration between the two organizations. He asked what role Clearwater Ministries would have in the project.

Ms. Bates explained that Clearwater Ministries is the "umbrella" for Fairbanks Youth Advocates. She indicated that the entire project will be turned over to the Fairbanks Rescue Mission and the Youth Advocates will provide support to the mission throughout the project. She clarified that Clearwater Ministries will maintain ownership of the building.

Ms. Stiver asked how the \$250,000 grant match would be met.

Ms. Bates clarified that the match is 25% so the exact dollar amount is still unknown. She indicated that most of the match will be made in-kind by the value of the building itself; she stated that other things, such as materials, can also be used towards the match.

Mr. Roberts thanked Mr. Gaskins and Mr. Bates for coming. He asked what could trigger the grant funding to be refunded and what time stipulations would be involved. He also inquired as

to the transferability of the CDBG grant moneys to the Fairbanks Rescue Mission should the Youth Advocates Program fail.

Ms. Bates suggested that since the target population for the two facilities is so different, the grant dollars could not be transferrable.

Mr. Gaskins stated that the Fairbanks Rescue Mission has no intention of changing its mission to serve the youth of the community. He shared his passion and commitment to the project.

Mr. Eberhart asked Ms. Bates if the property was currently in her name. He asked for clarification on the date of purchase and the purchase price.

Ms Bates confirmed that the property is currently in her name and the purchase was made in May, 2011. She stated that her purchase price was \$143,900, although the value of the property was estimated at \$179,000.

Ms. Stiver clarified with Ms Bates the property address as 138 10th Avenue.

APPROVAL OF AGENDA AND CONSENT AGENDA

Mr. Gatewood, seconded by **Mr. Matherly**, moved to APPROVE the Agenda and Consent Agenda.

Mr. Gatewood, pulled Ordinance No. 5865 from the Consent Agenda.

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

City Clerk Hovenden read the Consent Agenda into the record.

APPROVAL OF PREVIOUS MINUTES

a) Regular Meeting Minutes of August 22, 2011.

PASSED and APPROVED on the CONSENT AGENDA.

b) Regular Meeting Minutes of September 12, 2011.

PASSED and APPROVED on the CONSENT AGENDA.

SPECIAL ORDERS

The Fairbanks City Council, sitting as a Committee of the Whole, heard interested citizens concerned with the below-referenced Appeal of Denied Application for new Chauffeur License.

Applicant: Ronnie Scott Dubs

Mr. Roberts, seconded by **Mr. Gatewood**, moved to GRANT Appeal of Denied Application.

Mayor Cleworth called for Public Testimony.

Ronnie Dubs, 1456 Eielson Street, #4, Fairbanks – Mr. Dubs explained that the felony preventing him from obtaining his Chauffeur License occurred more than nine years ago, but since the City code tracks only the date of conviction, he is not eligible. He stated that he was convicted of the felony seven years and eight months ago. He asked that the Council grant his application because he has had a clean record since that time. Mr. Dubs stated that he has a Class A commercial driver's license and a HAZMAT endorsement.

Mr. Hilling asked Mr. Dubs if he has had any driving infractions since the time of the felony.

Mr. Dubs provided a summary and brief explanation of his traffic violations.

Ms. Stiver asked for the meaning of "SR 22" on Mr. Dubs' driving record.

Mr. Dubs explained that "SR 22" indicates when an insurance company notifies the state that an insurance policy has been reinstated. He stated that there is a monthly fee for that type of monitoring and it is required when an individual has too many traffic infractions on their record. He explained that he is no longer required to have such monitoring.

Ms. Stiver asked Mr. Dubs to confirm the date of arrest and conviction.

Mr. Dubs answered that the felony occurred 9 ½ years ago, the arrest took place 8 ½ years ago, and the conviction date was 7 years and 8 months ago.

Mr. Matherly asked if Mr. Dubs thought the Council should overlook the numerous traffic infractions on his record.

Mr. Dubs acknowledged the large number of infractions, but indicated that there were no significant cases, such as a DUI.

Mr. Roberts spoke to the recent modifications to the FGC pertaining to Chauffeurs. He asked Mr. Dubs to speak to three conditions that need to be met by an applicant before the Council will grant an appeal: significant effort at rehabilitation; completion of court-ordered treatment or probation, if applicable; and positive contribution to society.

Mr. Dubs stated that he had successfully completed his probation and had fulfilled all court orders. He spoke to his own character and provided a brief job history.

Mr. Gatewood thanked Mr. Dubs for coming. He spoke to the large number of infractions on Mr. Dubs' record and questioned his regard for law enforcement.

Mr. Dubs spoke to the circumstances surrounding some of the infractions and commented that he had just "fallen on rough times."

Mr. Hilling inquired about the "failure to appear" statements on Mr. Dubs' record.

Mr. Dubs explained that "failure to appear" is the term also used when an individual fails to pay for a traffic citation. He added that he simply could not afford to pay for his traffic infractions in full.

Frank Turney spoke in support of granting the denied application.

Mr. Eberhart asked Mr. Burglin if it was appropriate for the Council to discuss traffic infractions that are not part of the reason for denial.

Mr. Burglin advised that the Council may consider infractions and tickets if it speaks to the rehabilitation condition for appeal in the FGC.

Mr. Eberhart spoke to the recent modifications to the Chauffeur code and cautioned the fellow Council Members on being too relaxed in their consideration of appeals.

Ms. Stiver asked for the reason for denial of Mr. Dubs' application. She spoke to the relevance of an individual's driving record, stating that it can be very telling in regards to their respect for law enforcement.

City Clerk Hovenden, in response to Ms. Stiver's question, explained that the reason for denial was the conviction of a drug-related felony within the 8-year look back period.

Mr. Matherly stated that he was unsure of his position on the appeal. He spoke to the recentness of Mr. Dubs' traffic infractions and also the stringent requirements to obtain a CDL. He added that appeals are not often cut and dried.

Mr. Gatewood spoke to the consistency of Mr. Dubs' traffic violations.

Ms. Stiver expressed concern with Mr. Dubs' driving record and disregard for the law, stating that a CDL is required for operating a vehicle but a Chauffeur License is required for ensuring the safety of the public.

Mr. Roberts spoke in favor of sticking to the timelines set forth in the recent ordinance regarding chauffeurs and stated his intent to deny the appeal.

Mr. Eberhart again expressed concern about the leniency of the Council in regard to chauffeur appeals. He stated that he would not support the appeal.

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO GRANT APPEAL, AS FOLLOWS:

YEAS: None

NAYS: Eberhart, Gatewood, Stiver, Hilling, Matherly, Roberts

Mayor Cleworth declared the MOTION FAILED.

MAYOR'S COMMENTS AND REPORT

Mayor Cleworth thanked the Council for attending the various budget meetings throughout the week. He explained the Council's options for amending the budget ordinance before the next regular City Council Meeting. He spoke to the state funding set aside for street improvements in the Graehl Subdivision area. He complimented the Finance Department on receiving a Certificate of Excellence in financial reporting for the year 2010. Mayor Cleworth spoke to Resolution No. 4493. He informed the Council that if both the original and the hand-carried amended versions fail, that a motion to reconsider can be made that would allow for authorization for the City to apply for the CDBG to fund apparatus for the Fairbanks Fire Department.

UNFINISHED BUSINESS

Resolution No. 4493 – A Resolution Authorizing the City of Fairbanks to Participate in the FFY2011 Community Development Block Grant (CDBG) Program. Introduced by Mayor Cleworth. POSTPONED from the Regular Meeting of November 14, 2011.

(Motion to APPROVE on the floor from the November 14, 2011 City Council Meeting)

Mr. Gatewood requested a Staff Report.

Pat Cole provided a brief report on the reduced liability to the City with the involvement of the Fairbanks Rescue Mission and the changes in the language of the amended version that will help protect the City in the event that the Youth Advocates Program fails.

Mr. Hilling asked if there was going to be a signed statement by the Fairbanks Rescue Mission ensuring their acceptance of liability for the project.

Pat Cole replied that that statement will not come until after application for the CDBG is authorized. He briefly explained the grant process and the various documents that will be signed upon being awarded the grant.

Ms. Stiver inquired about minimums for the grant match. She spoke to the current value of the property and expressed concerns for project failure and the liability to the City to repay the grant.

Margarita Bell stated that the total project cost, including the match, could be up to 1 million dollars. She explained that if the project fails, the liability would be only for the current market value of the property upon its sale, not the total dollar amount of the grant.

Mr. Gatewood referred to Ms. Bates testimony and asked if the five-year stipulation on the CDBG was a continuous time period or if a break was allowable.

Ms. Bell stated that she could see the grantors accepting a short break (i.e. six months or less) as long as the purpose for the program does not change. She added that it is likely that a three-year suspension of the project would be unacceptable.

Mr. Eberhart expressed concern and confusion with the numerous variables surrounding the project. He asked for clarification on whom would be the applicant for the grant and what the deadline for application would be.

Ms. Bell answered that the City of Fairbanks would be the applicant, in partnership with Clearwater Ministries. She stated that the ownership of the property is projected to be transferred to Clearwater Ministries by December 6, 2011. She added that the application deadline for the CDBG is December 2, 2011.

Mayor Cleworth clarified that Resolution No. 4493 was only for the authorization to apply for the CDBG and that there would be opportunities in the future to further discuss the grant.

Mr. Roberts, seconded by **Mr. Gatewood**, moved to SUBSTITUTE Resolution No. 4493, As Amended (2) for Resolution No. 4493.

Mr. Roberts commented that the youth shelter was a worthy project and commended City staff and both organizations involved for their work in the project planning.

Mr. Gatewood remarked that, while there were still many variables in the project plan, both organizations have done a great job at putting the Council at ease with issues of liability. He commented on the remarkable "fit" between the Fairbanks Rescue Mission and the Youth Advocates. He spoke with conviction in favor of Resolution No. 4493, as Amended (2).

Mr. Matherly also commended Mr. Gaskins and the Fairbanks Rescue Mission for taking on the project. He spoke to the need for a youth shelter in Fairbanks and stated his support for Resolution No. 4493, as Amended (2).

A ROLL CALL VOTE WAS TAKEN, ON THE MOTION TO SUBSTITUTE RESOLUTION NO. 4493, AS AMENDED (2), AS FOLLOWS:

YEAS: Matherly, Hilling, Roberts, Stiver, Gatewood, Eberhart

NAYS: None

Mayor Cleworth declared the MOTION CARRIED.

Ms. Stiver thanked Ms. Bates for understanding the Council's concern with liability to the City and for making the effort to find financial support from another organization.

Mr. Eberhart stated that he has had some concerns with the project, but that the involvement of the Fairbanks Rescue Mission has helped alleviate much of his worry. He expressed his support for the project, but commented on its complexity due to the grant requirements.

A ROLL CALL VOTE WAS TAKEN, ON THE MOTION TO APPROVE RESOLUTION NO. 4493, AS AMENDED (2), AS FOLLOWS:

YEAS: Gatewood, Roberts, Eberhart, Matherly, Stiver, Hilling

NAYS: None

Mayor Cleworth declared the MOTION CARRIED and RESOLUTION NO. 4493, as Amended (2), APPROVED.

NEW BUSINESS

a) Resolution No. 4498 – A Resolution to Apply for and Accept Funding from the National Endowment for the Humanities for the Sustaining Cultural Heritage Collections Grant. Introduced by Mayor Cleworth.

PASSED and APPROVED on the CONSENT AGENDA.

b) Resolution No. 4499 – A Resolution Authorizing the City of Fairbanks to Accept Funds from the Alaska Division of Homeland Security and Emergency Management Under the FFY2011 Citizen Corps Program. Introduced by Mayor Cleworth.

PASSED and APPROVED on the CONSENT AGENDA.

c) Resolution No. 4500 – A Resolution to Apply for and Accept Funding from the Alaska Department of Transportation & Public Facilities for the Safe Routes to School Grant. Introduced by Mayor Cleworth.

PASSED and APPROVED on the CONSENT AGENDA.

d) Resolution No. 4501 – A Resolution Setting Forth the Method by which the Police Station Bonds will be Legally Defeased, and Authorizing the Mayor to Act. Introduced by Mayor Cleworth.

PASSED and APPROVED on the CONSENT AGENDA.

e) Ordinance No. 5865 – An Ordinance Adopting the 2012 Operating and Capital Budgets. Introduced by Mayor Cleworth.

Mr. Gatewood, seconded by **Mr. Roberts**, moved to ADVANCE Ordinance No. 5865 to the Regular Meeting of December 12, 2011.

A ROLL CALL VOTE WAS TAKEN, ON THE MOTION TO ADVANCE ORDINANCE NO. 5865 TO THE REGULAR MEETING OF DECEMBER 12, 2011, AS FOLLOWS:

YEAS: Stiver, Matherly, Gatewood, Hilling, Eberhart, Roberts

NAYS: None

Mayor Cleworth declared the MOTION CARRIED.

f) Ordinance No. 5866 – An Ordinance to Amend Fairbanks General Code by Enacting FGC Section 1-20, Code of Ethics. Introduced by Mayor Cleworth.

ADVANCED on the CONSENT AGENDA.

g) Ordinance No. 5867 – An Ordinance to Repeal Chapter 74, Article VI, of the Fairbanks General Code, Occupational Privilege Tax. Introduced by Mayor Cleworth.

ADVANCED on the CONSENT AGENDA.

h) Ordinance No. 5868 – An Ordinance to Repeal Chapter 26, Article V, Section 26-201 of the Fairbanks General Code, Residential Emergency Services Tax. Introduced by Mayor Cleworth.

ADVANCED on the CONSENT AGENDA.

DISCUSSION ITEMS

Committee Reports

<u>FMATS Policy Committee</u> – **Mr. Roberts** provided a brief report on the last meeting.

<u>Public Safety Commission</u> – **Mr. Eberhart** gave a brief report on the November 8, 2011 meeting. He commented on the uncertain future of the Public Safety Commission.

COUNCIL MEMBERS' COMMENTS

Mr. Matherly expressed appreciation for everyone's participation in the meeting. He cautioned on the hazards of the cold weather.

Mr. Hilling addressed the issue of public restrooms in the downtown area. He assured Mr. Turney, Mr. Buberge and Mr. Lerman that he would look into it. He commended the Finance Department on receipt of the Certificate of Excellence. He spoke to the CDBG and his relief that the Youth Advocates had found a guarantor.

Mr. Eberhart spoke to the efforts of the Community Service Patrol (CSP). He announced that "Housing First" will be holding its ceremonial opening on December 15, 2011 and wondered what impact that would have on the CSP. He commented that in his eight years as a City Council Member, this budget season has gone smoother than ever before. He commended City staff, particularly the Finance Department, for their work in the 2012 budget preparation. **Mr. Eberhart** asked to be excused for the Regular Meeting of December 5, 2011. He wished everyone a Happy Thanksgiving.

Mayor Cleworth called for objection regarding **Mr. Eberhart's** request to be excused on December 5, 2011 and, hearing none, so ORDERED.

Mr. Gatewood apologized to Mr. Hilling and went on to clarify the intent of his comments in the previous meeting regarding the CDBG, when he stated that the Council would have another opportunity to discuss the grant if and when the funds were awarded. He stated that "open debate is the greatest asset of civilization" and that he respects all the opinions expressed by his fellow Council Members. He commented on the good business relationship between the Fairbanks Rescue Mission and the Youth Advocates.

Mr. Roberts thanked the Council for being very thoughtful and thorough in their decisions. He commended Lieutenant Jewkes for his service to the City of Fairbanks. He expressed gratefulness for his health and his family, considering there are many who are less fortunate.

Ms. Stiver announced that the Bed Tax Discretionary Fund Presentation Meetings would be held December 13 & 14, 2011, with 31 applicants in the running. She stated that the distribution meeting has been tentatively scheduled for December 23, 2011 at noon. She congratulated Lieutenant Jewkes on the success of the Downtown Task Force and his promotion. She spoke to the CDBG and asked what party would be financially responsible if the project was a failure. **Ms. Stiver** wished everyone a Happy Thanksgiving.

Ms. Bell offered to provide more information to Ms. Stiver at a later date.

Mayor Cleworth replied that the property would be used as collateral, and any outstanding debt would be the responsibility of the guarantor, Fairbanks Rescue Mission. He commented that this is the first time the City has ever gone after a CDBG on behalf of another entity and that it is a good learning experience for all those involved. He stated the need to have stipulations in place that would prohibit the City from applying for grants in the future on behalf of some outside organization.

Mr. Roberts asked to be excused from the meeting for personal reasons.

Mayor Cleworth excused Mr. Roberts.

Mr. Hilling, seconded by **Mr. Matherly**, moved to go into Executive Session for the purpose of discussing Labor Negotiations for FFA, PSEA, IBEW and AFL-CIO.

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

Mayor Cleworth called for a five minute recess.

EXECUTIVE SESSION

Labor Contract Negotiations – FFA, PSEA, IBEW and AFL-CIO

The City Council met in Executive Session to discuss labor negotiations. Direction was given to staff and no action was taken.

ADJOURNMENT

Ms. Stiver, seconded by Mr. Gatewood, moved to ADJOURN the meeting.

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

JERRY CLEWORTH, MAYOR

ATTEST:

JANEY HOVENDEN, CMC, CITY CLERK

Transcribed by: DS



FAIRBANKS CITY COUNCIL REGULAR MEETING MINUTES, DECEMBER 5, 2011 FAIRBANKS CITY COUNCIL CHAMBERS 800 CUSHMAN STREET, FAIRBANKS, ALASKA

The City Council convened at 7:00 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 Jerry Cleworth presiding and with the following Council Members in attendance:

Council Members Present: Vivian Stiver, Seat A

Chad Roberts, Seat B Bernard Gatewood, Seat C Jim Matherly, Seat D Lloyd Hilling, Seat E

Absent: John Eberhart, Seat F (Excused)

Also Present: Paul Ewers, City Attorney

Janey Hovenden, City Clerk Carmen Randle, Controller Ryan Rickels, IT Director

Tony C. Shumate, Director Personnel/Purchasing/RM

Jim N. Soileau, Chief Financial Officer

Laren Zager, Police Chief

INVOCATION

The Invocation was given by City Clerk Janey Hovenden.

FLAG SALUTATION

Mayor Cleworth led the Flag Salutation.

CITIZEN'S COMMENTS

<u>Victor Buberge, PO Box 58192, Fairbanks</u> – Mr. Buberge spoke to the need for public toilets in the downtown area. He suggested using grant money for the project or creating a City ordinance that would require local businesses to allow public access to their restroom facilities. He commented that many downtown businesses are discriminatory in who they allow to use their restrooms. He also suggested charging a small fee per use to save expense to the City. He wished the Council and City staff a Happy Thanksgiving holiday.

Mr. Hilling asked Mr. Buberge what he meant by discriminatory.

Mr. Buberge replied that he was referring to chronic inebriates.

<u>Stephen Anderson, 1653 2nd Avenue, Fairbanks</u> – Mr. Anderson stated that he is a member of the IBEW working group in City Hall. He expressed hope that the Council would consider IBEW's proposal tonight in Executive Session. He explained that IBEW has proposed a modest increase to help offset the high costs of energy and healthcare.

Mr. Hilling asked if the increase requested was in alignment with the workers' actual increased cost of living, not the market rate.

Mr. Anderson replied in the affirmative.

Ms. Stiver stated that the City of Fairbanks has no control over health care expenses and asked Mr. Anderson what the IBEW has done or is doing to lower health care costs for its members.

Mr. Anderson replied that the Union has a Managed Care Program for members with certain conditions, which encourages members to become more individually responsible for their care and costs.

Ms. Stiver asked if any audits have been done on dependent care.

Mr. Anderson stated that he is not aware of all the factors. He referred the question to Doug Tansy, IBEW Representative.

<u>Frank Turney, 201</u> 7nd <u>Avenue, Fairbanks</u> – Mr. Turney asked for an update on a lawsuit by police officers against the City involving former Police Chief Hoffman. He supported Mr. Buberge's testimony on the need for public restrooms in the core downtown area. He spoke to the expense of completing such a project. Mr. Turney reminded everyone of Bill of Rights Day on December 15, 2011 and recommended that the Bill of Rights appear on the City Council agenda and be read aloud at the next regular meeting.

<u>Doug Tansy</u>, 550 <u>Autumn Drive</u>, <u>Fairbanks</u> – Mr. Tansy, Business Representative for IBEW Local 1547, stated that he has been involved with the negotiations between the City and the Union. He welcomed questions from the City Council.

Ms. Stiver asked what the IBEW has done to lower costs and suggested that performing audits on dependent plans may offer some savings to members.

Mr. Tansy stated that there have been multiple approaches at trying to make health care more affordable: audits, decreases in deductibles, hour bank caps, changes in coverage and benefits, and improvements to prescription providers.

Ms. Stiver asked for clarification on the current Union offer. She summarized the previous year's contract agreement.

Mr. Tansy stated that the current proposal from the IBEW was a 2.5% increase to the package rate and a \$150 increase to the City's contribution towards health care.

Ms. Stiver asked if any of the 2011 increase was allocated to health care.

Mr. Tansy replied that there was no vote by the IBEW members to directly allocate those moneys toward health care.

Mayor Cleworth asked Mr. Tansy if IBEW offered an abbreviated plan for members who may carry more than one health care plan.

Mr. Tansy answered that IBEW does not. He explained that they used to offer a flex plan with five different options, but it was eliminated to cut overall costs.

<u>Denise Kendrick</u>, 892 <u>Runamuck Avenue</u>, <u>Fairbanks</u> – Ms. Kendrick stated that she would be happy to answer questions concerning the labor negotiations between the City and the IBEW.

David van den Berg, Fairbanks Downtown Association, 410 Cushman Street, Fairbanks – Mr. van den Berg provided an update on the year-end returns for the Downtown Association. He announced that his organization was the recipient of an anonymous donation of \$20,000. He stated that, in taking both pending and received funds into account, the Downtown Association has met the monetary match required by City ordinance. He mentioned a check that was received in the mail that day for \$13,000 from Alaska Mental Health Trust. He clarified that, although the grant from FNSB will not be received until 2012, it has still been counted as pending funds in order to meet the match. He stated that the Downtown Association will finish out the 2011 calendar year \$60,000 in the black.

<u>David Lerman</u>, 126 2nd Avenue, #15, Fairbanks – Mr. Lerman stated his intent to run as a candidate in the 2012 Municipal Election. He spoke to his website, "Renovation Fairbanks," inviting local voters to visit the site. He commented on the renovation underway in City Hall and suggested that the City place its mission statements on the wall for public viewing. He expressed a need for various City-sponsored task forces, including a Renovation Task Force that would encourage renovation in the downtown area by eliminating permit fees. He added that renovation can change people by improving their environment; thus reducing crime, violence and drug trafficking.

APPROVAL OF AGENDA AND CONSENT AGENDA

Mr. Gatewood, seconded by **Mr. Hilling**, moved to APPROVE the Agenda and Consent Agenda.

Mr. Hilling, pulled Ordinance No. 5870 from the Consent Agenda.

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

City Clerk Hovenden read the Consent Agenda into the record.

SPECIAL ORDERS

a) The Fairbanks City Council, Sitting as a Board of Adjustment, considered scheduling the appeal, and possible appointment of, a hearing officer in the matter of the below-stated decision of the Fairbanks North Star Borough Planning Commission:

A request by Wayne Sandstrom regarding a Bed and Breakfast Residence.

Mayor Cleworth explained that the Council needs to decide whether or not to hear the case or assign someone else to hear it on the City's behalf and set a specific date for the hearing.

Mr. Matherly asked if the hearing would be held at a Regular City Council Meeting or if a Special Meeting would have to be called.

Mayor Cleworth replied that it would take place during a Regular City Council Meeting.

Mr. Roberts asked how many appeals the Council has done.

Mayor Cleworth and Mr. Ewers stated that the last two appeals were done by the City Council.

Ms. Stiver clarified that, in her recollection as sitting on the Board of Adjustment, members are not permitted to view the property involved. She asked if she could still sit on the board even though she has had communications with Mr. Sandstrom through her day job.

Mr. Ewers replied that those communications would not necessarily exclude her from the process, but that she should disclose the nature of the contact with Mr. Sandstrom at the time of the hearing.

Ms. Stiver, seconded by **Mr. Roberts**, moved to APPOINT the Council as the Board of Adjustment.

Mr. Hilling asked why board members were not permitted to see the property during the appeal process.

Mr. Ewers explained that, because the Board of Adjustment is only reviewing the decision made by the FNSB, members should only be looking at the information provided from the borough.

Mr. Gatewood, in reference to the last statement on the memorandum from the City Attorney, asked how the Council can serve as the Board of Adjustment since criminal charges have already been filed by the City against Mr. Sandstrom.

Mr. Ewers stated that the criminal charges prohibit only the City Attorney's Office from sitting as the hearing officer.

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO APPOINT THE COUNCIL AS THE BOARD OF ADJUSTMENT IN THE SANDSTROM APPEAL, AS FOLLOWS:

YEAS: Gatewood, Stiver, Hilling, Matherly, Roberts

NAYS: None ABSENT: Eberhart

Mayor Cleworth declared the MOTION CARRIED.

b) The Fairbanks City Council, Sitting as a Committee of the Whole, heard interested citizens concerned with the below-referenced Liquor License Application for Transfer.

<u>Transfer of Location and Name Change:</u>

Type: Beverage Dispensary

License: Rock N Rodeo Bar & Grill, #1377

Licensee/Applicant: Scruff-N-Pork's Inc.

Physical Location: 600 Old Steese Highway, Fairbanks

Current DBA: Greyhound Lounge, #1377

Licensee: Scruff-N-Pork's Inc.

Location: 1351 Cushman Street, Fairbanks

Mayor Cleworth informed the Council that the City Building Department has protested the Liquor License Transfer.

Ms. Stiver, seconded by **Mr. Gatewood**, moved to PROTEST contingent upon City Building Department approval.

Mayor Cleworth called for Public Testimony and, hearing none, declared Public Testimony closed.

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO PROTEST CONTINGENT UPON CITY BUILDING DEPARTMENT APPROVAL OF THE LIQUOR LICENSE TRANSFER, AS FOLLOWS:

YEAS: Gatewood, Roberts, Matherly, Stiver, Hilling

NAYS: None ABSENT: Eberhart

Mayor Cleworth declared the MOTION CARRIED.

c) The Fairbanks City Council, Sitting as a Committee of the Whole, heard interested citizens concerned with the below-referenced Liquor License Application(s) for renewal.

Lic#	Establishment Name	License Type	Premise Location	Owner Name
1639	Alaska Salmon Bake	Restaurant/Eating Place-Seasonal	2300 Airport Way	Intra-Sea Inc
3118	V.F.W. Post #3629	Club	324 2nd St	V.F.W. Golden Heart Post #3629
3151	Fred Meyer 485	Package Store	3755 Airport Way	Fred Meyer Stores Inc.

4168	Lower LA	Beverage Dispensary	636 28th Ave	Kelco Properties Inc
4772	Ajimi Restaurant	Restaurant/Eating Place	550 Third Avenue	Kwang Yul Lee
4816	Mayan Palace	Beverage Dispensary	3401 Airport Way	Taco Azteca Incorporated
4831	Wasabi Bay Restaurant	Restaurant/Eating Place	1448 S Cushman St	Chung W Pak
4846	Wal-Mart Super- center #2722	Package Store	537 Johansen Expressway	Wal-Mart Stores Inc.

Mr. Matherly, seconded by **Ms. Stiver,** moved to WAIVE Protest on the Renewals.

Mayor Cleworth called for Public Testimony and, hearing none, declared Public Testimony closed.

A ROLL CALL VOTE WAS TAKEN, ON THE MOTION TO WAIVE PROTEST ON THE LIQUOR LICENSE RENEWALS, AS FOLLOWS:

YEAS: Matherly, Hilling, Roberts, Stiver, Gatewood

NAYS: None ABSENT: Eberhart

Mayor Cleworth declared the MOTION CARRIED.

MAYOR'S COMMENTS AND REPORT

Mayor Cleworth asked Tony Shumate, Jim Soileau and Jeff Johnson to come forward. He thanked Mr. Johnson for his service on the Permanent Fund Review Board. **Mayor Cleworth** announced that there would be a presentation from Bert Wagnon on the City's Permanent Fund.

Bert Wagnon provided the Council with an annual review of the City's Permanent Fund. He explained the asset allocation for the fund and where the dollars were invested. He stated that on October 31, 2011, the total portfolio was worth nearly \$100 million. He explained that the shortfall at the end of October was due to "overweight equity tilt," treasury and tips, and commodities. He shared future investment plans for the Permanent Fund.

Mr. Hilling asked if the decline in the market value of the fund in mid-2011 was due primarily to the City's draw. He asked for clarification on the past three years' fund earnings. He inquired as to the major components that have had an effect on commodities.

Mr. Wagnon clarified that the dip in the market was due not only to the draw, but also a decline in market value; he explained that there has been an average increase of 9.73% to the fund over the past three years. He spoke to the biggest components that have had the most significant effect on commodities: agriculture and energy.

Mr. Roberts asked for clarification on who sets the range and benches for the Permanent Fund.

Mr. Wagnon stated that the Permanent Fund Review Board is responsible for selecting the strategic bench and range and that Alaska Permanent Capital Management (APCM) has to comply with those parameters.

Ms. Stiver asked for Mr. Soileau to come forward and provide the exact dollar amount of the City of Fairbanks' draw from the Permanent Fund in 2011.

Mr. Soileau stated that the total draw from the Permanent Fund in 2011 was \$4,480,072. He specified that, of that total amount, \$3,000,000 was drawn on June 30, 2011 and \$1,480,072 was drawn the last week of November.

Mr. Hilling asked why the market dropped so significantly in the month of October.

Mr. Wagnon replied, in his personal belief, that it was because the market was very oversold.

Jeff Johnson corrected Mr. Wagnon's earlier response to Mr. Roberts' question regarding benches and range, stating that the fund's benches are imbedded in City code and are not set by the Permanent Fund Review Board.

Mayor Cleworth thanked Mr. Wagnon for the presentation. Mayor Cleworth spoke to Resolution No. 4500 approved at the last Council meeting regarding sidewalk improvements near Nordale School. He clarified to the Council that the grant amount should have been \$65,000 with no match, instead of the \$35,000 stated on the resolution. Mayor Cleworth spoke to the efforts to consolidate GVEA billing in order to make processing more streamlined and save money for the City. He stated that of the 2,700 street lights in the City of Fairbanks, 1,300 can now be remotely controlled, also saving cost to the City. He expressed the goal of being completely converted to LED street lights by 2012. Mayor Cleworth offered Council the option to cancel the next Finance Committee meeting, stating that there was nothing on the agenda from the administration, with the exception of possible discussion on the 2012 budget. With no objection from the Council, Mayor Cleworth announced the cancelation of the regularly scheduled Finance Committee meeting. He invited the Council to attend a meeting with the Interior Delegation regarding Capital projects and legislative issues on Friday, December 16, 2011. He thanked Ron Woolf and Tim Sovde for agreeing to serve on the Permanent Fund Review Board and the FNSB Planning Commission, respectively. Mayor Cleworth responded to Frank Turney's request for an update on the lawsuit involving the former Police Chief; he informed Mr. Turney that the City Attorney would try to provide an update at the next Council meeting. He also acknowledged Mr. Turney's request for the Bill of Rights to be read at the next meeting. Mayor Cleworth asked CFO, Jim Soileau to come forward again and provide a status report on outstanding City bonds.

Mr. Soileau reviewed the legislation authorizing the payoff of the Transportation Center Revenue Bonds and the Police Station General Obligation Bond. He stated that the City has been working with the trustee to pay off the transportation bonds as quickly as possible, but that full payment cannot be made until February 15, 2012. He outlined the cost savings to the City by paying off the bonds early. Mr. Soileau addressed the Police Station Obligation Bond payoff that was authorized by voters in the 2011 Municipal Election. He stated that City staff have been working diligently to have everything in order for the scheduled payoff of December 12, 2011.

Ms. Stiver asked what the City's savings would be for the early payoff of the Police Bond.

Mr. Soileau, in response to Ms. Stiver's question, stated that there isn't a monetary savings by prepaying the bond; but that at the time of payoff, the money will be placed in escrow, defeasing the bond and releasing the City's obligation.

Mr. Matherly asked why the Transportation Bond could not be paid before February 15, 2012.

Mr. Soileau replied that, although he is unaware of the legalities, he believes the reason for that date is so that the payoff is cleaner.

UNFINISHED BUSINESS

a) Ordinance No. 5866 – An Ordinance to Amend Fairbanks General Code by Enacting FGC Section 1-20, Code of Ethics. Introduced by Mayor Cleworth. SECOND READING AND PUBLIC HEARING.

Mr. Matherly, seconded by Mr. Roberts, moved to ADOPT Ordinance No. 5866.

Mayor Cleworth called for Public Testimony and, hearing none, declared Public Testimony closed.

Ms. Stiver inquired as to the reason for the ordinance's introduction.

Mayor Cleworth explained that the Code of Ethics is a result of the City's decision to opt-out of the State's APOC requirements. He indicated that, currently, the FGC contains a Code of Ethics, but it is scattered throughout the code. He stated that the intent of Ordinance No. 5866 is to solidify and fulfill the City's obligation to maintain a formal Code of Ethics.

Mr. Roberts asked if the proposed Code of Ethics mirrors the state. He raised the question of consequences if a Council Member were to violate the code.

Mr. Ewers replied that the State of Alaska's Executive Branch Ethics Act is referenced in the Ordinance to provide guidance. He indicated that it was the Mayor's intent to keep the City's Code of Ethics brief and simple. In response to Mr. Roberts' second question, Mr. Ewers stated that a violation from a member of the Council would be reviewed by the Council as a body and action would be taken accordingly.

A ROLL CALL VOTE WAS TAKEN, ON THE MOTION TO ADOPT ORDINANCE NO. 5866, AS FOLLOWS:

YEAS: Roberts, Matherly, Gatewood, Hilling, Stiver

NAYS: None ABSENT: Eberhart

Mayor Cleworth declared the MOTION CARRIED and

ORDINANCE NO. 5866 ADOPTED.

b) Ordinance No. 5867 – An Ordinance to Repeal Chapter 74, Article VI, of the Fairbanks General Code, Occupational Privilege Tax. Introduced by Mayor Cleworth. SECOND READING AND PUBLIC HEARING.

Mr. Matherly, seconded by Ms. Stiver, moved to ADOPT Ordinance No. 5867.

Mayor Cleworth called for Public Testimony and, hearing none, declared Public Testimony closed.

Ms. Stiver questioned the purpose of Ordinance No. 5867.

Mayor Cleworth indicated that the reason for the ordinance is to eliminate old City code that is no longer relevant. He summarized the original purpose of the tax.

A ROLL CALL VOTE WAS TAKEN, ON THE MOTION TO ADOPT ORDINANCE NO. 5867, AS FOLLOWS:

YEAS: Stiver, Matherly, Gatewood, Hilling, Roberts

NAYS: None ABSENT: Eberhart

Mayor Cleworth declared the MOTION CARRIED and

ORDINANCE NO. 5867 ADOPTED.

c) Ordinance No. 5868 – An Ordinance to Repeal Chapter 26, Article V, Section 26-201 of the Fairbanks General Code, Residential Emergency Services Tax. Introduced by Mayor Cleworth. SECOND READING AND PUBLIC HEARING.

Mr. Hilling, seconded by Mr. Matherly, moved to ADOPT Ordinance No. 5868.

Mayor Cleworth called for Public Testimony and, hearing none, declared Public Testimony closed.

Mayor Cleworth stated that Ordinance No. 5868 is more clean-up of unnecessary or irrelevant City code.

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO ADOPT ORDINANCE NO. 5868, AS FOLLOWS:

YEAS: Hilling, Roberts, Stiver, Matherly, Gatewood

NAYS: None ABSENT: Eberhart

Mayor Cleworth declared the MOTION CARRIED and

ORDINANCE NO. 5868 ADOPTED.

NEW BUSINESS

a) Ordinance No. 5869 – An Ordinance Amending Fairbanks General Code Chapter 66, Section 66-43, Senior Citizen Rate. Introduced by Mayor Cleworth.

ADVANCED on the CONSENT AGENDA.

b) Ordinance No. 5870 – An Ordinance Authorizing Sale of Surplus Property to the Korean Community of Fairbanks, Inc. Introduced by **Mayor Cleworth**.

Mr. Hilling, seconded by Ms. Stiver, moved to ADVANCE Ordinance No. 5870.

Mr. Hilling informed the Mayor and Council that the Interdenominational Ministerial Alliance has also expressed interest in the property under discussion. He stated that it would be fair to inform them of the proposed ordinance.

Mayor Cleworth stated that the City has the right to sell a property at less than fair market value if the buyer is a non-profit organization. He explained that if the property is being sold to anyone other than a non-profit, the property must first be offered to buyers at fair-market value; then, if there is no interest, the property can go through the bid process. He stated that because the Korean Community of Fairbanks is a non-profit organization, they are entitled to a definitive answer from the Council.

Mr. Gatewood expressed that if the City is going to sell the property to a non-profit group, he believes its purpose should serve all Fairbanks citizens. He stated his concern that selling the property to the Korean Community of Fairbanks would benefit only a select group of citizens.

Mr. Roberts suggested that the City market all properties available for purchase instead of waiting for potential buyers to come forward.

Ms. Stiver echoed Mr. Roberts' opinion on marketing, stating that the City has lost money in the past by selling properties for less than market value.

Mr. Matherly asked if the Korean Community of Fairbanks had already secured financing for the purchase.

Mayor Cleworth stated that there has only been one meeting with the Korean Community of Fairbanks and the offer was made at that time, adding that he was unaware of any financing. He referenced a statement in Ordinance No. 5870 that places a 5-year construction stipulation on the agreement. Mayor Cleworth gave a brief summary of how the City has handled the sale of surplus property in the past. He stated that in order to market all City properties, a complete inventory list would have to be created and published. He added that most of the properties marketed in the past have not been desirable, but some sold. In response to Ms. Stiver's comment regarding the sale of property for less than market value, Mayor Cleworth stated that the City tends to recover much, if not all, of the loss through the collection of property taxes.

Mr. Hilling asked about the value of the property under discussion.

Mayor Cleworth replied that there has been no formal appraisal, but that Pat Smith, City Property Manager, estimated its best market value to be \$45,000. He informed the Council that, in the event of a renewed interest in the property by multiple parties, Ordinance No. 5870 should be killed and the bid process should begin.

Ms. Stiver clarified her earlier comment on past sales, stating that she would support more marketing for City properties.

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO ADVANCE ORDINANCE NO. 5870, AS FOLLOWS:

YEAS: Gatewood, Stiver, Hilling, Matherly, Roberts

NAYS: None ABSENT: Eberhart

Mayor Cleworth declared the MOTION CARRIED and

ORDINANCE NO. 5870 ADVANCED.

DISCUSSION ITEMS

Committee Reports

<u>Bed Tax Discretionary Fund Committee</u> – **Ms. Stiver** announced the upcoming Presentation Meetings at 6:00 P.M. on December 13 & 14 and the Distribution Meeting on December 23 at noon.

COMMUNICATIONS TO COUNCIL

a) Appointment to the Fairbanks North Star Borough Planning Commission.

APPROVED on the CONSENT AGENDA.

b) Appointment to the Permanent Fund Review Board.

APPROVED on the CONSENT AGENDA.

COUNCIL MEMBERS' COMMENTS

Mr. Gatewood spoke of an article he had read that listed Fairbanks International Airport as one of the top nine beautiful airports in the world. He commended Bettisworth North for their work on the remodel of the building. He applauded FNSB Superintendent, Pete Lewis, for making the call to close schools due to poor road conditions.

Mr. Roberts commented on the drastic change in the weather in a short period of time. He thanked Public Works and Mayor Cleworth for the Christmas lights in the downtown area.

Ms. Stiver thanked those who signed the sympathy card for the family of Ms. Rockar who recently died as the result of a hit-and-run incident in Fairbanks. She welcomed Tim Sovde as the City of Fairbanks appointee to the FNSB Planning Commission.

Mr. Matherly expressed his sympathy for the passing of Sue Gregory. He mentioned the explosion at the gas station in Cantwell, remarking on how unexpectedly accidents can happen. He echoed Mr. Gatewood's commendation of the FNSB School District for closing schools. He cautioned the public on the use of cell phones while driving.

Mr. Hilling promised Mr. Buburge's idea that local businesses could provide use of their facilities for a fee. He spoke to Mr. Anderson's earlier comment on the rising cost of energy, and assured him that the point would be considered during negotiation of the IBEW labor contract. Mr. Hilling recognized Mr. Lerman's suggestion to create various City task forces and praised him for his persistence. He offered to research the City's mission statement. Mr. Hilling spoke to a possible review of the speed limit on Cowles Street and the process required to raise the limit from 25 to 30 mph. He suggested other options to slow traffic. Mr. Hilling expressed his admiration for Nelson Miles and the hope that the City Council had answered Mr. Miles' questions regarding the bond payoffs. He commended Mayor Cleworth for initiating the cleanup of the Fairbanks Code of Ordinances. He spoke to the proposal brought forth by the Korean Community of Fairbanks and expressed concern that the ordinance receive proper public notice.

Mayor Cleworth, in response to Mr. Hilling's concern with the speed limit on Cowles, stated that the speed limit was reduced due to numerous complaints from the public and has been the most effective way to slow traffic and appease the area's residents. **Mayor Cleworth** assured Mr. Hilling that all advertisement requirements outlined in the City code have been and will have been met regarding Ordinance No. 5870. **Mayor Cleworth** asked Ms. Hovenden to address the update to the City's online Code of Ordinances, "Municode."

Ms. Hovenden stated that all 2011 code modifications to date have been submitted for codification. She explained that, beginning in 2012, the online code library will be updated quarterly, while code books will remain on an annual update schedule.

CITY ATTORNEY'S REPORT

Mr. Ewers announced that an Alaska Supreme Court case involving the City of Fairbanks was scheduled for argument at Lathrop High School, but had been postponed due to school closure.

Mr. Roberts, seconded by **Mr. Matherly**, moved to go into Executive Session for the purpose of discussing Labor Negotiations for PSEA and IBEW.

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

Mayor Cleworth called for a five minute recess.

EXECUTIVE SESSION

a) Labor Contract Negotiations – PSEA and IBEW

The City Council met in Executive Session to discuss labor negotiations for PSEA and IBEW. Direction was given to staff and no action was taken.

ADJOURNMENT

Transcribed by: DS

Mr. Roberts, seconded by **Ms. Stiver**, moved to ADJOURN the meeting.

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

Mayor Cleworth declared the Meeting adjourned at 10:10 P.M.

	JERRY CLEWORTH, MAYOR
ATTEST:	
JANEY HOVENDEN, CMC, CIT	Y CLERK

City of Fairbanks

From the Office of the City Attorney

MEMORANDUM

TO:

Mayor and Council Members

FROM:

Paul Ewers, City Attorney

SUBJECT:

Board of Adjustment Appeal (Wayne Sandstrom)

Scheduled for the 2/27/12 council meeting

DATE:

February 14, 2012

Along with the Board of Adjustment Hearing Packet, you will also receive a memo from Borough Clerk Mona Drexler. Her memo contains important information on the appeal process. This Board of Adjustment appeal is an appeal "on the record." The council decides the matter on the written material contained in the Hearing Packet. It does not hear arguments or take additional testimony or other evidence.

The council may affirm or reverse the decision of the Planning Commission in whole or in part. The decision must be based upon findings and conclusions adopted by the council. In the past, the council has adopted written findings and conclusions. Based upon the council's deliberations at the hearing, I will prepare draft findings to be presented at the next council meeting for the council's review and approval.

If you have any questions about the appeal process, please give me a call.

Fairbanks North Star Borough

Borough Clerk's Office

809 Pioneer Road * PO Box 71267 * Fairbanks, Alaska 99707-1267 * (907)459-1401 FAX 459-1224

MEMORANDUM

TO:

Board of Adjustment Members

FROM:

Mona Lisa Drexied Man

Municipal Borough

DATE:

February 9, 2012

SUBJECT:

BOARD OF ADJUSTMENT APPEAL REGARDING THE PLANNING

DIRECTOR'S DETERMINATION filed by WAYNE SANDSTROM

The Fairbanks City Council will sit as the Board of Adjustment for consideration of the following appeal on February 27, 2012, at 7:00 p.m., City Council Chambers, 800 Cushman Street, Fairbanks, Alaska.

An appeal was filed by Wayne Sandstrom regarding the Community Planning Director's Determination regarding a bed and breakfast residence at 341 Antionette Drive, Fairbanks Alaska.

Please be advised that ex parte contacts shall be prohibited. Board members shall be impartial in all appeal matters, both in fact and in appearance. No board member shall receive or otherwise engage in ex parte contacts with the appellant, other parties adversely affected by the appeal, or members of the public concerning the appeal.

Note: The board shall not hear arguments nor take additional testimony or other evidence. Only the material contained in the appeal packet shall be considered.

Attached is your hearing packet. Please bring to the above referenced hearing.

Cc:

Janey Hovenden, City Clerk

BOARD OF ADJUSTMENT Hearing Packet

APPEAL OF PLANNING DIRECTOR'S DETERMINATION ON 341 ANTIONETTE AVENUE

Filed by Wayne Sandstrom

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NOTICE OF APPEAL

WAYNE SANDST Print Name	-ROM
341 ANTONETTE AUC Mailing Address	(907) 978 - 8264 Contact Telephone Number
Residence Address	Email Address
EAINBAVKS ALASKA City, State, Zip Code 99701	7
FNSB Code 18.54.070 (C)(1) states that the App Please present those allegations. If you need yo	peal must contain detailed and specific allegations of error. Ou may enclose additional sheets.
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Signature	
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	Accepted: H-14-11 Date: 11-14-11

AGENDA PACKET - February 27, 2012

8



Fairbanks North Star Borough

809 Pioneer Road

P.O. Box 71267

Fairbanks, Alaska 99707-1267

907/459-1000

www.co.fairbanks.ak.us

October 27, 2011

Bud Sandstrom Family Trust Vi Sandstrom Family Trust 341 Antoinette Fairbanks, Alaska 99701

Dear Mr. Sandstrom:

Thank you for your letter dated October 6, 2011. In response I would like to clarify permit requirements and I would like to address your concern of the Planning Department using Webster's Dictionary for the definition of "room."

As stated in my September 8th letter to you the Bed and Breakfast Residence is a permitted use on your property but you should remember that you are required to obtain a zoning permit and floodplain permit from the Planning Department before establishing this use. I sent you copies of those permits for your convenience.

In the same letter I wrote to you the following: "All bed and breakfast guestrooms must be within a building. Guestrooms cannot be in individual buildings. Title 18, the zoning code, states under 18.06.010.A9, that any words not defined in 18.060.010 'shall be construed according to their generally accepted meanings.' Guestroom is not defined in Title 18; however, Webster's Ninth New Collegiate Dictionary defines a "room" as 'a partitioned part of the inside of a building.' In addition, the bed and breakfast cannot be used for long term, transitional, or standard rental housing. Title 18 defines Bed and Breakfast Residence as a facility with five to nine guestrooms where lodging with or without-meals is provided for compensation to transient guests on a day-to-day basis."

In your letter you cite Chapter 3.58.010 for the definition of room. That code states: "Room" means any structure or portion of a structure, permanent or temporary, fixed or mobile, in which a person, for money or other consideration, may obtain lodging, dwelling, or sleeping accommodations. This term includes hotels, apartment hotels, motels, tourist homes, houses or courts, lodging houses, inns, rooming-houses, hostels, trailers, bed and breakfasts, dormitories, and any other facility, structure, or room of whatever name where space for lodging, dwelling, or sleeping may be secured for consideration. "Room" does not include any hospital, self-contained and powered motor home, tent or tent space, medical clinic, sanitarium, or nursing home; any student dormitory operated by the University of Alaska; or any temporary lodging within a military reservation when that lodging is operated by the United States. You state "this definition casts a wide net around what can be deemed 'room' when it comes to B&B's and similar endeavors."

In response, Chapter 3.58 is Borough Code that pertains to Motel-Hotel Room Tax. The definition of room that you cited pertains only to Chapter 3.58 and is for the collection of taxes. The first sentence of FNSB 3.58.010, Definitions, states: "For the purposes of this chapter, the following words and phrases have the following meanings." Conversely, the use of a Bed and Breakfast on a parcel of land is a zoning issue and pertains to Chapter 18 of the zoning code. These are two separate chapters of the code with two different purposes. In administering the zoning ordinance we are obligated to follow Chapter 18 and zoning definitions. I have quoted the zoning code definitions above. Webster's Dictionary states a room is located within a building. It should also be noted that the definition of room as defined by Webster's Dictionary is not inconsistent with the definition you cite under 3.58.010.

You also quoted the zoning code definition of a building: "Building" means a structure for the support, shelter or enclosure of persons, animals, chattel or property of any kind. A building shall include such extended structures as attic entries, balconies, carports, decks, exterior stairways, garages, porches, wannigans and windows. Where independent units with separate entrances are not joined by a common wall and/or ceiling or floor, each unit shall be considered as a separate building. This definition does not include a fence.

"Principal building" is another zoning definition that is important. "Principal building" means a building in which is conducted the principal use of the lot on which it is located. Further, under 18.50.020 it states, in the rural and agricultural through the TF, two-family residential districts, both inclusive, not more than one principal building may be located on a lot....

Residential and bed and breakfast uses are primary uses in the Two-Family zone. Separate independent buildings that serve these uses would therefore be principal buildings. In the two-family zone, where your property is located, only one principal building is permitted. More than one principal building serving either a residential or bed and breakfast use exceeds the permitted uses of the two-family zone.

You also mention accessory buildings. Because residential and bed and breakfast uses are principal buildings, they are not accessory buildings. Accessory structures in the Two-Family zone are typically storage sheds, greenhouses, garages and similar structures.

Thus I determine that a bed and breakfast residence is a permitted use in the Two Family zone. However guestrooms must be located within one single structure in this zone. I base this determination on the following findings:

- 1. The property located at 341 Antoinette is located within the Two-Family Residential zoning district.
- 2. Residential use and bed and breakfast uses are permitted uses in the Two-Family zone.
- 3. Only one principle building is permitted in the Two-Family zone.
- Residential use or a bed and breakfast residence use makes the building a principal building.

- 5. More than one principal building on a lot within the Two-Family zone is not permitted.
- 6. Residential sleeping quarters either for residential or bed and breakfast uses in individual buildings are not accessory buildings because they are principal buildings.

This determination can be appealed within 15 days of the date of this letter. Appeals can be made at the Borough Clerks Office at 809 Pioneer Road, Fairbanks, Alaska.

Sincerely,

Bernardo Hernandez, Director

FNSB Department of Community Planning

CC:

FNSB Mayor Luke Hopkins

Jeff Jacobson, FNSB Chief of Staff

Cynthia Klepaski, FNSB Asst. Borough Attorney

Mona Drexler, FNSB Clerk

City Mayor Jerry Cleworth

City Attorney, Paul Ewers

Deputy City Attorney, Dave Burglin

Clem Clooten, Assistant Building Official

Assembly Member Matt Want

Assembly Member Natalie Howard

Assembly Member Michael Dukes

Representative Tammie Wilson

William Satterberg, Esq.

Council Member Vivian Stiver

Council Member Chad Roberts

Council Member Bernard Gatewood

Council Member Jim Matherly

Council Member John Eberhart

Council Member Elect Lloyd Hilling

Background Reference Information. At 72 years of age and facing retirement, I built and begin operating my bed and breakfast (B&B); the subject of this appeal. It was the cornerstone of my retirement until Borough Planning intervened and virtually destroyed it. And because I was not afforded a proper appeal I have been obliged to close my B&B. Subsequently, I have sold most of my modular accessory buildings to meet mounting legal expenses defending myself from the Borough's and City's actions.

The land I own is zoned TF (TWO-FAMILY RESIDENTIAL DISTRICT). Permitted uses include: any permitted use in the SF-20, SF-10 and SF-5 districts and two-family attached dwellings, which includes Bed and breakfast residence since the size of my lot exceeds 20,000 square feet. Thus, there is no argument regarding having a B&B up to nine bedrooms on the property. (18.22.020 Use regulations)

Further, I am an Alaskan builder with nearly fifty years of experience building commercial, residential, and public utilities to code in our town and throughout the northwest US. I am in the process of renewing my Administrator's license for next year and am obliged to disclose any pending or sustained legal charges during the renewal process. The ramifications of doing so with charges hanging over my head give me pause for concern. I would like this matter resolved prior to submitting my renewal questionnaire.

<u>Procedural Error</u> My situation was severely prejudiced when Borough Planning Staff went to the City for assistance in closing down my B&B, after apparently deciding Borough Code did not clearly sustain their efforts to do so.

- Multiple Procedural Errors have compounded my situation causing it to escalate from a neighbor's complaint to being criminally charged and fingerprinted at the State Correctional Facility for operating a B&B without providing toilets connected to public utilities. (The charge is false; all my guests were served by restrooms and shower rooms directly connected to Golden Heart Utilities). In essence this situation has turned from a civil matter into a criminal matter and I have had to engage a criminal attorney to represent me. Had Staff initially taken a neutral position, rather than try to be an advocate for my neighbor, and let the dispute be resolved through the Borough's process, we might or might not, still be headed for court but in civil court rather than criminal. However since it is now a criminal matter, the burden of proof has shifted from me the Defendant, to the City/Borough the Plaintiff.
- The fact that the City was quick to file charges, even before I was afforded my
 requested appeal illustrates how serious city officials were lead to believe the
 situation to be. I objected and an appeal board was hastily convened. The fact
 remains, that after the appeal board heard the facts, they decided the urgency
 had been misplaced and that the alleged zoning violation needed to be resolved

first. Consequently the appeal process was recessed until the Borough resolved the zoning. Meanwhile the criminal proceedings remain on-going.

The Borough has established procedures to follow when investigating complaints between residents. These assure timely decisions, hearings and appeals – had they been followed, I would not be in criminal court and would likely still have income from my B&B. Instead, my life is on hold and my very means of livelihood sold to defend myself.

<u>Error in Application of Law</u> - The FNSB's Comprehensive Plan is more than a guideline for dealing with land issues; it is the legal basis as established under AS 29.40.040. Land Use Regulations, for making land use and zoning decisions. And the Comprehensive Plan clearly ranks protecting private property rights at the top of Borough goals - GOAL 1 To recognize that the <u>foremost</u> aspect of land use involving private property is the retention and maintenance of private property rights. This goal weighs in favors of the property owner if all arguments are equal.

- The Planning Director erred when he chose to use Webster to bolster his opinion for the definition of 'room'. In doing so he ignored the Comprehensive Plan's foremost mandate since impacts to the neighbors remains the same, or perhaps even less, whether the B&B has nine scattered accessory buildings or is a large dwelling with a physical connection to nine guest rooms.
- Further, my property is within a flood zone and both the Comprehensive plan and Borough Code stresses caution when building in COE flood zones. My accessory modular buildings are ideal for use within flood plains because they pose no possible floodwater access or threat to buried public utilities. They can be quickly relocated or tied off and floated, and by unplugging one 15 amp box, are completely disconnected from all utilities. Because they sit on pads and are easily transportable; the need for a flood plain permit is questionable however I am submitting one at the request of the Planning Director.
- Further yet, my accessory modular buildings have significant safety features, namely direct fire exits to the outside, and fused for a maximum 15 amp load.
- Finally, my accessory buildings are cost effective. They are well insulated
 modules and since there are no utilities to freeze up, they do not have to be
 heated when not in use. Because they sit on pads and are easily transportable;
 the need for building permits is also questionable however I am submitting one
 at the request of the Borough and City.
- These advantages accrue to me, the property owner. And In my opinion the neighborhood gains as well.

While the Planning Director may or may not agree, the neighborhood impact resulting from the use of accessory buildings is no greater than using a sprawling or multi-storied building for a B&B – with a much less intrusive view, especially once landscaping is

complete. The Comprehensive Plan favors the property owner and there is good reason to do so.

<u>Findings and Conclusion Unsupported by Evidence.</u> The Planning Director ruled that Accessory buildings are not allowed to be used for B&B sleeping rooms within the FNSB. His decision is admittedly based solely on Webster's definition of 'room' because the term 'room' is not explicitly spelled out in Title 18 definitions.

Limiting interpreting the intent of the FNSB's Code of Ordinances to a single narrow root of code information is fraught with myopic pitfalls that often do nothing more than rationalize a preferred predetermined intent. There is no better example than singling out code chapter's definitions – which is intended to narrow the meaning within a specific chapter – but not to exclude the meaning from other chapters. The code itself is a dynamic document administered by the Borough Assembly in concert with the FNSB Comprehensive Land Use Plan and maintained by the Borough Clerk. It is a herculean task that calls for common sense when using it.

The Director deliberately disregarded the definition of rooms contained in **Title 3.58.010 Definitions** "Room" means any structure or portion of a structure, permanent or temporary, fixed or mobile, in which a person, for money or other consideration, may obtain lodging, dwelling, or sleeping accommodations. This term includes hotels, apartment hotels, motels, tourist homes, houses or courts, lodging houses, inns, rooming-houses, hostels, trailers, **bed and breakfasts**, dormitories, and any other facility, structure, or room of whatever name where space for lodging, dwelling, or sleeping may be secured for consideration."

It seems clear that the FNSB code intent is to convey an all inclusive listing of spaces used for short term commercial lodging. In short it says, with certain institutional exceptions, should an entrepreneur rent space of any type for overnight lodging it is subject to tax – namely bed tax.

This expressed intent is further reinforced by the definition of 'Home Occupation' found in Zoning18.060.010 - Home occupation" means a business, profession, occupation or trade located entirely within a dwelling unit or a *dwelling unit's accessory building*, which is accessory, incidental, secondary and subordinate to the residential use of the dwelling unit and does not change the essential residential character or appearance of such building or neighborhood in which it is located. *This clearly contradicts the Director's last point in his October 27 letter.*

The Planning Director apparently chose to exclude a B&B from being a Home occupation and based his decision to disregard the entirety of Title 18.060.010 and focus narrowly on *Title 18.060.010 A Rules of Construction*. - 9 definitions. '..... shall be construed according to their generally accepted meanings', to justify using Webster

as the sole authority to consider; 'when deciding if an accessory building can be used for a sleeping purposes'.

It smacks of 'hair splitting' in an effort to rationalize what he deems best for the complaining neighbor. Carrying such 'hair splitting' to extreme would exempt even this definition since it is a subset of definitions for 'Rule of Construction' making it apply, in his narrow methodology, only to construction. This 'hair splitting' seems to be a weak argument being made after exhausting all other possible arguments, because it was made very late in process – and in particular after throwing me in court.

But taken in the full context of the entire borough code (Title 1 through 25) as well as explicitly in Title 18.060.010, the focus is drawn towards the meaning and uses of buildings, accessory buildings and dwellings; building" means a structure for the support, shelter or enclosure of persons, animals, chattel or property of any kind. A building shall include such extended structures as attic entries, balconies, carports, decks, exterior stairways, garages, porches, wannigans and windows. Where independent units with separate entrances are not joined by a common wall and/or ceiling or floor, each unit shall be considered as a separate building. This definition does not include a fence.

"Building, accessory" means a building which is subordinate to and serves a principal building or use. An accessory building is subordinate in extent and/or purpose to the principal building or use and contributes to the comfort, convenience, and/or necessity of the occupants of the principal building or use being served.

Further support is contained in Title 18.060.010 definitions show the terms 'building and 'structure' are interchangeable. It adds even more clarity to the argument by defining a dwelling unit <u>as that portion</u> of a building used exclusively for residential purposes and a dwelling unit refers exclusively for living quarters for one family and clearly excludes all other users.

Thus, FNSB code clearly allows a B&B and dwelling unit to coexist in <u>different</u> <u>portions</u> of the same principal building and that an accessory building can be use in extent and/or purpose to the principal building or use and contributes to the comfort, convenience, and/or necessity of the occupants of the principal building or use being served. And it serves to complement **Title 3.58.010**, previously cited.

In closing, I would be remiss if I did not point out that the State and City was quick to approve my applications for a Business License and provide me with bed tax information – and the FNSB was quick to assess my accessory buildings.

I am also taking this opportunity, as a resident of our community, to complain about careless talk among staff in regards to issues such as this. Most egregious was when

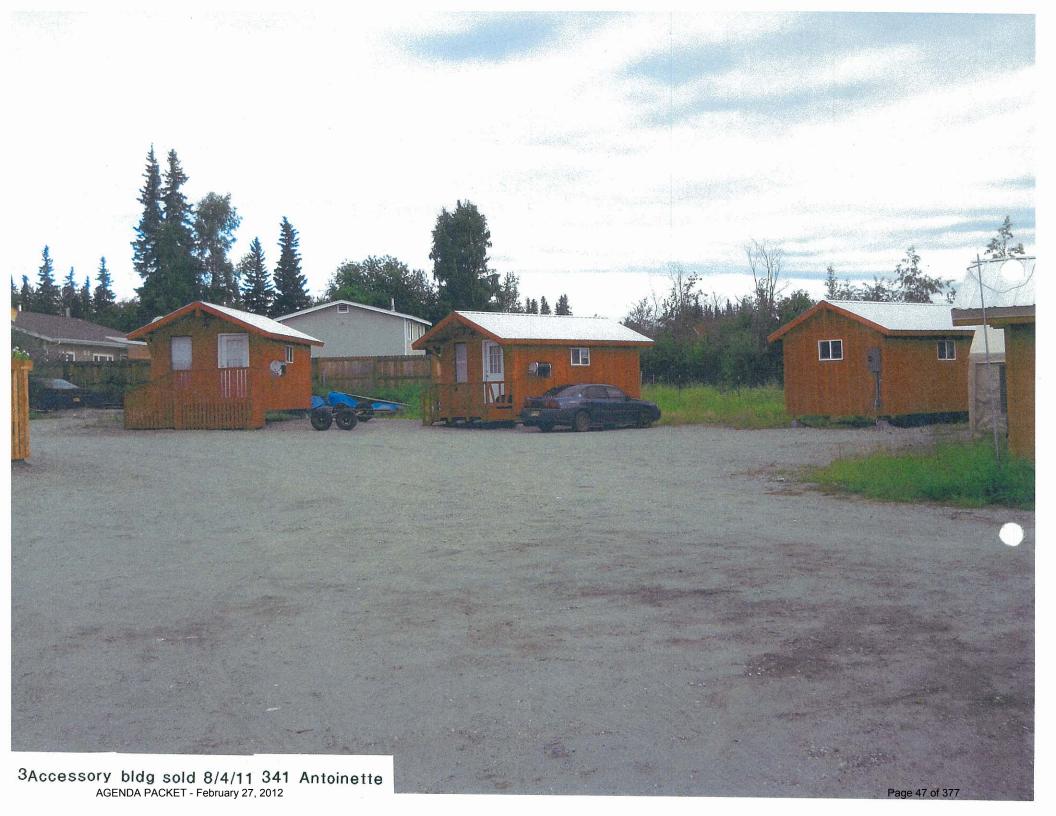
I came before the Borough Assembly to testify on an unrelated issue and the Borough's Chief of Staff unsolicited acknowledged me over open mike before the Assembly and the community (KUAC) as being 'the one with all the code violations'. I suggest that was less than professional and only served to further prejudice my situation. A similar incident occurred when visiting the Borough's Assessment office.





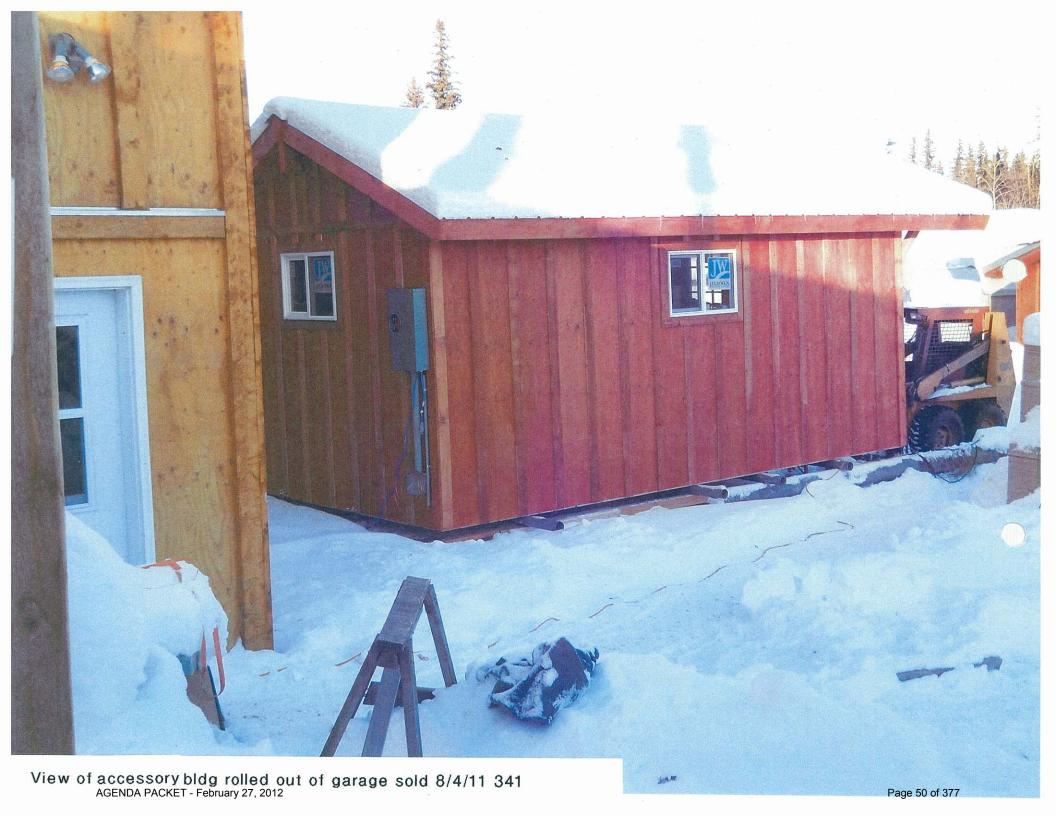


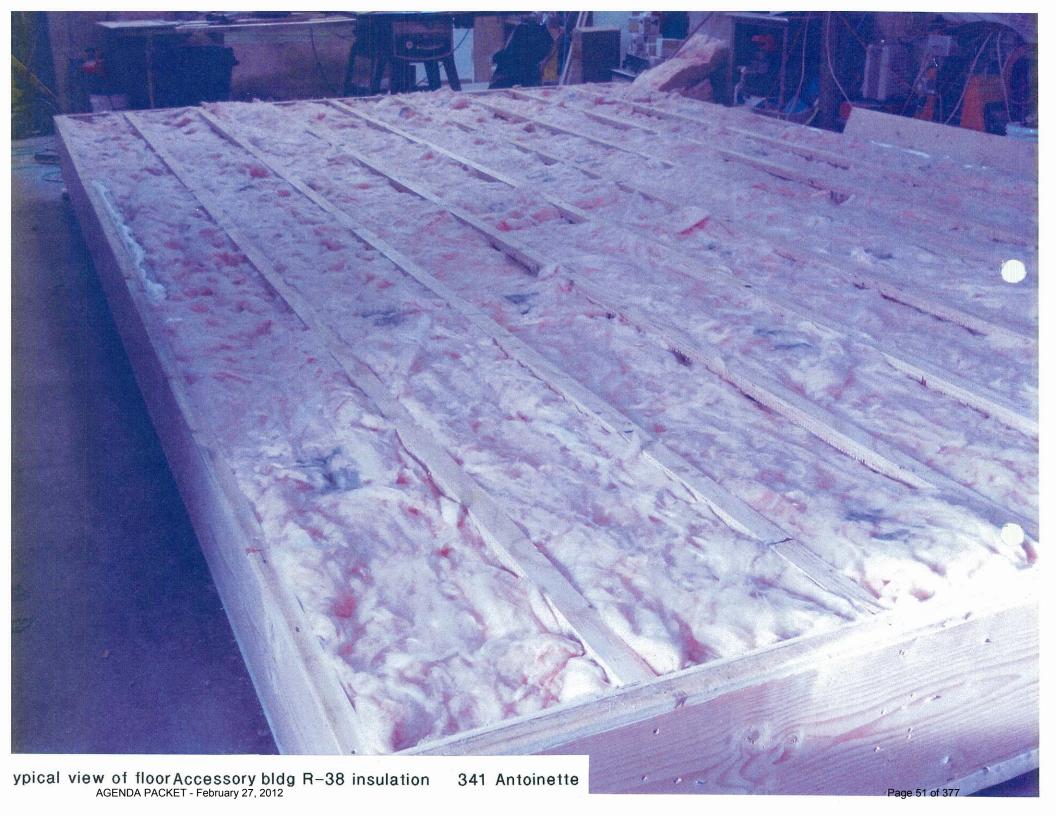


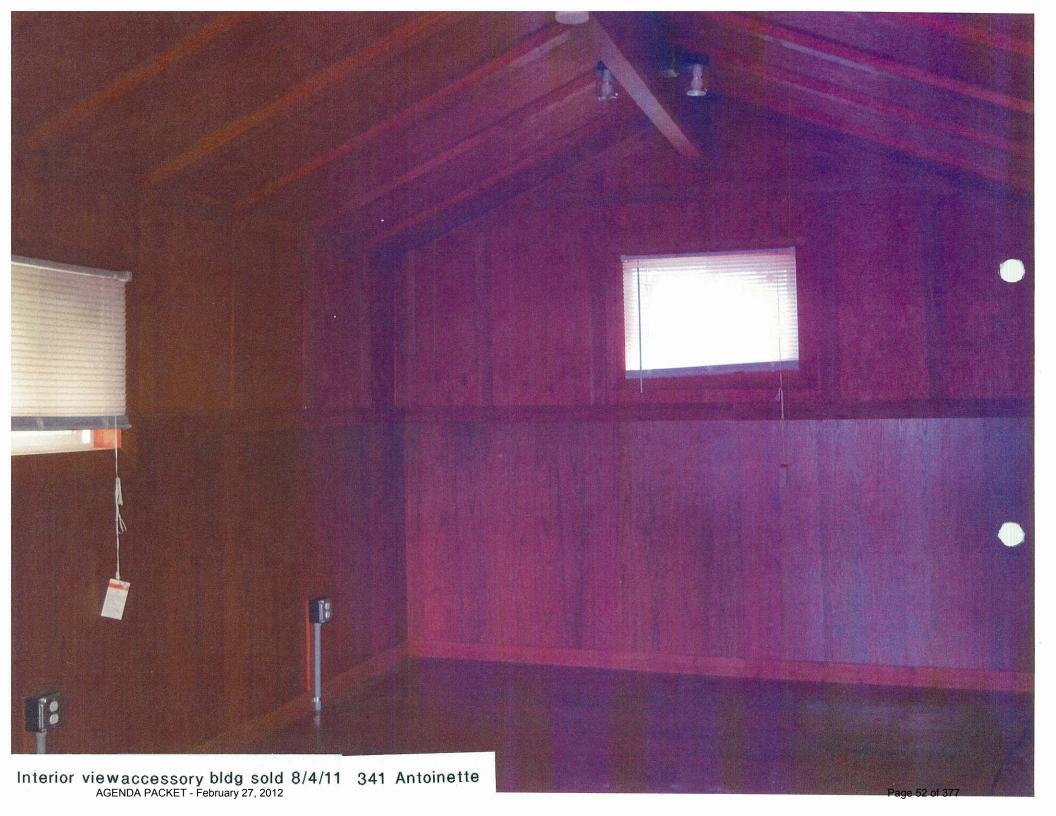




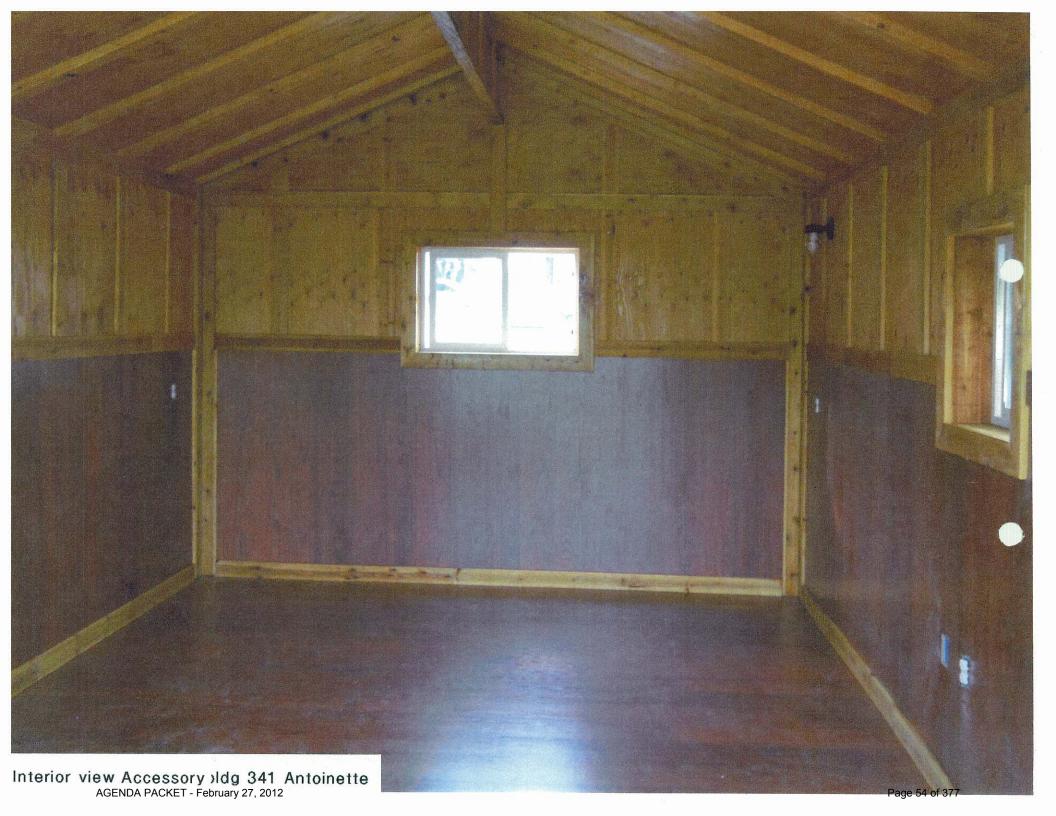




























Accessory bldg sold 8/4/11 being removed 341 Antoinette AGENDA PACKET - February 27, 2012



Fairbanks, Alaska 99707-1267

907/459-1000

www.co.fairbanks.ak.us

MEMORANDUM

TO:

Mona Lisa Drexler, MMC

Municipal Borough Clerk

FROM:

Bernardo Hernandez, Director

Department of Community Planning

DATE:

November 23, 2011

SUBJECT:

Submittal of documents for board of adjustment appeal regarding an

Administrative Determination on property located at

341 Antionette Avenue Fairbanks, Alaska by Wayne Sandstrom

Please accept the attached documents as a response to your request for information related to the above-referenced appeal. Included are:

- A written copy of the decision along with its findings and conclusions.
- All documentary evidence, memoranda and exhibits, correspondence and other written material submitted prior to the decision from which the appeal was taken.

The information is arranged as follows:

- Memorandum dated November 15, 2011 from the Borough Clerk's Office notifying the Community Planning Department of the Board of Adjustment appeal.
- Administrative Determination
- Site Specific Background Information including applicable FNSB Code of Ordinance, GIS Maps and Data, Aurora Field Card, and Webster's Ninth New Collegiate Dictionary definition of "room."
- Code Violation CV 2011 002, Exceeding FNSBC 18.24.020(A) Permitted uses (multiple principal structures). Includes: complaints, inspection photographs, related case correspondence arranged by date.
- Code Violation CV 2011 003, Exceeding FNSBC 18.24.020(A) Permitted uses (commercial vehicles). Includes: complaint, inspection photographs, related case correspondence arranged by date.

If I can be of further assistance, please contact me at 459-1260.

Cc: Jeff Jacobson, Chief of Staff

Borough Clerk's Office

MEMORANDUM

TO:

Bernardo Hernandez, Director

Department of Community Planning

FROM:

Mona Lisa Drexler,

Municipal Borough (

DATE

November 15, 2011

SUBJECT:

BOARD OF ADJUSTMENT APPEAL REGARDING -

Administrative Determination on property located at 341

Antionette Avenue by Wayne Sandstrom

I would like to inform you that an appeal to the Board of Adjustment has been filed regarding the determination made by the Director of Community Planning on the property located at 341 Antionette Avenue.

I am requesting the following information for preparation of the record:

- All documentary evidence, memoranda and exhibits, correspondence and other written material submitted prior to the decision from which the appeal was taken; and
- A written copy of the decision along with its findings and conclusions.

Please provide this information by November 23, 2011. Upon completion of the record, I will notify the appellant that they may file a written brief of points and authorities in support of those allegations of errors specified in the notice of appeal.

Should you have any questions, you may contact me at 459-1402.

Cc: Jeff Jacobson, Chief of Staff



Fairbanks Morth Star Borough

Borough Glerk's Office

809 Pioneer Road • PO Box 71267 • Fairbanks, Alaska 99707-1267 • '907)458-1401 FAX 459-1224

November 15, 2011

Wayne Sandstrom 341 Antionette Avenue Fairbanks, Alaska 99701

Dear Mr. Sandstrom;

Your appeal filed on November 14, 2011, to the Board of Adjustment concerning the administrative determination of the property located at 341 Antionette Avenue, Fairbanks, Alaska, has been accepted.

FNSB 18.54.070 (I)(1) states "An appeal shall be heard solely on the basis of the record established before the lower administrative body, the notice of appeal, appellant's argument and the reply thereto". (emphasis added). Under borough code, the record consists of the written decision of the administrative body and "copies of all documentary evidence, memoranda, and exhibits, correspondence and other written material submitted to the administrative body prior to the decision from which the appeal is taken". FNSB 18.54.(E).

Accordingly, only the material the Director of Community Planning reviewed and used in making his decision will be accepted for this appeal. If the documents you attached to your notice of appeal are in the record then you can rely upon them in your brief.

I have enclosed a copy of section 18.54,070-Appeals from the code with the procedures for a Board of Adjustment Appeal.

Sincerely,

Mona Lisa Drexler

Municipal Borough Clerk

Cc:

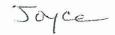
Bernardo Hernandez, Director, Department of Community Planning

Jeff Jacobson, Chief of Staff

Jill Dolan, Assistant Borough Attorney

Certified Return Receipt

Administrative Determination





Fairbanks North Star Borough

809 Pioneer Road

P.O. Box 71267

Fairbanks, Alaska 99707-1267

907/459-1000

www.co.fairbanks.ak.us

October 27, 2011

Bud Sandstrom Family Trust Vi Sandstrom Family Trust 341 Antoinette Fairbanks, Alaska 99701

Dear Mr. Sandstrom:

Thank you for your letter dated October 6, 2011. In response I would like to clarify permit requirements and I would like to address your concern of the Planning Department using Webster's Dictionary for the definition of "room."

As stated in my September 8th letter to you the Bed and Breakfast Residence is a permitted use on your property but you should remember that you are required to obtain a zoning permit and floodplain permit from the Planning Department before establishing this use. I sent you copies of those permits for your convenience.

In the same letter I wrote to you the following: "All bed and breakfast guestrooms must be within a building. Guestrooms cannot be in individual buildings. Title 18, the zoning code, states under 18.06.010.A9, that any words not defined in 18.060.010 'shall be construed according to their generally accepted meanings.' Guestroom is not defined in Title 18; however, Webster's Ninth New Collegiate Dictionary defines a "room" as 'a partitioned part of the inside of a building.' In addition, the bed and breakfast cannot be used for long term, transitional, or standard rental housing. Title 18 defines Bed and Breakfast Residence as a facility with five to nine guestrooms where lodging with or without meals is provided for compensation to transient guests on a day-to-day basis."

In your letter you cite Chapter 3.58.010 for the definition of room. That code states: "Room" means any structure or portion of a structure, permanent or temporary, fixed or mobile, in which a person, for money or other consideration, may obtain lodging, dwelling, or sleeping accommodations. This term includes hotels, apartment hotels, motels, tourist homes, houses or courts, lodging houses, inns, rooming-houses, hostels, trailers, bed and breakfasts, dormitories, and any other facility, structure, or room of whatever name where space for lodging, dwelling, or sleeping may be secured for consideration. "Room" does not include any hospital, self-contained and powered motor home, tent or tent space, medical clinic, sanitarium, or nursing home; any student dormitory operated by the University of Alaska; or any temporary lodging within a military reservation when that lodging is operated by the United States. You state "this definition casts a wide net around what can be deemed 'room' when it comes to B&B's and similar endeavors."

In response, Chapter 3.58 is Borough Code that pertains to Motel-Hotel Room Tax. The definition of room that you cited pertains only to Chapter 3.58 and is for the collection of taxes. The first sentence of FNSB 3.58.010, Definitions, states: "For the purposes of this chapter, the following words and phrases have the following meanings." Conversely, the use of a Bed and Breakfast on a parcel of land is a zoning issue and pertains to Chapter 18 of the zoning code. These are two separate chapters of the code with two different purposes. In administering the zoning ordinance we are obligated to follow Chapter 18 and zoning definitions. I have quoted the zoning code definitions above. Webster's Dictionary states a room is located within a building. It should also be noted that the definition of room as defined by Webster's Dictionary is not inconsistent with the definition you cite under 3.58.010.

You also quoted the zoning code definition of a building: "Building" means a structure for the support, shelter or enclosure of persons, animals, chattel or property of any kind. A building shall include such extended structures as attic entries, balconies, carports, decks, exterior stairways, garages, porches, wannigans and windows. Where independent units with separate entrances are not joined by a common wall and/or ceiling or floor, each unit shall be considered as a separate building. This definition does not include a fence.

"Principal building" is another zoning definition that is important. "Principal building" means a building in which is conducted the principal use of the lot on which it is located. Further, under 18.50.020 it states, in the rural and agricultural through the TF, two-family residential districts, both inclusive, not more than one principal building may be located on a lot....

Residential and bed and breakfast uses are primary uses in the Two-Family zone. Separate independent buildings that serve these uses would therefore be principal buildings. In the two-family zone, where your property is located, only one principal building is permitted. More than one principal building serving either a residential or bed and breakfast use exceeds the permitted uses of the two-family zone.

You also mention accessory buildings. Because residential and bed and breakfast uses are principal buildings, they are not accessory buildings. Accessory structures in the Two-Family zone are typically storage sheds, greenhouses, garages and similar structures.

Thus I determine that a bed and breakfast residence is a permitted use in the Two Family zone. However guestrooms must be located within one single structure in this zone. I base this determination on the following findings:

- 1. The property located at 341 Antoinette is located within the Two-Family Residential zoning district.
- 2. Residential use and bed and breakfast uses are permitted uses in the Two-Family zone.
- 3. Only one principle building is permitted in the Two-Family zone.
- 4. Residential use or a bed and breakfast residence use makes the building a principal building.

- 5. More than one principal building on a lot within the Two-Family zone is not permitted.
- 6. Residential sleeping quarters either for residential or bed and breakfast uses in individual buildings are not accessory buildings because they are principal buildings.

This determination can be appealed within 15 days of the date of this letter. Appeals can be made at the Borough Clerks Office at 809 Pioneer Road, Fairbanks, Alaska.

Sincerely,

Bernardo Hernandez, Director

FNSB Department of Community Planning

CC:

FNSB Mayor Luke Hopkins

Jeff Jacobson, FNSB Chief of Staff

Cynthia Klepaski, FNSB Asst. Borough Attorney

Mona Drexler, FNSB Clerk

City Mayor Jerry Cleworth

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Council Member Bernard Gatewood

Council Member Jim Matherly

Council Member John Eberhart

Council Member Elect Lloyd Hilling

Site Specific Background Information

Including Applicable

Fairbanks North Star Borough

Code of Ordinances

GIS Maps and Data

Aurora Field Card

And Webster's Ninth New Collegiate Dictionary definition of "room"

Chapter 18.24 TF TWO-FAMILY RESIDENTIAL DISTRICT

Sections:

18.24.010 Intent.

18.24.020 Use regulations.

18.24.030 Standards.

18.24.010 Intent.

This district is intended for medium density residential development and other uses which maintain the medium density residential nature of the district in areas where community sewer and water systems are available. (Ord. 88-010 § 2, 1988)

18.24.020 Use regulations.

- A. Permitted Uses. In the TF, two-family residential district, permitted uses are:
 - 1. Any permitted use in the SF-20, SF-10 and SF-5 districts;
 - Two-family attached dwellings.
- B. Conditional Uses. In the TF, two-family residential district, conditional uses are:
 - 1. Any conditional use in the SF-20, SF-10 and SF-5 districts. (Ord. 88-010 § 2, 1988)

18.24.030 Standards.

In the TF, two-family residential district, geometric standards are:

A. Lot Area.

- 1. Lot area for a single-family detached dwelling shall not be less than 5,000 square feet;
- 2. Lot area for a two-family attached dwelling shall not be less than 3,500 square feet per dwelling unit.
- B. Required Yards for Principal Buildings.
 - 1. Front yard shall not be less than 20 feet;
 - 2. Side yard shall not be less than five feet;
 - 3. Rear yard shall not be less than five feet.
- C. Building Height. Unlimited.
- D. Exceptions for Yard and Building Height Requirements. See Chapter 18.50 FNSBC.
- E. Parking. See Chapter 18.50 FNSBC.
- F. Signs. See Chapter 18.50 FNSBC. (Ord. 88-010 § 2, 1988).

Chapter 18.22 SF-20, SF-10 AND SF-5 SINGLE-FAMILY RESIDENTIAL DISTRICTS

Sections:

18.22.010 Intent.

18.22.020 Use regulations.

18.22.030 Standards.

18.22.010 Intent.

These districts are intended for low and medium density residential development and other uses which maintain the low and medium density residential nature of the district. These districts are intended for areas where community sewer and water systems are available. (Ord. 88-010 § 2, 1988)

18.22.020 Use regulations.

A. Permitted Uses. In the SF-20, SF-10 and SF-5, single-family residential districts, permitted uses are:

- Accessory uses;
- 2. Bed and breakfast homestay;
- 3. Bed and breakfast residence (excluding SF-10 and SF-5);
- 4. Church buildings;
- 5. Home occupations;
- 6. Playground;
- 7. Single-family detached dwellings.
- B. Conditional Uses. In the SF-20, SF-10 and SF-5, single-family residential districts, conditional uses are:
 - 1. Bed and breakfast residence (excluding SF-20);
 - Communications towers;
 - 3. Day care facility;
 - Parking lots, as a principal use;
 - 5. Privately owned and operated neighborhood recreation centers oriented towards a particular residential subdivision or complex;
 - 6. Public utility and service uses including, but not limited to: fire stations, transfer stations, neighborhood dumpsters, public dumping sites, electric substations, gas regulator stations, telephone exchanges, sewage treatment plants, well and water pumping stations, water filtration plants, water reservoirs, and other similar uses. These uses do not include the installation and maintenance of utility lines which are permitted uses in all zoning districts;
- 7. School buildings. (Ord. 2009-05 § 8, 2009; Ord. 89-099 § 8, 1990; Ord. 88-010 § 2, 1988)

18.22.030 Standards.

In the SF-20, SF-10 and SF-5, single-family residential districts, geometric standards are:

A. Lot Area.

- 1. In the SF-20 district, lot area shall not be less than 20,000 square feet;
- 2. In the SF-10 district, lot area shall not be less than 10,000 square feet;
- 3. In the SF-5 district, lot area shall not be less than 5,000 square feet.
- B. Required Yards for Principal Buildings.
 - 1. Front yard shall not be less than 20 feet;
 - 2. Side yard shall not be less than five feet;
 - 3. Rear yard shall not be less than 10 feet.
- C. Building Height. Unlimited.
- D. Exceptions to Yard and Building Height Requirements. See Chapter 18.50 FNSBC.
- E. Parking. See Chapter 18.50 FNSBC.
- F. Signs. See Chapter <u>18.50</u> FNSBC. (Ord. 88-010 § 2, 1988)

Chapter 18.50 SUPPLEMENTARY REGULATIONS

18.50.020 Buildings per lot.

A. In the rural and agricultural through the TF, two-family residential districts, both inclusive, not more than one principal building may be located on one lot. In all other districts, more than one principal building may be located on one lot provided the requirements of this title are met and where, in the MF, multiple-family residential district and the MFO, multiple-family residential/professional office district, the exterior walls of the principal buildings are separated by a distance of not less than 10 feet.

- B. Within all districts, when two or more contiguous lots are under common ownership, each of which may or may not lack adequate area and dimension to qualify for a use allowed under the requirements of the zoning district in which said lots are located, said lots may be used as one lot.
- C. In the TF, two-family residential district, when two contiguous lots are simultaneously developed with a building having a common wall coinciding with interior or rear lot lines, the common wall is exempt from setback requirements. Total number of dwelling units per building shall be limited to two.
- D. In the MF, multiple-family residential, through the MFO, multiple-family residential professional office districts, when two or more contiguous lots are simultaneously developed with a building having one or more common walls coinciding with interior or rear lot lines, the common wall is exempt from setback requirements. Total number of dwelling units shall conform to the dwelling unit density requirement of the underlying zone.
- E. In the TF, two-family residential, through the MFO, multiple-family residential professional office districts, when a lot or lots with an existing common wall building is to be replatted, the common walls are not subject to the setback requirements of the zone. (Ord. 93-037 § 3, 1993; Ord. 88-010 § 2, 1988)

18.50.030 Accessory structures.

A. In all districts, an accessory building shall meet the yard requirements of the zoning district in which it is located, except as provided in this section.

- B. An accessory structure shall not directly discharge water or snow from the roof, eave, gutter, or downspout onto another's property.
- C. In the single-family residential (SF-20, SF-10, SF-5), two-family residential (TF), multiple-family residential (MF) and multiple-family residential/professional office (MFO) districts, an accessory building shall:
 - 1. Be located on the same zoning lot as the principal building or structure it serves is located.
 - 2. Meet the yard requirements as set forth in this title, except that one accessory building of not greater than 120 square feet may be located in the required side or rear yard.
 - 3. Be located at least 10 feet from the principal building, if the accessory building is constructed within the required side or rear yard. (Ord. 2008-35 § 2, 2008; Ord. 2005-82 § 2, 2006; Ord. 2000-58 § 2, 2000; Ord. 97-003 § 2, 1997; Ord. 88-010 § 2, 1988)

Chapter 18.06 DEFINITIONS

18.06.010 Definitions.

A. Rules of Construction. The language set forth in the text of this title shall be interpreted in accordance with the following rules of constructions:

- 1. Words used in the present tense shall include the past and future tenses;
- 2. All references to the singular include the plural as well;
- 3. The word "shall" is mandatory and not discretionary;
- 4. The word "may" is permissive;
- 5. The word "person" shall include a corporation or partnership as well as an individual:
- 6. The masculine gender shall include the feminine and neuter genders;
- 7. The word "lot" shall include the words "plot," "parcel," or "tract";
- 8. The word "building" shall include the word "structure";
- 9. Any words not defined herein shall be construed according to their generally accepted meanings.
- B. Definitions. For purposes of this title, the words and terms defined herein shall be defined and interpreted as follows:
- "Abut" or "abutting" means to have a common property line or zoning district line.
- "Access" means a means of vehicular or pedestrian approach, entry to, or exit from property.
- "Accessory Use." See "Use, accessory."
- "Adequate" means sufficient and/or satisfactory in terms of public health and safety requirements.
- "Adjacent" means touching or contiguous.
- "Adult entertainment facility" means an establishment having as a substantial or significant portion of its stock in trade books, magazines, other periodicals, motion picture films, video cassettes, and other materials which are distinguished or characterized by their emphasis on matter depicting or describing or relating to "specified sexual activities" or "specified anatomical areas," as defined in this section.
- "Agribusiness" means a business directly related to and supportive of an agricultural use as defined herein.
- "Agriculture" means the cultivation of the soil, the growing of crops and/or plants, animal and poultry husbandry, dairying, grazing, and accessory uses customarily incidental to agricultural activities.

- "Agriculture, commercial" means conducting the business of agriculture with the intent to sell the products of the enterprise for profit.
- "Airport, heliport, and aircraft landing fields" means a tract of land or a structure, and requisite clear zone, used or intended for use for the landing and take-off of private and commercial aircraft, together with all buildings and structures normally associated with such use including, but not limited to, accessory hangars, control towers and accommodations for passengers and cargo.
- "Alley" means a right-of-way designed and intended to provide a secondary means of public access to abutting properties and not intended for general traffic circulation.
- "Alteration" means any change in size and shape of a building or structure.
- "Amusement establishment" means a building or structure which may offer a variety of recreational facilities including, but not limited to, pool halls, miniature golf courses, driving ranges, amusement parks, skating rinks, electronic game rooms and bowling alleys.
- "Animal boarding facility" means a building, structure, or out-of-doors area in which animals are kept, whether or not for consideration.
- "Animal hospital or clinic" means a building or structure used for the care, observation and treatment of animals.
- "Antenna" means a device, dish, or array used to transmit or receive telecommunications signals. This definition is not intended to include private residence mounted satellite dishes or television antennas or amateur radio equipment including ham or citizen band radio antennas.
- "Appeal" means a means for obtaining review of a decision, determination, order or failure to act pursuant to the terms and provisions of this title.
- "Auditorium" means a building or structure designed or intended for use for the gathering of people as an audience to hear music, lectures, plays and other presentations.
- "Automobile and motor vehicle sales" means a building or an open area used for the display, sale or rental of new or used automobiles or other motor vehicles.
- "Automobile car wash" means a building or portion thereof where automobiles and trucks are washed and/or polished using a conveyor, blower, steam-cleaning equipment or other mechanical devices of a production line nature, or such equipment of a wholly self-service nature.
- "Automobile service and repair" means a building or portion thereof designed or used for major servicing, repairing and equipping such as body and fender repair, engine rebuilding and painting of automobiles, but not including junkyards as defined herein.
- "Automobile service station" means a building or portion thereof where gasoline, diesel fuel and other automobile fuels or oils are offered for sale directly to the public and where minor automobile service and repair such as tune-ups, oil change, winterization and repairs may be offered. Automobile service stations do not include automobile sales, automobile service and repair, and junkyards as defined herein.

"Basement" means a fully enclosed, finished or unfinished area located beneath a structure's first floor having a wall height greater than four feet.

"Bed and breakfast homestay" means a facility with one to four guestrooms where lodging with or without meals is provided for compensation to transient guests on a day-to-day basis.

"Bed and breakfast residence" means a facility with five to nine guestrooms where lodging with or without meals is provided for compensation to transient guests on a day-to-day basis.

"Bedroom" means a room marketed and/or designed to function primarily for sleeping by humans.

"Beneficial land application" means the spreading, spraying, or injection of biosolids onto or just beneath the surface of the land with the distinct objective of using the beneficial properties of the sewage sludge to enhance the structure of the soil or to supply nutrients to the vegetation.

"Biosolids" means a solid, semi-solid, or liquid residue generated during treatment of domestic sewage in a treatment works, including domestic septage; scum or solids removed in primary, secondary, or advanced wastewater treatment processes; and a material derived from biosolids; biosolids does not include ash generated during the firing of biosolids in a biosolids incinerator or grit and screenings generated during preliminary treatment of domestic sewage in a treatment works.

"Boarder" means an individual other than a member of the family occupying the dwelling unit or a part thereof who, for a consideration, is furnished sleeping accommodations and may be furnished meals or other services in return for consideration.

"Buffer landscape" means a continuous landscape area which separates and partially obstructs the view of two separate zoning districts from one another. Buffer landscaping must provide year-round screening. Buffer landscaping may include berms and approved decorative fences in conjunction with required trees and shrubs. Decorative fences, when used as a buffering element, shall be approved by the landscape review board. The decorative fence shall have a minimum height of seven feet. A chain-link fence does not meet the intent of a decorative fence.

"Building" means a structure for the support, shelter or enclosure of persons, animals, chattel or property of any kind. A building shall include such extended structures as attic entries, balconies, carports, decks, exterior stairways, garages, porches, wannigans and windows. Where independent units with separate entrances are not joined by a common wall and/or ceiling or floor, each unit shall be considered as a separate building. This definition does not include a fence.

"Building, accessory" means a building which is subordinate to and serves a principal building or use. An accessory building is subordinate in extent and/or purpose to the principal building or use and contributes to the comfort, convenience, and/or necessity of the occupants of the principal building or use being served.

"Building, conforming" means a building or structure which complies with all of the regulations of this title or any amendment thereto and is designed or intended for a use allowed in the zoning district in which it is located.

"Building height" means the vertical distance of a building measured from the average elevation of the finished grade within five feet of the building to the highest point of the building.

"Building, nonconforming" means a building or structure the size, dimension or location of which was lawful prior to the adoption, revision or amendment to this title, but fails by reason of the adoption, revision or amendment to conform to the present requirements of the zoning district in which it is located.

"Building, principal" means a building in which is conducted the principal use of the lot on which it is located.

"Building, temporary" means any building not designed or intended to be permanently located, placed or affixed in the place where it is located.

"Cemetery" means a parcel of land, used whole or in part, for four or more interred bodies of deceased persons or animals and for the erection of customary markers, monuments and mausoleums.

"Church buildings" means buildings and accessory structures and land uses which are primarily intended for conducting regularly scheduled religious services, and associated accessory uses such as convents, monasteries, rectories, day care, schools and other religious educational uses. This definition is not intended to include home worship, Bible study, or other similar activities which are permitted as accessory uses of residential dwelling units.

"Club" or "lodge" means a building, along with accessory structures and facilities, which is designed or primarily intended to accommodate an association of persons and in which the buildings, structures and facilities are limited and restricted to members and their guests. This definition does not include home meetings or other similar activities.

"Collocation" means the use of a single support structure by more than one telecommunications carrier or broadcaster.

"Commercial" means a land or business enterprise engaged in the buying and/or selling of goods and/or services.

"Communications tower" means a tower, pole, building or similar structure that supports a communications antenna operated above ground in a fixed location, freestanding or guyed. A communications tower is a principal building under this title.

"Compost" means a mixture of organic wastes partially decomposed by aerobic and/or anaerobic bacteria to an intermediate state, forming a humus-like material. If organic wastes include biosolids, the publicly owned treatment works (POTW) (e.g., Fairbanks Municipal Utilities System) providing the source of biosolids must certify that the compost meets Environmental Protection Agency (EPA) standards for exceptional quality biosolids as described in 40 CFR Part 503 regulations as of February 13, 1993, or as most recently amended.

"Comprehensive plan" means a composite of the Fairbanks North Star Borough (FNSB) comprehensive plan, all accompanying maps, charts and explanatory material adopted by the FNSB assembly, and all amendments thereto.

"Constitution, U.S. Fifth Amendment" requires compensation to be paid land owner when denied land use, i.e., eminent domain.

"Convenience establishment" means a commercial enterprise designed and intended to serve daily or frequent shapping or service stations and the general consumer population. Automobile service stations and

repair garages are specifically excluded from this definition. Retail sale of gasoline as an accessory use is included in this definition.

"Correctional facilities" means a center, which means a correctional restitution center, as defined by 22 AAC 05.660(30); or a correctional facility, which means a prison, jail, camp, prison farm, halfway house, or other placement designated by the Commissioner of Department of Corrections for custody, care, and discipline of prisoners.

"Court" means a space, open and unobstructed to the sky, located at or above grade level on a lot and bounded on three or more sides by walls of a building.

"Crawlspace" means a space beneath the first floor of a structure with no exterior door and a wall height no greater than four feet. It is used for visual inspection of the structure, access to plumbing, heating ducts, or electrical wiring.

"Day care facility" means a home or institution used and maintained to provide care for seven or more individuals unrelated to the care provider.

"Disability" means any individual with a qualifying disability as defined by the Americans with Disabilities Act 42 USCA Section 12101 et seq. and the Fair Housing Act, 42 USCA Section 3601 et seq. including any future amendments thereto. This definition includes:

- 1. An individual with a physical or mental impairment that substantially limits one or more of such individual's major life activities; or
- 2. An individual who has record of having such an impairment; or
- 3. An individual who is regarded as having such an impairment, but the term impairment does not include current, illegal use of or active addiction to a controlled substance.

"Dormitory" means a building used as group living quarters for students, members of a religious order, or employees, as an accessory use for a college, university, boarding school, orphanage, convent, monastery, other institutional use, or industrial use.

"Duplex." See "Dwelling, two-family attached."

"Dwelling" means a building or portion thereof designed or used exclusively for residential purposes, but not including hotels, motels, guest rooms, boarding homes, group homes, nursing homes, mobile homes or trailers.

"Dwelling, attached" means a dwelling unit which is attached to another dwelling unit by a common wall or vertical cavity wall extending from the floor to the ceiling and from exterior wall to exterior wall, or by a horizontal structural floor extending from exterior wall to exterior wall.

"Dwelling, detached" means a dwelling unit which is entirely surrounded by open space on the same lot and not connected in any manner to another dwelling.

"Dwelling, multiple-family" means one building consisting of three or more dwelling units, each of which is attached to at least one other dwelling unit, by a common wall or vertical cavity wall extending from the

ground to the roof and from exterior wall to exterior wall, or by a horizontal structural floor extending from exterior wall to exterior wall.

"Dwelling, single-family detached" means a detached dwelling designed for and intended for use by one family.

"Dwelling, two-family attached" means one building consisting of two dwelling units attached by a common wall or vertical cavity wall extending from the floor to the ceiling and from exterior wall to exterior wall, or a horizontal structural floor extending from exterior wall to exterior wall.

"Dwelling unit" means a room or group of rooms constituting all or part of a dwelling which are arranged, designed, used or intended for use exclusively as living quarters for one family, including washing, sleeping, cooking and eating facilities. This definition includes a manufactured home but not a mobile home.

"Efficiency unit" means a dwelling unit containing only one habitable room, sometimes referred to as a studio apartment.

"Entertainment facility" means a building or place whose principal use includes regularly scheduled sports, entertainment or meeting events and is designed to service large crowds of people at one time. Examples include professional sports stadiums and arenas, convention centers, assembly halls and auditoriums, movie theaters and live performance venues.

"Fairgrounds" means an open space or exhibition facility where at regular intervals there is entertainment, amusement facilities, educational displays, the barter and sale of goods, and exhibition, often competitive, of farm, household, international and manufactured products.

"Family" means an individual or:

- 1. Two or more persons living in a dwelling unit who are related to each other by blood, marriage, adoption or other means of legal custody;
- 2. A group of not more than two persons not all so related;
- 3. A group of not more than two persons not all so related living together as a single housekeeping unit, except that children with familial status within the meaning of the Fair Housing Act will not be counted as unrelated persons; or
- 4. A group of not more than two persons not all so related living together as a single housekeeping unit; except, that persons with disabilities within the meaning of the Fair Housing Act and the Americans with Disabilities Act will not be counted unrelated persons.

However, the maximum occupancy shall be limited as follows: at least one bedroom for every four occupants, with at least 50 square feet per occupant in each multiple-person bedroom and at least 70 square feet in each single-person bedroom.

"Fence" means an artificial barrier of any material or combination of materials erected to enclose or screen areas of land excluding vegetation.

"Flood hazard area" means those areas contained within the 100-year floodplain which is designated as Flood Zone A on the most current FNSB Flood Insurance Rate Map.

"Floor area, gross" means the horizontal area of a floor or several floors of a building or structure measured from the exterior faces of exterior walls. Where a building or structure is not wholly surrounded by exterior walls, the gross floor area shall be that area between the vertical projection of the roof or floor above.

"Floor area, net" means the horizontal area of a floor or several floors of a building or structure measured from the interior faces of exterior walls, excluding those areas not directly devoted to the principal or accessory use of the building or structure such as storage areas, stairwells, elevator shafts, courts, etc.

"Garage" means a building or structure, or part thereof, used or designed to be used for the parking and storage of vehicles.

"Garage, repair" means any building or premises which is designed and used for the purposes of performing major automotive mechanical repairs or body work and other customary and incidentally related activities.

"Grade" means the rate of rise or descent of a sloping surface.

"Grade, finished" means the lowest point of elevation of the finished surface of the ground, paving or sidewalk, within five feet from the building.

"Grandfather Rights." See "Building, nonconforming," "lot, nonconforming," and "use, nonconforming."

"Group home" means a residential facility located in a dwelling or other structure intended for human habitation, the principal use of which is to serve as a place for persons seeking assistance, rehabilitation, recovery or self-help, except for persons defined in this section as a family.

"Guest house" means an accessory building, designed as a detached dwelling unit subordinate in size to and located on the same lot as the principal single-family detached dwelling or mobile home it serves. A guest house may be a mobile home in zoning districts where mobile homes are permitted uses.

"Hazardous substances" means substances as defined in FNSBC 18.50.120.

"Home occupation" means a business, profession, occupation or trade located entirely within a dwelling unit or a dwelling unit's accessory building, which is accessory, incidental, secondary and subordinate to the residential use of the dwelling unit and does not change the essential residential character or appearance of such building or neighborhood in which it is located.

"Hospital and clinic" means an institution providing health services and medical or surgical care to persons, primarily inpatients, suffering from illness, disease, injury, deformity, and other abnormal physical or mental conditions, and may include as an integral part of the institution related facilities such as laboratories, outpatient facilities or training facilities.

"Hostel," generally known as "youth hostel," is a place where travelers may stay for a limited duration, as recognized by the International Hostel Association.

"Hotel" means a facility having more than three rooms where transient lodging accommodations are offered to the general public, and where additional services such as restaurants, meeting rooms and recreational facilities may be provided.

"Interior parking lot screening" means landscaping consisting of approved trees and shrubs that provide a natural and partial barrier or buffer to break up the large interior expanse of the parking lot. Under this definition, interior parking lot shall consist of all on-site parking spaces including access roadways and parking aisles; interior parking lot screening does not include the first row of street perimeter parking or island extensions of street or perimeter landscaping.

"Junk" means worn out, dismantled, inoperable or wrecked aircraft, vehicles or machinery or parts thereof, mobile homes or trailers, appliances or furniture, scrap building materials, metals, rubber, paper, plastic or other scrap or discarded materials.

"Junkyard" means the use of more than 1,000 square feet of a lot or parcels under common ownership for a salvaging operation, including but not limited to the storage or sale of junk or the collection, dismantlement, storage or salvage of junk. This definition does not include:

- 1. Any unlicensed or inoperative vehicles that are not dismantled, salvaged or otherwise in a state of disrepair and which are totally obscured from view from adjacent property at all times of the year by a sight-obscuring fence; and
- 2. Any unlicensed and operative vehicles which are used in the normal course of business on the property on which they are stored.

"Kennels, major" means a lot on which more than 24 dogs or cats, six months of age and older, are maintained out-of-doors, or in unheated buildings.

"Kennels, minor" means a lot on which no fewer than five and no more than 24 dogs or cats, six months of age and older, are maintained out-of-doors or in unheated buildings.

"Large scale development" means either: (1) a retail or wholesale building or buildings, located on a zoning lot and which building(s), individually or cumulatively, exceed(s) 55,000 square feet of gross floor area; or (2) an entertainment facility exceeding 40,000 square feet and which has a seating capacity of 800 people or more. For purposes of this definition, gross floor area shall consist of the sum of the gross horizontal areas of all floors within the inside perimeter of the exterior walls of the structure and tenant space. The gross floor area and seating capacities of adjacent buildings shall be aggregated when the establishments are under common ownership or control, sell merchandise of a similar nature, or otherwise operate as associated, integrated or cooperative business enterprises.

"Lawful" means not in violation of any local, state or federal law.

"Livestock, commercial" means any quantity of farm animals kept with the intention of selling related goods and/or services.

"Livestock, domestic" means any quantity of farm animals raised and/or kept for personal use or for occasional competitive use (i.e., 4H, FFA, etc.).

"Lot" means a parcel of land, established by plat, subdivision or otherwise permitted by law, adequate for occupancy by a use allowed herein, providing yards, buildable area, and off-street parking as required herein.

"Lot area" means the area of horizontal plane bounded by the vertical planes through front, side and rear lot lines.

"Lot, corner" means a lot of which at least two adjacent sides abut, for their full length, upon intersecting streets; provided, that the interior angle at the intersection of such two adjacent sides is less than 135 degrees.

"Lot depth" means the average horizontal distance between the front lot line and the rear lot line, measured within the lot boundaries. For purposes of this definition, on corner lots the front lot line shall be that front lot line with the shortest dimension.

"Lot, interior" means a lot other than a corner lot with frontage only on one street.

"Lot line, front" means a lot line abutting the right-of-way or easement of a public or private street or road, except for frontage on alleys and roads designated by DOT&PF as controlled access facilities. Lot lines along alleys and designated controlled access facilities shall be classified as rear lot lines.

"Lot line, rear" means a lot line which is most distant from and is approximately parallel to the front lot line.

"Lot line, side" means a lot line which is not a front lot line or a rear lot line.

"Lot lines" means the property lines bounding a lot.

"Lot, nonconforming" means a lot, the area, dimensions and/or location of which was lawfully established prior to the adoption, revision or amendment of this title, but by reason of such adoption, revision or amendment fails to conform to the present requirements of the zoning district in which it is located.

"Lot, through" means a lot other than a corner lot with frontage on more than one street.

"Lot width" means the horizontal distance between the side lot lines of a lot measured within the lot boundary along the line established as the minimum required front yard for the zoning district in which the lot is located.

"Lot, zoning" means a parcel or contiguous parcels of land designated by its owner or developer as a tract to be used, developed or built upon as a unit under single ownership or control. A "zoning lot" may or may not coincide with a "lot."

"Manufactured home" means a dwelling unit designed for a long-term human habitation and having complete living facilities, all parts and systems being fabricated and assembled at a factory into at least two finished, transportable components which are designed to be temporarily attached to a wheeled carriage for transportation to building site and then joined for use on a permanent foundation.

"Mineral lands" means those lands with known economic mineral values, or which, through geologic interference, are suspected to have economic mineral values which are locatable, leasable and salable according to state law.

- "Mining" means the taking from the ground, for commercial use or processing, of ore, metallic and nonmetallic rock, or other inorganic material, or coal.
- "Ministorage" means a building or group of buildings that contains varying sizes of individual, compartmentalized and controlled access stalls or lockers for the storage of a customer's goods or wares.
- "Mobile home" means a structure built on a chassis, with a body width not less than eight feet and a body length not less than 32 feet, originally designed to be used for residential purposes, with or without a permanent foundation whether it is occupied or unoccupied or used for residential purposes.
- "Mobile home park" means any parcel or parcels, under single ownership or control, with spaces designated for long-term residential use and intended for rent or lease exclusively for the occupancy of three or more mobile homes.
- "Mobile home subdivision" means a tract of land, subdivided into lots, designated and developed for long-term residential use and intended for sale where the residences may be comprised of mobile homes.
- "Motel" means a facility having more than three rooms where transient lodging accommodations are offered to the general public with at least 25 percent of all rooms having direct access to the outside without the necessity of passing through the main lobby of the building. A motel may also provide additional services such as restaurants, meeting rooms and recreational facilities.
- "Motor and rail freight terminal" means a building, structure or premises where goods are transferred from a truck or train to a storage area or to other trucks or trains, or picked up by other forms of transportation.
- "Multifamily Residence." See "Dwelling, multiple-family."
- "Natural resource extraction" means commercial or industrial operations involving removal of timber, native vegetation, peat, muck, topsoil, fill, sand, gravel or any other operations having similar characteristics.
- "Neighborhood dumpster" means a container intended for use by neighborhood residents as a depository and collection point for solid waste generated by households.
- "Occupancy" means the purpose for which a building, structure or parcel of land, or part thereof, is used or intended to be used.
- "Off-street" means an area located entirely outside of the dedicated right-of-way of a street or alley.
- "Outside storage" means the collection of materials whether a principal or accessory use of a lot; this is open to the air and under the sky. This definition does not include the collection of material defined as a junkyard.
- "Owner" means a person holding title to a parcel or lot in accordance with the records of the office of the district recorder.
- "Parking lot" means a private, commercial or public off-street parking facility or area.
- "Parking lot surface improvement" means existing parking lots which are upgraded with a paved or chip and asphalt surface.

"Perimeter parking lot screening" means landscaping consisting of approved trees and shrubs that provide a natural and partial barrier or buffer between an interior property line and a parking lot.

"Permanent foundation for a manufactured home" means a foundation under a manufactured home which is necessary for the support of the manufactured home placed upon it.

"Petrochemical plant" means a building, structure or premises where the extraction of petrochemicals from natural gas or crude oil and the processing of those petrochemicals into commercially marketable products occurs.

"Playground" means an outdoor area set aside for recreation on an individual basis, not for team sports.

"Playing field" means an outdoor recreational area for team sports designed to accommodate two or more teams engaged in athletic competition.

"Professional office" means an enterprise, organization or place where consulting, record keeping and the work of a person or persons in the following occupations is done:

- 1. Accountants, auditors, tax experts;
- 2. Audio recording studios;
- 3. Architects, engineers, surveyors;
- 4. Consulting services;
- 5. Doctors, dentists, psychologists, optometrists, chiropractors;
- Geologists, geophysicists;
- 7. Insurance offices;
- 8. Laboratory technicians and laboratories, excluding outdoor living facilities for animals;
- 9. Lawyers;
- 10. Messenger, telegraph, telecommunications, answering services;
- 11. Photography studios;
- 12. Public typists, stenographers, court reporters;
- 13. Real estate brokers, appraisers, abstractors;
- 14. Stockbrokers;
- 15. Other professional office uses comparable and similar in operation, appearance, conduct and occupation as those listed above.

"Public dumping site" means a site, containing one or more neighborhood dumpsters, intended for use by the general public as a depository and collection point for solid waste generated by households.

- "Recreation building" or "community center" means a building or group of buildings offering recreational facilities including, but not limited to, gymnasiums, swimming pools, ice rinks, exercise facilities, meeting rooms and clubs, as distinguished from private clubs or lodges.
- "Retail building" means a building whose principal use is the sale of goods or commodities in small quantities directly to consumers.
- "Roominghouse" means a dwelling unit or portion thereof, other than a hotel, motel or guest room, in which lodging is provided by the owner or operator to five or more boarders for consideration.
- "Sanitary landfill" means an area of land used for final disposal of solid waste in a manner approved by the Alaska Department of Environmental Conservation. For purposes of this chapter, solid waste does not include biosolids (sewage sludge), when used for agricultural purposes or beneficial land application, compost material, or coal ash.
- "School buildings" means buildings, except church buildings as defined, used primarily for teaching and instruction on a daily basis as its primary use, including elementary and secondary schools and colleges.
- "Screen" means a method of reducing the visual impact of vehicle use areas and garbage collection areas. Screens may consist of berms, approved plants, fences, walls or a combination thereof. Trash and garbage screens shall be 75 percent opaque.
- "Screen, sight-obscuring" means a year-round shield of sufficient height and volume to block from sight one abutting or nearby structure or use from another. This may include, but is not limited to, densely planted vegetation, decorative fencing or earthen berms, or a combination thereof.
- "Setback." See "Yard."
- "Sewer and water system, community" means a publicly-regulated utility system which provides for sewage disposal or potable water distribution, or both.
- "Shooting and archery range" means a building or parcel of land used, or intended to be used, for the discharge of pistols, rifles, bows or other armaments for purposes of practice or competition by a group of persons. This definition is not intended to include private sighting ranges used by individuals which are permitted as accessory uses of residential dwelling units.
- "Shopping center" means a group of commercial establishments planned, constructed, developed and managed as a unit with off-street parking provided on site.
- "Sign" means any object, device, display or structure, or part thereof, situated outdoors or indoors, used to advertise, identify, display, direct or attract attention to an object, person, institution, organization, business, product, service, event or location by any means, including words, letters, figures, design, symbols, fixtures, colors, illumination or projected images.
- "Sign, animated or moving" means any sign or part of a sign which changes physical position by any movement or rotation or which gives the visual impression of such movement or rotation.
- "Sign area" means the entire face or display surface of a sign including the advertising surface and any framing, trim or molding, but not including the supporting structure.

- "Sign, directional" means signs limited to directional messages, principally for pedestrian or vehicular traffic, such as "one-way," "entrance" and "exit."
- "Sign, flashing" means any directly or indirectly illuminated sign, other than a sign that displays time and temperature, which exhibits changing natural or artificial light or color effects by any means whatsoever.
- "Sign, identification" means any signs displaying the address or combination of names and addresses of occupants of premises, and not advertising any business.
- "Sign, illuminated" means any sign illuminated in any way by an artificial light source.
- "Sign, menu" means a permanently mounted sign displaying the bill of fare of a drive-in or drive-through restaurant.
- "Sign, nonconforming" means any sign which was lawfully established prior to the adoption, revision or amendment to this title, but which fails, by reason of such adoption, revision or amendment, to conform to the requirements of the zoning district in which it is located.
- "Sign, political" means a temporary sign announcing or supporting political candidates or issues in connection with any national, state or local election.
- "Sign, portable" means a temporary sign that is not permanently affixed to a building, structure or the ground.
- "Sign, price" means a permanently mounted sign displaying the cost of fuel on the premises of an automobile service station or other establishment which dispenses fuel.
- "Sign, real estate" means a sign pertaining to the sale, rent or lease of a premises, or a portion of a premises, on which the sign is located.
- "Sign, roof" means a sign that is mounted on the roof of a building and is wholly dependent upon a building for support.
- "Sign, temporary" means a sign or advertising display designed or intended to be displayed for a period of time not to exceed two months and which has no flashing or animated parts.
- "Sign, time or temperature" means any sign or elements of a sign which are intended to indicate no more information than the current time, the current temperature, or both.
- "Single-Family Residence." See "Dwelling, single-family detached."
- "Solid waste processing facility" means a facility designed for the processing or treatment of solid waste, other than for just temporary storage, prior to final disposal of the solid waste.
- "Special limitation" means a provision adopted by ordinance which restricts the permitted principle uses and structures otherwise allowed in a zoning district or which requires compliance with site design standards not otherwise required by zoning district regulations.
- "Specified anatomical area" means:

- a. Human genitals or pubic region;
- b. Buttocks; and
- c. Female breast below a point immediately above the top of the areola; and
- 2. Human male genitals in a discernibly turgid state, even if completely and opaquely covered.

"Specified sexual activity" means:

- 1. Human genitals in a state of sexual stimulation or arousal;
- 2. Acts of human masturbation, sexual intercourse, sodomy, or any acts of bestiality;
- 3. Fondling or other erotic touching of human genitals, pubic region, buttock or female breast.
- "Street parking lot screening" means landscaping consisting of approved trees and shrubs that provide a natural and partial barrier or buffer between a street or public right-of-way and a parking lot.
- "Street, road or highway" means a public or private right-of-way or easement which is designated as a permanent right-of-way for common use as the primary means of vehicular access to properties abutting it.
- "Structure." See "Building."
- "Supreme Court, U.S." The decisions on land use and uses, to which the borough will conform.
- "Telecommunications" means the transmission, between or among points specified by the user, of information of the user's choosing, without change in the form or content of the information as sent and received.
- "Trailer park" means a parcel of land used for the parking of two or more travel trailers occupied or intended to be occupied on the parcel.
- "Transfer station" means a facility, located within a permanent building, designed to be used as a central solid waste depository and collection point for a subregion.
- "Trash and garbage areas" means exterior centralized areas that include dumpsters, garbage receptacles, bins and trash cans.
- "Travel trailer" means any vehicle or similar portable structure used or intended to be used as transient living or sleeping quarters for humans and which may be driven, towed or propelled from one location to another without change in structure or design, whether or not the same is supported by wheels.
- "Use" means the purpose for which land and/or a building is arranged, designed, intended, occupied or maintained.
- "Use, accessory" means a use which is clearly and customarily incidental and subordinate to the principal use of a building or premises and which is located on the same zoning lot as the principal use or building.

"Use, conforming" means the use of a building or premises which complies with all of the applicable use regulations of the zoning district in which said building or premises is located.

"Use, nonconforming" means a use which was lawfully established prior to the adoption, revision or amendment of this title, but which fails, by reason of such adoption, revision or amendment, to conform to the present requirements of the zoning district in which it is located.

"Use, permitted" means any use of a building or premises which is or may be lawfully established in a particular zoning district, provided it conforms with all requirements and regulations of this title for the zoning district in which such use is, or is proposed to be, located.

"Use, principal" means the main, major and dominant use of a building or premises as distinguished from an accessory use.

"Use, similar and comparable" means those uses or activities which may exist within the same zoning district, not otherwise prohibited in that zoning district, which are alike in general appearance or nature and do not create a physical or social impact within the zoning district different than other permitted uses.

"Variance" means a departure from the numerical standards of this title.

"Variance, highway project" means a departure from the numerical standards of this chapter as a result of right-of-way acquisition for purposes of construction or widening public roads.

"Wall, common" means an interior wall that separates and distinguishes two or more uses located in the same building or structure. A common wall shall be an area separation wall as defined by the most current Uniform Building Code.

"Wall, exterior" means a wall fully exposed to the air and which forms the perimeter of a building or structure. Where a building or structure is not wholly surrounded by exterior walls, then the exterior wall shall be considered as the vertical projection of the roof or floor above. The definition does not include those exterior walls which, because of an offset design, are an extension of a two-family or multiple-family attached dwelling's common wall.

"Wall, interior" means a wall located wholly within a building or structure which separates different rooms and/or uses of said building or structure, as distinguished from an exterior wall.

"Wholesale building" means a building whose principal use is the sale of goods in large quantities, as for resale by a retailer.

"Yard" means an open space on the same zoning lot with a principal building or group of buildings, which is unoccupied and unobstructed from its lowest level upward, except as otherwise permitted in this title, and which extends parallel to a lot line to a depth or width, measured at a right angle from said lot line, specified in the minimum required yard regulations for the zoning district in which the zoning lot is located.

"Yard, front" means a yard which is bounded by both:

1. A zoning lot's side lot lines and the front lot line or the front lot line and the rear lot line if on a corner lot; and

2. A line parallel to the front lot line located at a depth being the minimum allowable distance from any exterior wall of any principal buildings or structures to the front lot line as specified in the minimum required front yard regulations of the zoning district in which the lot is located.

"Yard, rear" means a yard which is bounded by both:

- 1. A zoning lot's side line and the rear lot line or the front lot line and the side lot line if on a corner lot; and
- 2. A line parallel to the rear lot line located at a depth being the minimum allowable distance from any exterior wall of any principal buildings or structures to the rear lot line as specified in the minimum required rear yard regulations of the zoning district in which the zoning lot is located.

"Yard, side" means a yard which is bounded by a zoning lot's side lot line, the required front yard line, the required rear yard line, and a line parallel to the side lot line located at a width being the minimum allowable distance from an exterior wall of any principal buildings or structures to the side lot line as specified in the minimum required side yard regulations of the zoning district in which the zoning lot is located.

"Zero lot line home" means the location of a dwelling unit on a lot in such a manner that one or more of the dwelling unit's exterior walls lies directly on a lot line without any yard between the exterior wall and the lot line.

"Zoning district" means a portion of the Fairbanks North Star Borough within which certain uniform uses are permitted and within which other uniform restrictions as to size, bulk and location of buildings and structure are imposed by this title. (Ord. 2009-05 § 2, 2009; Ord. 2008-70 § 2, 2009; Ord. 2007-04 § 3, 2007; Ord. 2006-82 §§ 2, 3, 2007; Ord. 2006-68 § 2, 2006; Ord. 2005-29 § 3, 2005; Ord. 2005-21 § 3, 2005; Ord. 2002-04 § 2, 2002; Ord. 2001-04 § 3, 2001; Ord. 2000-30 § 2, 2000; Ord. 98-032 § 5, 1998; Ord. 97-013 § 2, 1997; Ord. 94-067 § 2, 1994; Ord. 94-047 § 2, 1994; Ord. 93-064 §§ 2, 3, 1994; Ord. 93-037 § 2, 1993; Ord. 93-006 § 2, 1993; Ord. 92-024 § 2, 1992; Ord. 92-006 § 2, 1992; Ord. 90-023 § 2, 1990; Ord. 90-007 § 2, 1990; Ord. 89-099 § 2, 1990; Ord. 88-070 § 2, 1988; Ord. 88-010 § 2, 1988)

Chapter 3.58 HOTEL-MOTEL ROOM TAX

3.58.010 Definitions.

For the purposes of this chapter, the following words and phrases have the following meanings:

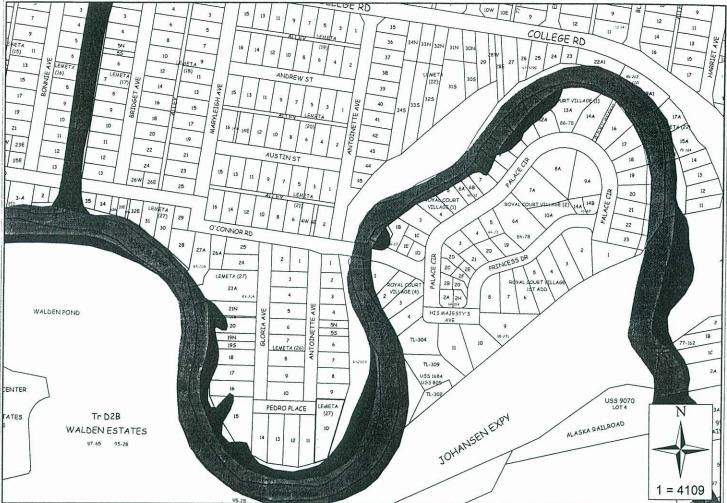
"Room" means any structure or portion of a structure, permanent or temporary, fixed or mobile, in which a person, for money or other consideration, may obtain lodging, dwelling, or sleeping accommodations. This term includes hotels, apartment hotels, motels, tourist homes, houses or courts, lodging houses, inns, rooming-houses, hostels, trailers, bed and breakfasts, dormitories, and any other facility, structure, or room of whatever name where space for lodging, dwelling, or sleeping may be secured for consideration. "Room" does not include any hospital, self-contained and powered motor home, tent or tent space, medical clinic, sanitarium, or nursing home; any student dormitory operated by the University of Alaska; or any temporary lodging within a military reservation when that lodging is operated by the United States.

Fairbanks North Star Borough

Code Enforcement

PAN# 0084107

Printed on: 07/15/2010



To war 726/00978, 8262011,002

Property Information for PAN#: 0084107

PROPERTY DESCRIPTION: LEMETA, BLOCK: 27, LOT: 10 OWNER: Sandstrom Bud Family Trust [ownership], Sandstrom Vi Family Trust [co-owner]

BILLING ADDRESS: 341 Antionette Ave Fairbanks, AK 99701

SITUS ADDRESS: 341 Antoinette Ave

PARCEL SIZE: 19380 SF

NEIGHBORHOOD: Aurora-Lemeta (0160) LAND CLASS: General Residential

PRIMARY USE: Residential FLOOD ZONE: Zone X500 (100%) LEVEE 250 FT BUFFER: N/A

ZONING: TF (100%)

COMP PLAN: Urban Area (100%), Urban Boundary (100%)

ROAD SERVICE AREA: City Of Fairbanks (100%) STRUCTURES: SFR (1 Unit), SFR (1 Unit)

BUSINESS ON SITE: N/A PLAT NUMBER: N/A

COMMENTS (VAULT): 2005 Marked to generate a duplicate notice. ervind 04/15/2005

Duplicate notice sent 4/19/2005 3:13:07 PM

DESCRIPTION (VAULT): LOT 10 BLOCK 27 LEMETA

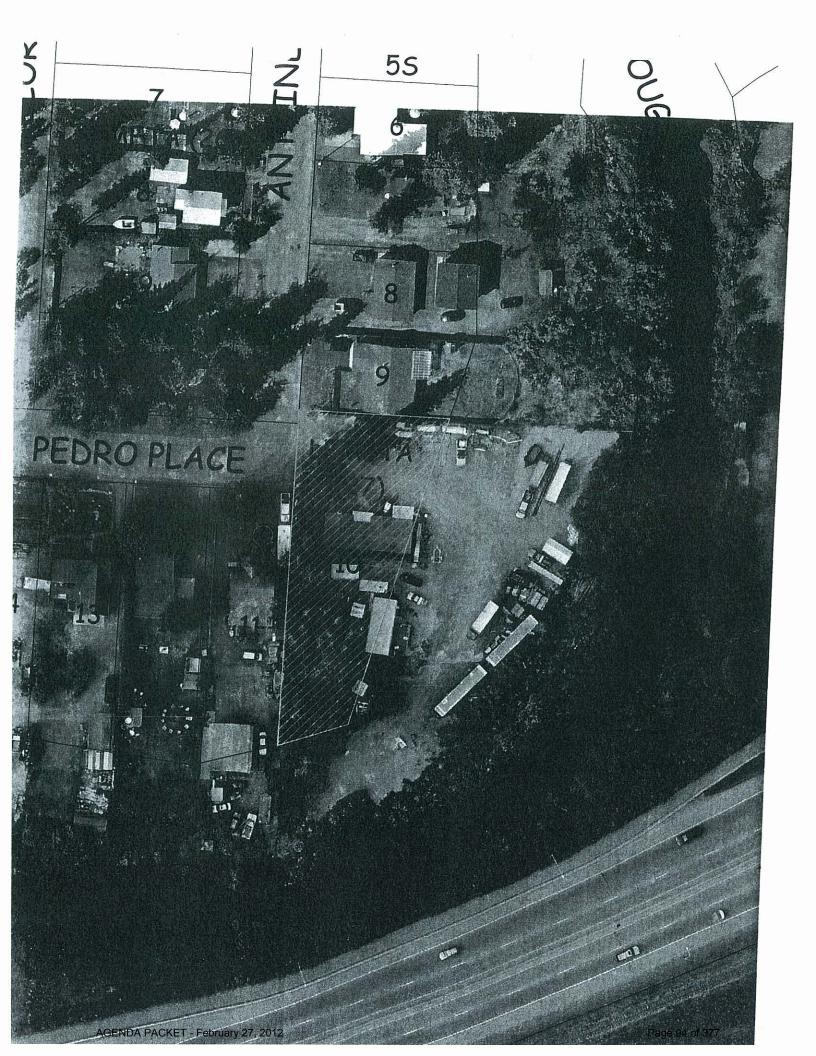
COMMUNITY PLANNING PERMITS: NONE

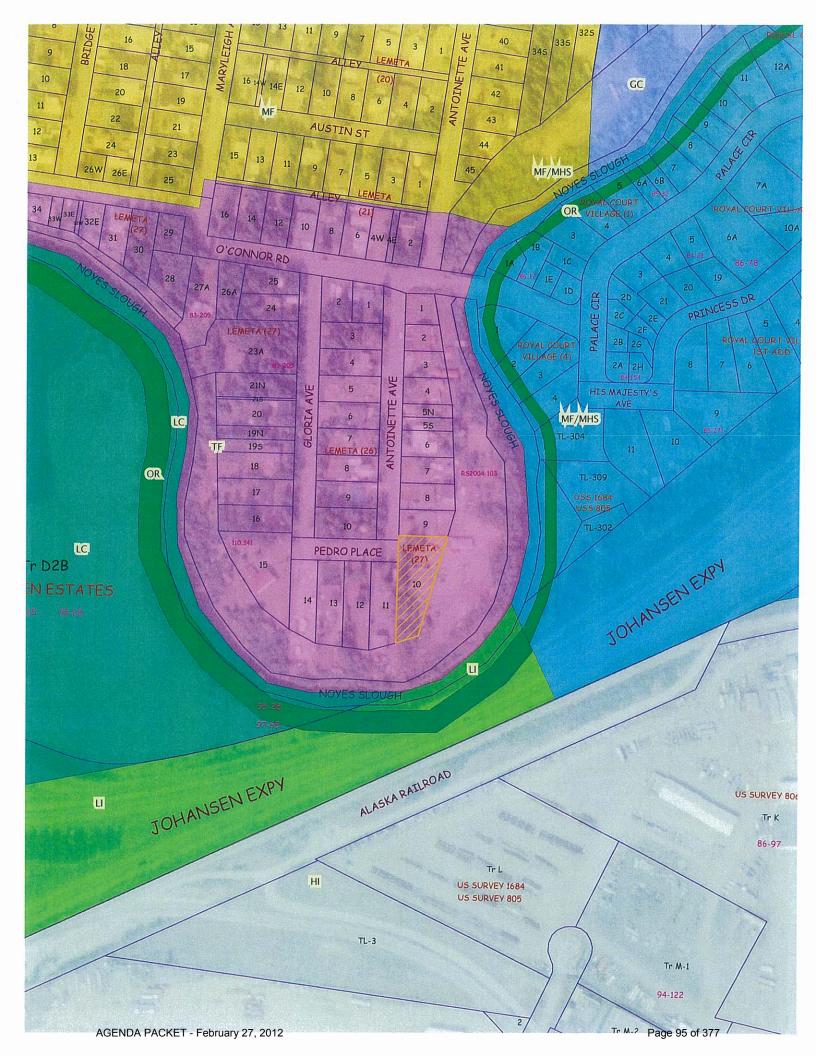
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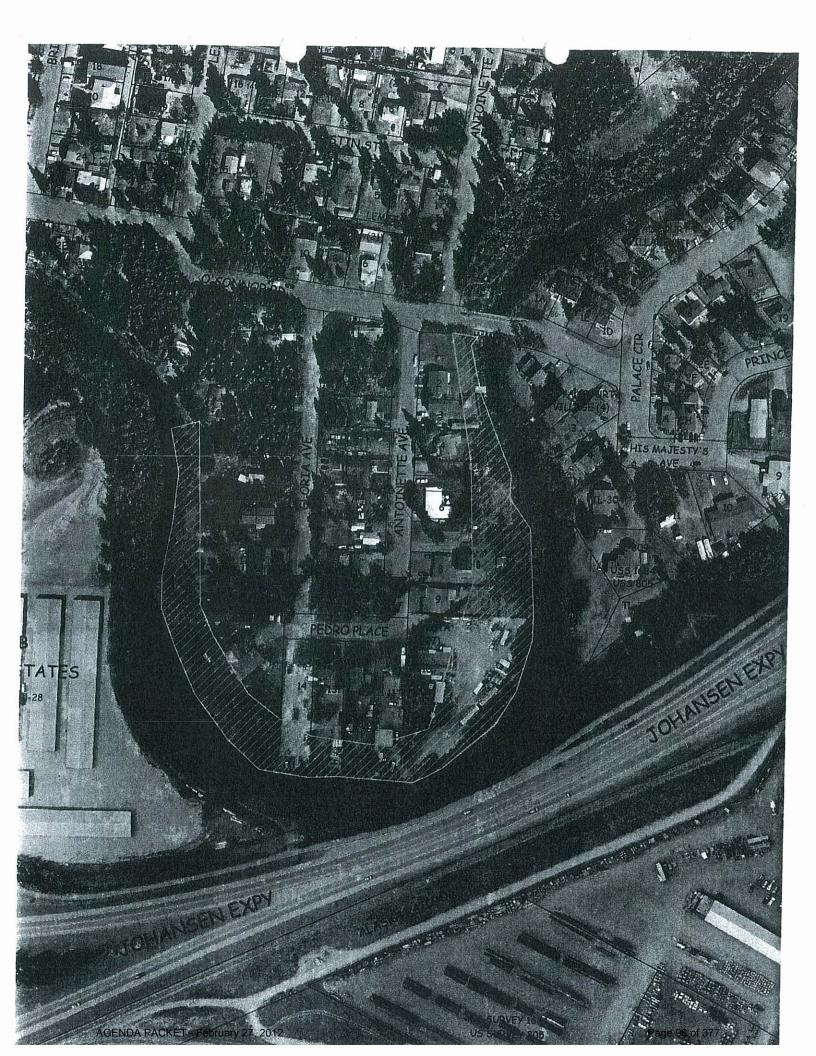
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2008	\$46,512	\$87,987	\$134,499									
2007	\$46,512	\$87,229	\$133,741									
2006	\$41,086	\$75,636	\$116,722									

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 er & Processor a no





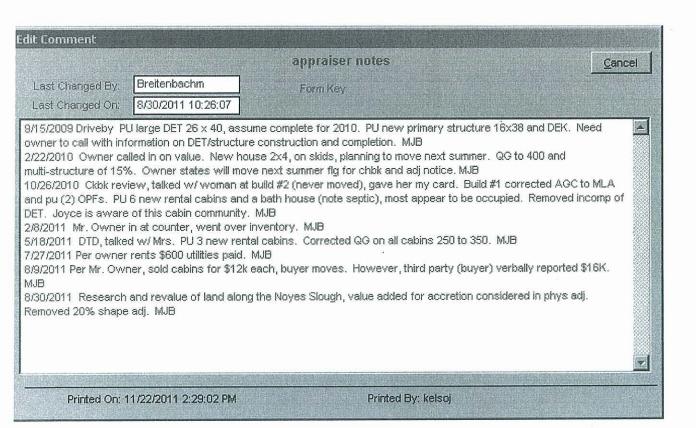


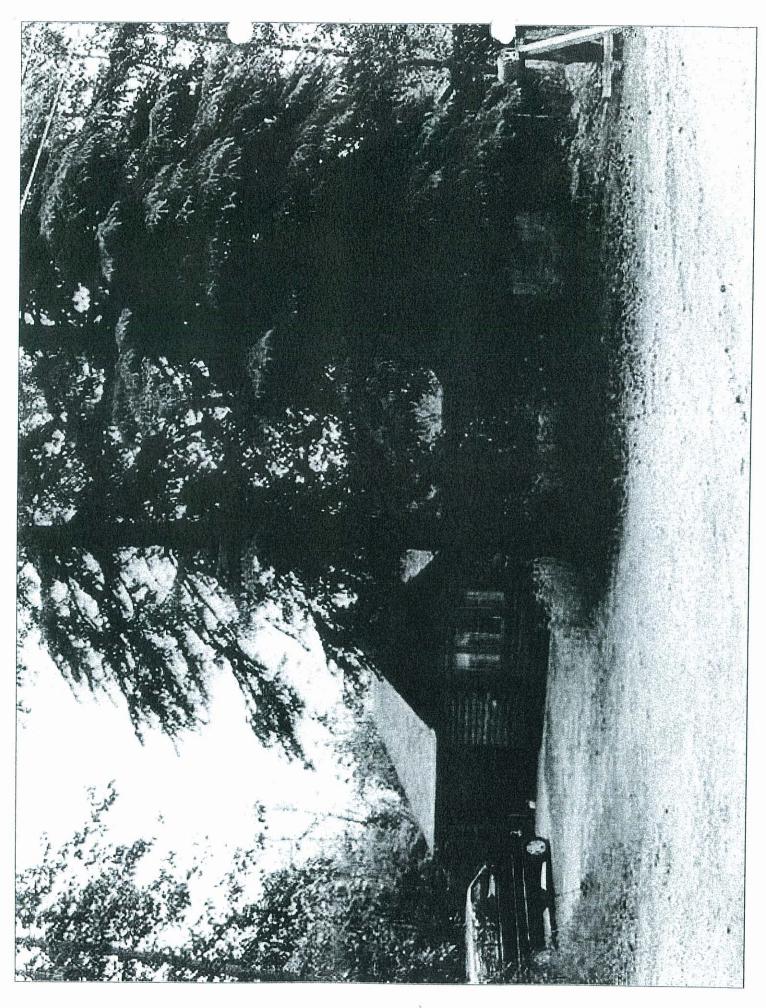
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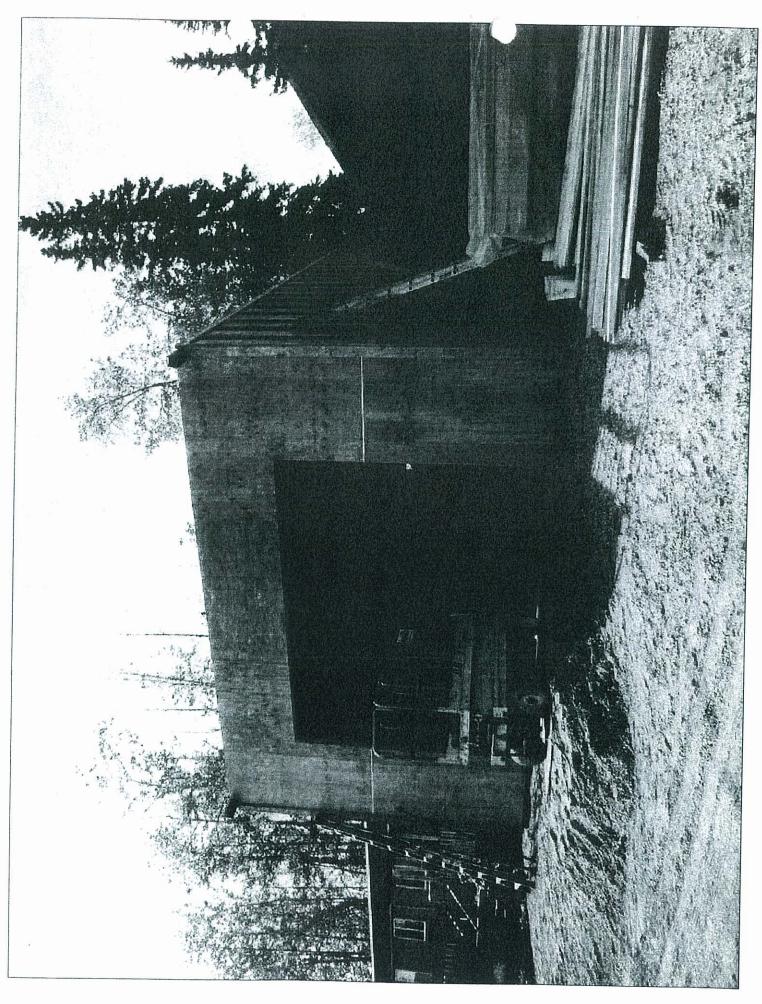
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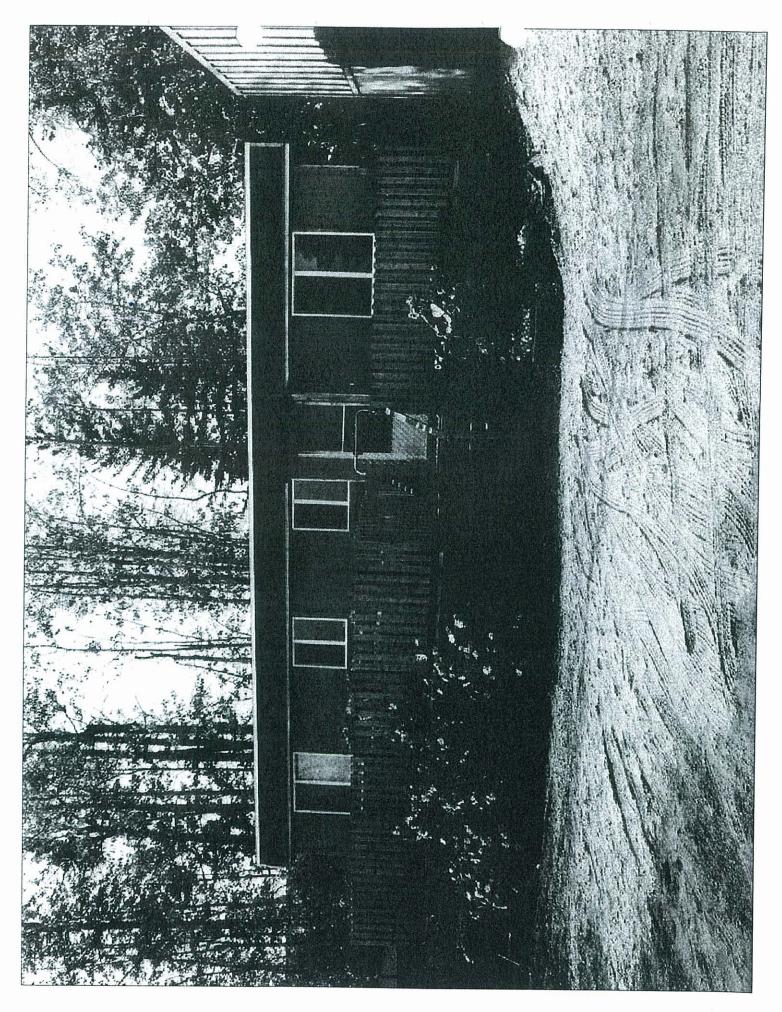
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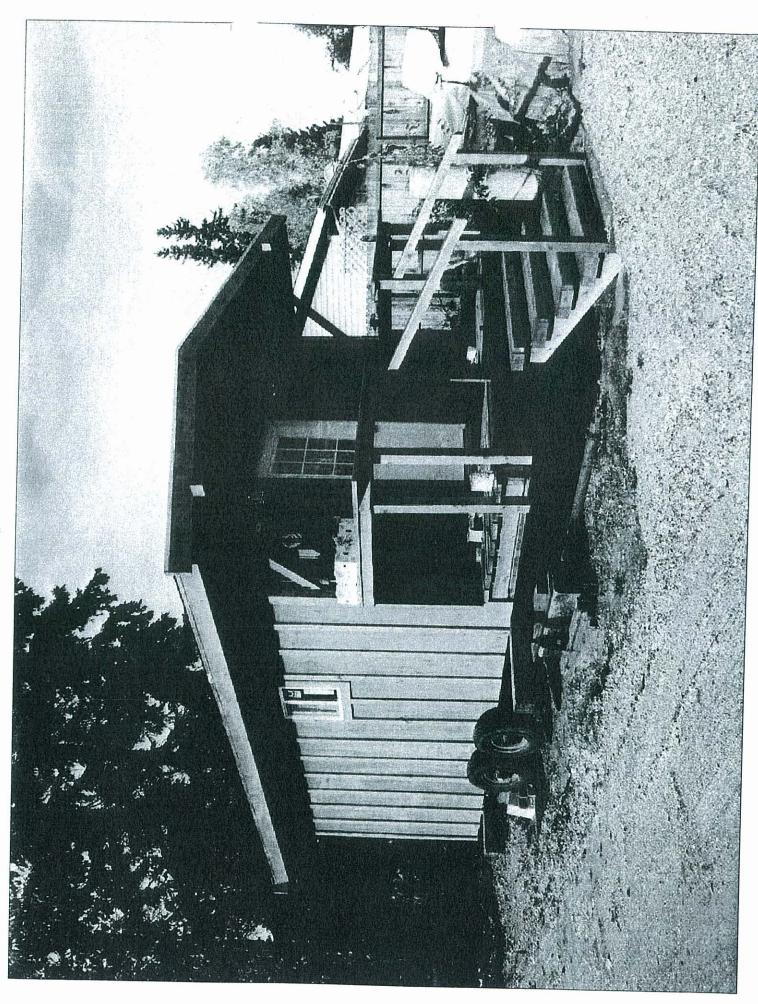
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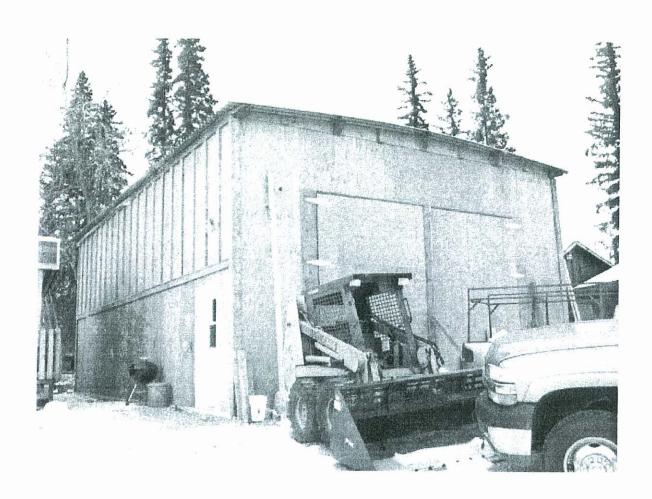






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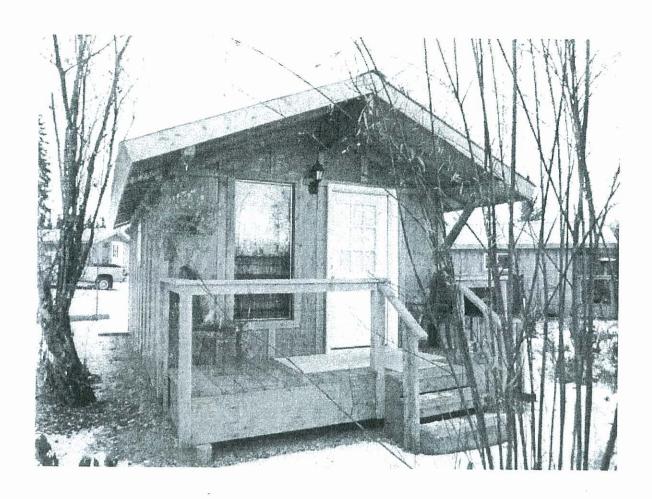


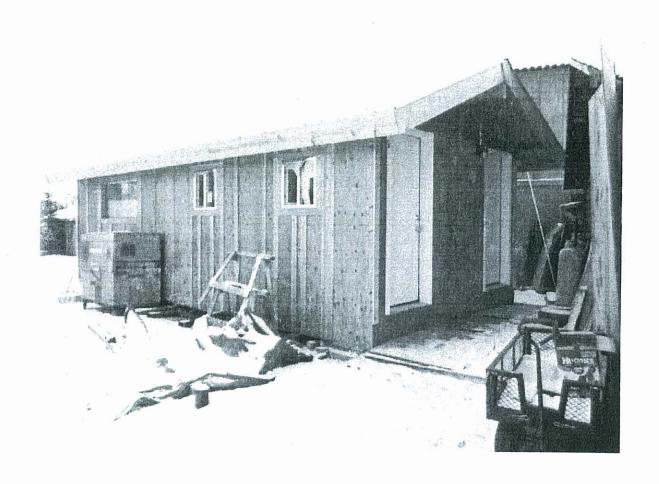


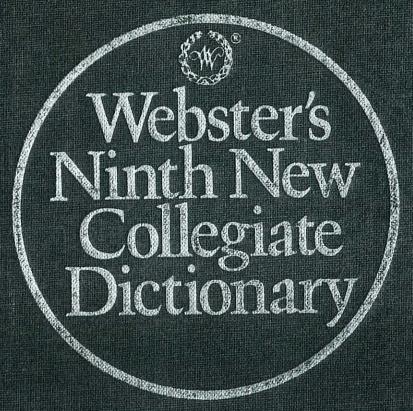












a Merriam-Webster®

ondeau \(\frac{ran}{ran}\)-\(\lambda\) on, pl ron-deaux \(\lambda\)-\(\lambda\) of z, -\(\lambda\) on two rhyme del rondeau] (1525) 1 a: a fixed form of verse based on two rhyme del rondeau] (1525) 1 a: a fixed form of verse based on two rhyme del rondeau] (1525) 1 a: a fixed form of verse based on two rhyme ounds and consisting usu. of 13 lines in three stanzas with the opening ounds of the first line of the first stanza used as an independent refrain the the second and third stanzas — called also rondel b: a poem in the form 2: a monophonic trouvère song with a 2-part refrain this form 2: a monophonic trouvère song with a 2-part refrain consisting usu formed: a circular small circle — more at ROUNDEL] (13c) 1 usu rondelle: a circular small circle = more at ROUNDEL] (13c) 1 usu rondelle: a circular small circle = more at ROUNDEL] (13c) 1 usu rondelle: a circular small circle = more at ROUNDEL] (13c) 1 usu rondelle: a circular small circle = more at ROUNDEL] (13c) 1 usu rondelle: a circular small circle = more at ROUNDEL] (13c) 1 usu rondelle: a circular small circle = more at ROUNDEL] (13c) 1 usu rondelle: a circular small circle = more at ROUNDEL] (13c) 1 usu rondelle: a circular small circle = more at ROUNDEL] (13c) 1 usu rondelle: a circular small circle = more at ROUNDEL] (13c) 1 usu rondelle: a circular small circle = more at ROUNDEL] (13c) 1 usu rondelle: a circular small circle = more at ROUNDEL] (13c) 1 usu rondelle: a circular small circle = more at ROUNDEL] (13c) 1 usu rondelle: a circular small circle = more at ROUNDEL] (13c) 1 usu rondelle: a circular small circle = more at ROUNDEL] (13c) 1 usu rondelle: a circular small circle = more at ROUNDEL] (13c) 1 usu rondelle: a circular small circle = more at ROUNDEL] (13c) 1 usu rondelle: a circular small circle = more at ROUNDEL] (13c) 1 usu rondelle: a circular small circle = more at ROUNDEL] (13c) 1 usu rondelle: a circular small circle = more at ROUNDEL] (13c) 1 usu rondelle: a circular small circle = more at ROUNDEL] (13c) 1 usu rondelle: a circular

or sonata ran-jar, -(,)d(y)u(a)r\n [F rondeur roundness, fr. MF, fr. rond round. fr. OF roont — more at ROUND] (1600) 1: ROUND la 2 gracefully rounded curvature round! \ran-\text{ln} n [fr. Ronnel, a trademark] (1960) : an organophosphate CaHaClyO, PS that is used esp. as a systemic insecticide to protect cattle from pests and round rander r

phate $C_aH_B C_1O_aPS$ that is used esp. as a systemic insecticide to protect caule from pests rongen var of ROENTGEN rongon \(^1\)ran-yon, \(^1\)ran-yon,



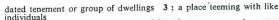
roof 1a(1): 1 gambrel, 2 mansard, 3 hip, 4 lean-to

Proof vt (15c) 1 a: to cover with or as if with a roof b: to provide with a particular kind of roof or roofing — often used in combination (slate-roofed houses) 2: to constitute a roof over — roof-er n roof garden n (1893): a restaurant or nightclub at the top of a building often in connection with or decorated to suggest an outdoor garden roof-ling n (1611): material for a roof roof-line \riuf-lin, 'ruf-\n (1857): the profile of a roof (as of a house) roof-loop \rightarroof (sunning themselves on the \simple \footnote{\text{ord}} in \footnote{\text{ord}} (1939): situated or taking place on a rooftop roof-tree \riuf-\rightarroof \footnote{\text{ord}} in \footnote{\text{ord}} (15c): RIDGEPOLE roof-tree \riuf-\rightarroof \footnote{\text{ord}} in \footnote{\text{ord}} in \footnote{\text{ord}} (15c): RIDGEPOLE roof-tree \rightarroof \footnote{\text{ord}} in \footno

swinding rok, fr. MF roc, fr. Ar rukhkh, fr. Per rukh! (14c): either of two pieces of the same color in a set of chessmen having the power to move along the ranks or files across any number of unoccupied squares—called also castle

Tookery / 'pik-o-re', n, pl-er-ies (1725) 1 a : the nests or breeding place of a colony of rooks; also: a colony of rooks b: a breeding ground or haunt of gregarious birds or mammals; also: a colony of such birds or mammals 2: a crowded dilapi-

rook



dated tenement or group of dwellings 3: a place teeming with like individuals rook-le 'rük-e\ n [perh. alter. of recruit] (1892) 1: RECRUIT: also: NOV-ICE 2: a first-year participant in a major professional sport rooky 'rük-e\ adı (1605): iull of or containing rooks 'room \rüm, 'rüm\ n [ME, fr. OE rūm: akin to OHG rūm room, L rur, rus open land (bef. 12c) 1: an extent of space occupied by or sufficient or available for something (houseplants that take up very little \(\sigma\) (in the country where there is \(\sigma\) to run and play\(\sigma\) (make \(\sigma\) for me to squeeze by\(2 a obs: an appropriate or designated position, post, or station \(b: PLACE STEAD \) (in whose \(\sigma\) I am now assuming the pen—Sir Walter Scott\(3 a: a partitioned part of the inside of a building; esp: such a part used as a lodging \(b: \) the people in a room \(4: a \) suitable or fit occasion or opportunity: CHANCE (left no \(\sigma\) for doubt\(7: \sigma\) room \((1817): to occupy a room esp. as a lodger \(\sigma\) vir: to accommodate with lodgings

date with lodgings room and board n (1955): lodging and food usu, furnished for a set

room and board n (1955): lodging and food usu. furnished for a set price or as part of wages room-er \riu-mar, 'rum-ar\ n (ca. 1871): one who occupies a rented room in another's house room-ette \riu-met, rum-et\ n (1937): a small private single room on a railroad sleeping car room-ful \rium-iul, 'rium-\ n (1710): as much or as many as a room will hold; also: the persons or objects in a room rooming house n (1893): a house where lodgings are provided for rent rooming-in \rium-iul, 'rium-\ n (1743): an arrangement in a hospital whereby a newborn infant is kept in a crib at the mother's bedside instead of in a nursery room-mate \rium-iul, \rium-\ n (1789): one of two or more persons sharing the same room or living quarters — called also room-ie \rium-\rium-r\rium-\rium-r\rium-\rium-r\rium-\rium-r\rium-\rium-r\rium-\rium-\rium-r\rium-\ri

room service n (1930): the bringing of ordered food or drink to hotel

room service n (1930): the bringing of ordered food or drink to hotel guests in their rooms roomy 'riume,' riume, adj room-ier; -est (1627) 1: having ample room': SPACIOUS 2 of a female manimal: having a large or well-proportioned body suited for breeding - room-iness n roor-back \'riu(a)r-,bak\ n [fr. an attack on James K. Polk in 1844 purporting to quote from an invented book by a Baron von Roorback] (1844): a defamatory falsehood published for political effect roose \'riuz\ vi [ME rusen, fr. ON hrōsa] chiefly dial (14c): PRAISE 'roose \'riuz\ vi [ME rusen, fr. ON hrōsa] chiefly dial (14c): PRAISE 'roose \'riuz\ vi [ME, fr. OE hrōsi; akin to MD roest roost, OSlav krada pile of wood] (bef. 12c) 1 a: a support on which birds rest b: a place where birds customarily roost 2: a group of birds (as fow) roosting together
'roost vi (1530) 1: to settle down for rest or sleep: PERCH 2: to settle oneself as if on a roost \times vi:\ to supply a roost for or put to roost roost-er \'rius-tor also 'rius\ n (1822) 1 a: an adult male domestic fow! 2: a cocky or vain person.

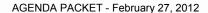
oneselt as it on a roost ~ wt: to supply a roost for or put to roost rooster \rius-tor also rus-\ n (1822) 1 a: an adult male domestic fowl: COCK b: an adult male of various birds other than the domestic fowl: COCK b: an adult male of various birds other than the domestic fowl: COCK b: an adult male of various birds other than the domestic fowl: 2: a cocky or vain person.
rooster tail n (1946): a high arching spray of water thrown up behind a fast-moving motorboat.
root \riut, rut\ n, often attrib [ME, fr. OE rot, fr. ON; akin to OE wyrt root, L radix, Gk rhiza] (bef. 12c) 1 a: the usu. underground part of a seed plant body that originates usu. from the hypocotyl, functions as an organ of absorption, aeration, and food storage or as a means of anchorage and support, and differs from a stem esp. in lacking nodes, buds, and leaves b: any subterranean plant part (as a true root or a bulb, tuber, rootstock, or other modified stem) esp. when fleshy and edible 2 a: the part of a tooth within the socket — see ToOTH illustration b: the enlarged basal part of a hair within the skin c: the proximal end of a nerve d': the part of an organ or physical structure by which it is attached to the body (the ~ of the tongue) 3 a: something that is an origin or source (as of a condition or quality) (the love of money is the ~ of all evil — 1. Tim 6:10 (AV) b: one or more progenitors of a group of descendants e: an underlying support: BASIS d: the essential core: HEART — often used in the phrase at root e: close relationship with an environment: TIE—usu. used in pl. 4 a: a quantity taken an indicated number of times as an equal factor (2 is a fourth ~ of 16) b: a number that reduces an equal factor (2 is a fourth ~ of 16) b: a number that reduces an equal factor (2 is a fourth ~ of 16) b: a number that reduces an equal factor (2 is a fourth ~ of 16) b: a number that reduces an equal factor (2 is a fourth ~ of 16) b: a number that reduces an equal factor (2 is a fourth ~ of 16) b: a number that reduces an equal factor (2 is a fourth

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'root \riut also 'rut\ vi [perh. alter. of 'rout] (1889) 1: to noisily applaud or encourage a contestant or team: CHEER 2: to wish the success of or lend support to someone or something — root-er n. root-age \riut-ij, 'rut-\ n (ca. 1895) 1: a developed system of roots 2: ROOT 3a

: ROOI 3a root beer n (1843): a sweetened carbonated beverage flavored with extracts of roots (as sarsaparilla) and herbs root canal n (1893): the part of the pulp cavity lying in the root of a root beautiful flavored by the part of the pulp cavity lying in the root of a

root cap n (ca. 1879): a protective cap of parenchyma cells that covers the terminal meristem in most root tips

\a\ abut \a\ kitten, F table \ar\ further \a\ ash \a\ ace \a\ cot, cart \ai\\ out \ch\\ chin \e\\ bet \cap \ext{\epsilon}\ easy \g\\ go \i\\ hit \tall ice \i\\ job \n\\ sing \do\ go \do\ law \do\ boy \th\\ thin \th\\ the \ii\\ loot \do\ foot \y\ yet \zh\ vision \a, \overline{k}, \overline{n}, \overline{ce}, \overline{ce}, \overline{ue}, \overline{ve} \see Guide to Pronunciation



Code Violation

CV 2011 - 002

Exceeding FNSBC 18.24.020(A) Permitted Uses (multiple principal structures)

Includes: complaints, inspection photographs, related case correspondence arranged by date.

Comm. Planning Dept.

Bud and VI Sandstrom Family Trust 341 Antoinette Avenue Fairbanks, AX 99701

OCT 072011
RECEIVED

October 6, 2011
Mr. Bernardo Hernandez, Director Department of Community Planning
809 Pioneer Road
Post Office Box 71267
Fairbanks, AK 99707

Re: FNSB letter dated September 8, 2011 (1st followup)

Dear Mr. Hernandez,

Again, I am responding to your letter dated September 8, 2011 regarding my B&B residence permitting request. Foremost I wish to thank you for verifying that Borough Code does indeed permit a nine bedroom B&B residence within my zoning (TF20) without further permission.

However, I still take exception to the Borough resorting to Webster when defining room – especially when the definition that is clearly contained in the Borough Code is more pertinent.

Since receiving your letter, I have continued to research the issue, especially in light of responding to the Borough's concerns that were expressed to the City and became the basis for criminal court action against me. I have set forth my conclusions in a letter to Representative Tammie Wilson and am enclosing a copy for your perusal.

At this time I respectfully request your review of the arguments I made in my letter to her, and reconsider your position regarding 'accessory buildings."

Should you remain unconvinced, I respectfully request the timely appeal process provided for in 18.52.030 Board of adjustment' in the Borough Code.

Sincerely

Wayne Sandstorm, Trustee

CC

FNSB Mayor Luke Hopkins
City Mayor Jerry Cleworth
City Attorney, Paul Ewers
Deputy City Attorney, Dave Burglin
Clem Clooten, Building Official
Assembly Member Matt Want
Assembly Member Matalle Howard
Assembly Member Michael Dukes
Representative Tammie Wilson
William Satterberg, Esq

Fairbanks City Council
Council Member Vivian Stiver
Council Member Chad Roberts
Council Member Bernard Gatewood
Council Member Jim Matherly
Council Member Emily Bratcher
Council Member John Eberhart
Council Member Elect Lloyd Hilling

Bud and VI Sandstrom Family Trust 341 Antoinotto Avenue Fairbanks, AK 99701

October 4, 2011

Representative Tammie Wilson

301 Santa Claus Lane Suite 3B North Pole AK, 99705 Fairbanks, AK 99707

Re: Background of Criminal Court Action filed by FNSB/City of Fairbanks Criminal Court Action against me.

Dear Representative Wilson

The Issue

Last year I established a bed and breakfast residence that is configured to minimize building and operating cost and maximize safety. I strongly believe the configuration conforms to Borough Code. The Fairbanks North Borough professional planning staff disagreed, but has yet to show where in the code the configuration is disallowed – rather they resorted to Webster's definition of the word 'room' to prop up their argument. Webster, according to the FNSB, defines 'room' as a space with walls, floor, and ceiling within a structure. Staff argues it is that definition that prohibits using accessory buildings as sleeping rooms for B&B purposes. Their argument is inanity, clearly unrelated to the issue they claim to be addressing.

Further, the Borough Code contains an exhaustive definition of room that clearly includes B&B residence – but Borough Officials either deliberately decided not to use it or was unaware of it – either way their action was unacceptable.

What is allowed by Borough Code?

What is a B&B Residence according to Borough Code? Bed and breakfast residence" means a facility with five to nine guestrooms where lodging with or without meals is provided for compensation to transient guests on a day-to-day basis. And "Bedroom" means a room marketed and/or designed to function primarily for sleeping by humans.

Does the code allow a B&B Residence on my property? The answer is yes, my property is zoned TF and contains over 20,000 square feet which code allows a B&B without further permitting. **18.24.020 Use regulations.** A. Permitted Uses. In the TF, two-family residential

district, permitted uses are: 1. Any permitted use in the SF-20, SF-10 and SF-5 districts; and 2. Two-family attached dwellings.

For reference **18.22.020 Use regulations.** A. Permitted Uses. In the SF-20, SF-10 and SF-5, single-family residential districts, permitted uses are:**1.** Accessory uses; 2. Bed and breakfast homestay; **3.** Bed and breakfast residence (excluding SF-10 and SF-5); 4. Church buildings; 5. Home occupations; 6. Playground; 7. Single-family detached dwellings.

Borough Staff concurs with me that my zoning allows for a B&B residence without further permitting. However, the Borough Staff objects to my configuration which consists of using nine accessory buildings for sleeping rooms. Staff's position is that borough code forbids using accessory building for sleeping rooms.

I disagree, my interpretation is straightforward and supported by the following definitions contained in the Borough Codes descriptions of 'building', 'structure', and 'dwelling'. 'Building' and 'structure' are interchangeable in Title 18, however, 'dwelling' is defined as used exclusively for residential purposes and a dwelling unit refers exclusively to living quarters for one family and clearly excludes all other users, including B&B's from the 'dwelling' classification — even though, in the same paragraph, Title 18 allows B&B guest rooms to operate within the same building space. At first, this would seem contradictory and confusing. But it is not.

It is important to realize that the definition of rooms used for B&B's is actually described in **Title 3.58.010 Definitions** "Room" means any structure or portion of a structure, permanent or temporary, fixed or mobile, in which a person, for money or other consideration, may obtain lodging, dwelling, or sleeping accommodations. This term includes hotels, apartment hotels, motels, tourist homes, houses or courts, lodging houses, inns, rooming-houses, hostels, trailers, **bed and breakfasts**, dormitories, and any other facility, structure, or room of whatever name where space for lodging, dwelling, or sleeping may be secured for consideration. "Room" does not include any hospital, self-contained and powered motor home, tent or tent space, medical clinic, sanitarium, or nursing home; any student dormitory operated by the University of Alaska; or any temporary lodging within a military reservation when that lodging is operated by the United States.

This definition casts a wide net around what can be deemed 'room' when it comes to B&B's and similar endeavors. Code definition of B&B's further explain the somewhat subtle connotation difference between using a room for family purposes and renting a room to the public; when it uses the term 'facility' to describe a B&B, implying a service.

My interpretation is further reinforced by pertinent Borough codes that define Building and Building accessory as: "Building" means a structure for the support, shelter or enclosure of persons, animals, chattel or property of any kind. A building shall include such extended

structures as attic entries, balconies, carports, decks, exterior stairways, garages, porches, wannigans and windows. Where independent units with separate entrances are not joined by a common wall and/or ceiling or floor, each unit shall be considered as a separate building. This definition does not include a fence. And "Building, accessory" means a building which is subordinate to and serves a principal building or use. An accessory building is subordinate in extent and/or purpose to the principal building or use and contributes to the comfort, convenience, and/or necessity of the occupants of the principal building or use being served." An accessory building used for B&B sleeping purpose clearly is subordinate, both in extent and purpose to the principal dwelling and contributes to comfort, and convenience, and perhaps, necessity of the principal building's occupants.

The code does not limit the number of accessory buildings on the property.

It is perplexing that Borough staff would resort to Webster's dictionary in making code violation charges against me in light of the pertinent verbiage contain in the code. And especially since my concept provides a safer and more private facility than most B&B's and has a significant lower operating cost. It is even more perplexing that a neighborhood would prefer a standard home containing nine extra bedrooms to a small home with several accessory buildings scattered throughout a well-landscaped lot.

I blame an over-zealous, and poorly researched effort of a Borough employee - and too soon embraced by management.

After an exchange of correspondence between me and the FNSB; the Borough enlisted the assistance of the City of Fairbanks, Building Department. The Borough apparently reported that I was operating a B&B without proper bathrooms – which was erroneous information. The City reacted by writing a letter. Again, I responded to, clarified the Borough's mistaken information, and requested an appeal as I was entitled to. The city responded by ignoring my appeal request and without further ado or contact with me, filed legal action. I was charged with code and zoning violations – a criminal misdemeanor offense.

When Linquired about the appeal process I had filed, I was told the urgency warranted timely court action. However, following my inquiry, an appeal board was hastily convened and initially met with me. Foremost, the City's premature criminal action was prompted by erroneous implications the FNSB gave to the City. They implied that B&B guests were staying in a facility that had no bathrooms connecting to City utilities. Interestingly, the only city employee who had visited my facility had retired, - and his concern stemmed from building modular units on site without a city building permit. No member on the Appeals Board had visited the site even though their concern was that raw sewage was being disposed of on-site.

Once it became clear that my guests did indeed have bathrooms connected to public sewer and water systems, and that they complied with the City's adopted building code in terms of

number of required toilets, showers, fixtures, etc and that the configuration was not unique to other facilities within the City; the Appeals Board members backed off 'urgency'. They decided to recess and reconvene pending my obtaining a B&B Residence permit from the FNSB, and, on the advice of the City Attorney; they left the court issue standing without substance until they would reconvene.

It's my understanding that a B&B Residence is permitted within Two Family zoning without further action – which of course it is. Nonetheless, I requested a confirmation from the Borough. The Borough agreed, as previously noted. They also reiterated their objections to using accessory buildings as sleeping rooms and enlisted Webster to prove their position. Again, I responded in writing and copied all concerned. This is where the issue now stands.

Important Questions to be asked and resolved

It appears that, in their rush to court, Borough staff overlooked '18.52.030 Board of adjustment' in the Borough Code. "The borough assembly shall be the board of adjustment for decisions regarding land lying outside of any city incorporated in the Fairbanks North Star Borough. The Fairbanks city council shall be the board of adjustment for decisions regarding land within the city of Fairbanks. The city council of North Pole shall be the board of adjustment for decisions regarding land within the city of North Pole. The board of adjustment, or an appeals officer that the board of adjustment may designate, shall hear and decide appeals of planning commission determinations on requests for conditional uses and variances, and of decisions or determinations made by the department of community planning in the enforcement of this title. (Ord. 88-010 § 2, 1988)"

It seems clear that the Fairbanks city council has jurisdiction over these matters within the city limits. By, essentially going 'directly to court' and not just civil court – but criminal court; the staff has placed me in an awkward financial situation as well enduring an affront to my character. To show both the city and the court that I was willing to cooperate; I placed my B&B on full hold, including removing most the accessory buildings from my property with the intention that once vindicated, I would resume operations. Some of my buildings were sold to meet immediate legal expenses brought on by what now seems to be a premature action on the part of local government. It also should be realized that the B&B was my primary source of income in my retirement.

There is some question regarding just what I am in court for —exactly? It seems that the city has inadvertently taken me to criminal court on both building and zoning codes. Subsequently, following the hastily arranged appeal hearing, the city noted that the building question appeal was being put on hold until the FNSB resolved the zoning question. But as pointed out in the previous paragraph, it appears that the City is jurisdictionally in charge. Further, according to Borough code, it is the City Council who has zoning appeal responsibilities, not the special appeals board recently appointed.

Further, during the arrangement hearing, the court made it clear that I had been indicted on a criminal matter of violating both codes. Regardless, of all this confusion – I am under a criminal cloud and am obliged to move forward with my defense. This is also reason for my prompt actions – to meet mounting defense expenses.

And it begs another question, while a civil court places the burden of proof on the defendant; criminal court places it on the plaintiff. How does that affect the ultimate liable party?

The FNSB has been requested in writing all documentation that this complaint has been undertaken in both spirit and letter of:

Title 18.58.030 Initiation of complaints.

Any complaints brought under this title must meet the following conditions:

- A. To initiate a complaint the alleged violation must personally and adversely affect a matter in which a person has a specific interest or property right in a way different than that of the general public.
- B. The complainant bears the burden of proving the adverse effect the alleged violation has on their own property.
- C. The complaint shall:
 - 1. Be in writing.
 - 2. State in ordinary and precise language the provisions of this title alleged to have been violated and the facts alleged to constitute the violation.
 - 3. Include statements of support and/or other evidence supporting the allegations.
- D. The department unit may investigate a complaint; provided that the above conditions have been met. (Ord. 2010-55 § 2, 2011)

To date, no such assurances have been received.

Sincerely

Wayne Sandstorm, Trustee



Fairbanks North Star Borough

809 Pioneer Road

P.O. Box 71267

Fairbanks, Alaska 99707-1267

907/459-1000

www.co.fairbanks.ak.us

October 3, 2011

Bud and Vi Sandstrom Family Trust 341 Antoinette Avenue Fairbanks, Alaska 99701

Dear Mr. Sandstrom:

Thank you for your letter dated September 22, 2011. You have asked for permits that your remodeling effort will be subject to.

The property at 341 Antoinette and potentially accreted portions thereof are located in the Two Family Zone adjacent to the Noyes Slough. The development of the property will require a zoning permit and a floodplain permit as a portion of this property is located in a special flood hazard area. There are no fees for these permits. In addition, if you intend to plat accreted land to your property, a Subdivision Application will be required. There is a fee of approximately \$230.00 due when you submit your Subdivision Application. I have enclosed these Borough permit applications for your convenience.

I cannot speak for the City of Fairbanks and its requirements. I will refer you to Mr. Clem Clooten of the City of Fairbanks Building Department. His phone number is 459-6720.

I have passed your letter on to the Borough Assessor's office regarding your concern regarding assessed property values.

If I can be of further assistance, please let me know. Thank you.

Sincerely,

Bernauch Humand

FNSB Department of Community Planning

BH:mb

cc: FNSB Mayor Luke Hopkins

Jeff Jacobsen, FNSB Chief of Staff

City Mayor Jerry Cleworth

City Attorney, Paul Ewers

Deputy City Attorney, Dave Burglin

Clem Clooten, Assistant Building Official

Assembly Member Matt Want

Assembly Member Natalie Howard

Assembly Member Michael Dukes

Representative Tammie Wilson

Attachment

But and Vi Sandstrom Family Trust 341 Antoinetta Avenue Fairbanks, AK 99701

PROPERTURA DON

September 22, 2011
Mr. Bernardo Hernandez, Director Department of Community Planning
809 Pioneer Road
Post Office Box 71267
Fairbanks, AK 99707

Re: FNSB letter dated September 8, 2011

Dear Mr. Hernandez,

In my opinion, the Borough's findings stated in your September 8 letter is a huge leap-of-logic between Webster's definition of room and your cited Borough Code '18.060.010...... shall be construed according to their generally accepted meanings." Especially since Borough code is not silent in this regard.

Webster's 'definition of 'room' is not a 'use' – it is a generic enclosure within a building – regardless of purpose leaving your argument open to a multitude of arbitrary semantic speculations for all rooms in general.

In contrast the Borough Code clearly addresses use and does not rule out using an accessory building for sleeping purposes – a bedroom' (18.060.010 B "Bedroom") and (18.06.010 "Building, accessory") - a building which is subordinate to and serves a principal building or use. An accessory building is subordinate in extent and/or purpose to the principal building or use and contributes to the comfort, convenience, and/or necessity of the occupants of the principal building or use being served.

'Sleeping' is a necessary occupant function and therefore must be considered inclusive within the code's defined uses allowed in accessory buildings. Your rational begs the code to define the distinction between the sleep necessity of non-paying and paying occupants. It seems the Borough is only looking to support an arbitrary and capricious position.

I wish to make it clear, that to the best of my understanding of the Borough Code, my B&B was established and operated in accordance with all permits, licenses, and in compliance with code parameters, ie services offered at daily rates. However, it's paramount for me to reach a timely consensus on this manner because it is my livelihood. In the spirit of cooperation, I have ceased operating my B&B residential and am in the process of removing most of my accessory buildings from 341 Antoinette

Street either through sales or relocation. Please adjust my property value tax to reflect your action.

I have retained a surveyor to plat my accreted land and it is my intention to remodel my existing structures to gain both city and borough's unambiguous approvals for a B&B residential. In order, to avoid further delay, misunderstandings, and code interpretation; I am requesting a listing of all Borough and/or City permits that my remodeling effort will be subject to.

Sincerely

Wayne Sandstorm, Trustee

CC FNSB Mayor Luke Hopkins
City Mayor Jerry Cleworth
City Attorney, Paul Ewers
Deputy City Attorney, Dave Burglin
Clem Clooten, Assistant Building Official
Assembly Member Matt Want
Assembly Member Natalie Howard
Assembly Member Nichael Dukes
Representative Tammie Wilson



Fairbanks North Star Borough

809 Pioneer Road

P.O. Box 71267

Fairbanks, Alaska 99707-1267

907/459-1000

www.co.fairbanks.ak.us

September 8, 2011

Bud Sandstrom Family Trust Vi Sandstrom Family Trust 341 Antoinette Fairbanks, Alaska 99701

Dear Mr. Sandstrom:

Thank you for sending your representatives Ron Price and Josh Palmer to discuss your desire to have a bed and breakfast on your property. Your property is zoned Two Family Residential and is located at 341 Antoinette. Ron and Josh brought forward fresh thoughts and ideas that we considered and researched regarding the permitted uses for your lot. Based on these discussions, we have determined the following:

- 1. You can have up to nine (9) guestrooms on your lot without the need for conditional use approval. This is based on the fact that your lot is over 20,000 square feet, with the additional accreted land, consistent with permitted uses for the SF-20 designation.
- 2. Even though land records do not indicate the accreted land as part of your lot, we will issue a zoning permit for the use of the land, including the accreted portion.
- 3. All bed and breakfast guestrooms must be within a building. Guestrooms cannot be in individual buildings. Title 18, the zoning code, states under 18.06.010.A9, that any words not defined in 18.060.010 "shall be construed according to their generally accepted meanings." Guestroom is not defined in Title 18; however, Webster's Ninth New Collegiate Dictionary defines a "room" as "a partitioned part of the inside of a building." In addition, the bed and breakfast cannot be used for long term, transitional, or standard rental housing. Title 18 defines Bed and Breakfast Residence as "a facility with five to nine guestrooms where lodging with or without meals is provided for compensation to transient guests on a day-to-day basis."

In addition Ron, Josh, and I discussed two more items. First, you presently have two single family residential dwellings on the property. Only a duplex or a single family residence is permitted in the Two Family zone. We discussed how you could correct that situation which may include removing one of the single family structures or possibly joining the two structures with a common wall thereby creating a duplex. Title 18 defines a duplex as "a dwelling unit which is attached to another dwelling unit by a common wall or vertical cavity wall extending from the floor to the ceiling and from exterior wall to exterior wall, or by a horizontal structural floor extending from exterior wall to exterior wall." Second, you also have semi-trailers parked on the property. These are not permitted in the Two Family zone. Ron, Josh and I also discussed how this could be corrected. This could be done by removing the semi-trailers from the property or by removing the tires and wheels from the trailers so that the trailers can be considered storage facilities.

We will be happy to work with you or your representatives to help bring your property into conformance with the zoning code. We look forward to processing a zoning permit for the uses on your property. Please contact me or any of my staff if you need assistance at 459-1260. Thank you very much.

Sincerely,

Bernardo Hernandez

Department of Community Planning

B Hernande

BH:mb

cc: Ron Price

GLORIA ST. **Ronald A. Price**PRINCIPAL ARCHITECT
Tel: (907) 456-6221
Fax: (907) 456-2602 341 ANTIONETTE AVE FAIRBANKS AK 99701 LEMETA SUBDIVISION LOT 10 BLOCK 27 PAN 84107 ANTOINETTE ST. 335.58' ORIGINAL LOT 10 72.39 SLIPEPING UNIT FRAME HOUSE LOG HOUSE GIRAGE SLEEPING UNIT ACCREATED LOT SLEEPING UNIT → FENCE LINE & PROPERTY LINE SCALE: 1"=50' • MONUMENT (5/8 REBAR) 78.33

Jayre - Kun Price came by & chatted about The Soudston property. The City deflered any decision until Zowing issues resolved. Kun Daid the buildings are not dwellings 9 took a CUP opp for B&B vesidence. Melissa & I went no further as 1 Know you have been dealing with this one. Ron asked that you call him to discuss resolving The Zonery Dhiff.

"KE: WAYNE SANDSTROM

RON PRICE 45G-6ZZ

8/19/11



R.A. PRICE ASSOCIATES, INC. ARCHITECTURE • PLANNING • CONSTRUCTION MANAGEMENT

Ronald A. Price PRINCIPAL ARCHITECT

Tel: (907) 456-6221 Fax: (907) 456-2602 520 7th Avenue Fairbanks, Alaska 99701 rprice@raprice.com

> 8/19/11 2-30

Routing and Action Slip

Name	Department	Action Requested	Initial When Completed
Joyce Kelso	Planning	ng 7	
	V		

Indicate Action by Number

- 1. Take Appropriate Action
- 2. For Your Approval
- 3. For Your Signature
- 4. Please Answer
- 5. Fer Your Request
- 6. Investigate and Report

- 7. For Your Information
- 8. Note and See Me
- 9. Note and Return to Me
- 10. Return with Comments
- 11. Return with More Details
- 12. Note and File

From:	Date:
Amanda Towse, Research Assistant	6-23-11
Office:	Phone:
Clerk's	1406

Remarks:

This Was delivered to the Clern's office. The



APPLICATION FOR APPEAL

City Of Fairbanks Building Department 800 Cushman Street

Fairbanks, AK 99701 Phone (907) 459-6723 Fax (907) 459-6723

CHECK ONE:	Appeal for	r a Code Inter	pretation M Al	atement Appe	eal [V]	Construction M	ethod Appeal	
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P=4 and VI Sandstrom Family Ti 1 341 Antoinotto Avenue Fairbanks, AK 99701

June 23, 2011
Ms Joyce Kelso, Code Enforcement Office
Fairbanks North Star Borough
809 Pioneer Road
Post Office Box 71267
Fairbanks, AK 99707

Re: Alleged CV 2011-002; Pan 0084107

Mr. Steve Shuttleworth, Building Official City of Fairbanks, AK 99701

Re: Letter dated May 26, 2011 Unlawful Continuation of Work, Notice and Order to Vacate Dry Cabins (CL No 70071490000116420929)

Dear Ms Kelso and Mr. Shuttleworth:

This letter is to follow-up your letter of April 24 and my attempt to discuss my interpretation of borough zoning code which led to alleged zoning violations on my property. Obviously, you were not persuaded, since it prompted a collaborated notice from the City of Fairbanks. However I clearly discerned that you were already an advocate of the complainant, and gave little, if any, consideration for my views.

Nonetheless I have found substantial agreement within the private and professional community for my views. I remain convinced that they represent that of the majority of the folks in this community and, more importantly, does not violate borough code, or the land use goals prescribed in the Borough's adopted Comprehensive Plan.

I take exception to your verbal premise that 'anything not specific in the borough code is not allowed.' Obviously, the Borough Code of Ordinances is a dynamic document that takes its cue from the mandated Borough's Comprehensive Plan. The code itself is a basic tool to limit, but not eliminate, the burden on our civil justice system. However, without mutual agreement, differing interpretations remain a civil matter.

Borough code is constantly being modified by the Borough Assembly to redress the Comprehensive Plan, community attitudes, circumstances, concerns, technology, and, most importantly - safety.

The first goal of this State mandated planning document is: To recognize that the foremost aspect of land use involving private property is the retention and maintenance of private property rights. The strategy to do so includes making decisions that protects individual's private property rights to the maximum extent possible and avoiding goals that would result in impacts

Page 1 of 4

and disruption of individual private property rights. The plan furth directs providing suitable areas for the location of essidual human services by creating a variety of land uses that fit the diverse needs of the community and by providing a variety of residential land use opportunities. This, I believe, is exactly what I am doing. To wit:

I am operating a Bed & Breakfast Residence in accordance with Title 18.24 Zoning-TF Two-Family Residential District defined in 18.06.010 "Bed and breakfast residence" means a facility with five to nine guestrooms where lodging with or without meals is provided for compensation to transient guests on a day-to-day basis". I have obtained all the pertinent licenses, paid all fees and taxes necessary to operate my Bed and Breakfast. I charge by a daily rate. I have nine sleeping rooms — the maximum allowed in TF Zoning. There is ample area on my property to accommodate these sleeping rooms in accordance with borough code.

My principal dwelling defined as: "Dwelling" means a building or portion thereof designed or used exclusively for residential purposes, but not including hotels, motels, guest rooms, boarding homes, group homes, nursing homes, mobile homes or trailers. My primary dwelling contains my living quarters, a large attached garage, and a common area for the use of my B&B guests. The common area contains bath, cooking, and laundry facilities

Each B&B bedroom is an accessory building defined by the code as: "Building, accessory" means a building which is subordinate to and serves a principal building or use. An accessory building is subordinate in extent and/or purpose to the principal building or use and contributes to the comfort, convenience, and/or necessity of the occupants of the principal building or use being served". (Underling emphases) This aptly fits my situation.

I was surprised to receive the City's letter regarding codes and abatement. It was my verbal understanding with city building officials that no action would be forthcoming until the zoning issue had been resolved with the FNSB; apparently, a misunderstanding.

Nonetheless, in response to the City's complaint; my 'accessory buildings' do not easily fall within the definitions contained in FGC Chapter 82 sec 303.1 which focuses on 'structure independence; specifically townhouses, apartments, duplexes, etc. The code is silent regarding mandating utilities in sleeping rooms although it is clear that all 'inhabitable areas' shall comply with ventilation, lighting' and safety codes – which mine do. The following section 303.3 refers to bathrooms and kitchens, but as elsewhere, does not state that baths and kitchens are necessary for an 'accessory building'.

It is my opinion that the concerns fostering this city code is to insure all potable water and waste waters systems utilize available public utilities, and to eliminate individual on-site sources/treatment. It is a health and safety measure aimed at protecting the public. Any interpretation that squelches cost savings measures or regulate matters of convenience while adhering to the public health and safety measures, would be unintended consequences.

My manufactured units are <u>NOT</u> cabins or 'dry' cabins. To my kr ledge, Title 18 does not even use the language 'call - wet or dry - the word is not in the definition section. Cabins in the Alaskan vernacular, usually envisions 'a room and a path' - of which there are many, throughout the FNSB and Alaska - but not on my property. As previously noted however, borough code does specify and allow accessory buildings to be used for guest room units.

Each of these manufactured bedroom units are prototypes that I have manufactured and subsequently perfected. They are designed to provide safe, extremely energy efficient, and private sleeping areas. For example, all egress doors and windows lead directly to outside, a feature that exceeds code. They can be easily maintained without fear of freezing up in our sub-arctic winters' and only need to be heated when occupied. Maintenance and cleaning labor is minified. Functionally, they have exceeded my expectations.

Please be advised that I am quite aware of the continued complaint received by your office. It primarily stems from my guest's social status and smacks of prejudice. My ability to provide lodging efficiently, using the FNSB's B&B code which allows only day-to-day rates results in an enterprise that provides a sorely needed service in our community. It is one of the few local B&B's that regularly provides shelter for those on public assistance.

The alleged complaint that, 'cops' come around more often, is irrational. As suggested previously, many of my patrons are 'in the system' - possibly on parole or other public assistance, which generates official visits. Actually my patrons are rather private people, very quiet; relying mostly on public transportation or walking to the mall.

I strongly suggest that local governments address the acute homeless problems in our community before advocating unsubstantiated complaints. I am very much aware of the many makeshift camping areas on public lands resulting in serious problems – especially during the winter months, and an embarrassing social blight on our community. I believe, I have demonstrated one solution with facets that can and - as a private citizen - am helping to lessening the problem - at no public cost.

In addition, I am quite perplexed in regards to the FGC codes cited in the City of Fairbanks' letter. I was unable to fully understand the ramifications of Section R306 of the 2009 IRC as Section R306 appears to have been purged from the 2009 ICR and I am having difficulty locating what replaced it. Can you clarify this for me?

I also would like to address the matter of abatement. These buildings began in my mind - an idea that stemmed from the extremely high cost of energy plaguing our community; local unique foundation and living conditions; and limited construction seasons.

For the record, I am not unfamiliar with arctic and subarctic construction. I was twelve years old when my family arrived in Fairbanks in 1951. I have spent my career as a building contractor licensed in Alaska, Washington, California, and Nevada; and am well versed on local construction technology and concerns.

I put legs on my ideas by drawing on my acquired experience to ____,d, first one prototype, then another, and so on - each a___,mprovement over the last. As yet, I have not created any formal drawings. However, in the process, I have taken a plethora of photographs of construction throughout which are available upon request for your review.

These manufactured units are designed and equipped to meet or exceed all applicable city building codes - foundation, structural, fire and safety, and electrical. They contain no high voltage associated with cooking or laundry – substantially reducing the potential for electrical fires. They can be relocated anywhere in-state using only pilot cars. They are VERY energy efficient, environmentally friendly, and cost effective. They have no facilities that require plumbing – thus no plumbing codes are being violated. However the common area within my principal dwelling does contain all necessary utilities that fully comply with local building codes. I now manufacture these units outside the city

To suggest that these newly built units ought to be 'abated' makes no common sense whatsoever – there is no life or safety issue to be abated. My B&B residence as allowed in the current borough code is my primary retirement income source, and these units are the key. Frankly, my low-profile and scattered units are many times less intrusive within my neighborhood than would be, should I add nine guest rooms to my principal building – and which I would likely do. Further, once landscaping is completed, it will be even more indistinguishable. I trust we can arrive at an amicable solution without further belaboring this concern.

I have been unable to locate the language in the code that supports your stance regarding vehicle parking on my property. Please clarify and I will conform to the code.

This letter is a joint response to both Fairbanks North Star Borough and City of Fairbanks in the hopes it will lead to an cordial resolution. However, should none be forthcoming, I am including a completed APPLICATION FOR APPEAL of which this letter should be considered a supporting attachment.

Sincerely

Wayne Sandstorm, Trustee

CC

FNSB Mayor Luke Hopkins
City Mayor Jerry Cleworth
City Attorney, Paul Ewers
Deputy City Attorney, Dave Burglin
Clem Clooten, Assistant Building Official
Bernardo Hernandez, FNSB Planning and Zoning
Director
Assembly Member Matt Want
Assembly Member Natalia Howard
Assembly Member Nichael Dukes
Representative Tammie Wilson

Comm. Planning Dept.

May 31, 2011

Luke Hopkins City of Fairbanks Mayor 809 Pioneer Road Fairbanks, AK 99701

JUN 0 1 2011 RECEIVED

My name is Terry Cochrane. My address is 331 Antoinette Avenue. I had my house built in June, 2006. My builder adhered to all the existing codes and statutes. The zoning in this area is two-family. When I moved in, there was a single log cabin on the property next to mine, 341 Antoinette Avenue.

Today, on the property at 341 Antoinette Avenue, there are nine (9) $12' \times 20'$ dry cabins, a $26' \times 28'$ bath house/laundry/toilet and an approximately $12' \times 30'$ Atco unit, along with the original log cabin.

The owner of this property is Wayne Sandstrom.

On 7/9/10, I called Joyce Kelso, Code Enforcement Officer with FNSB, and filed a complaint against the neighbor regarding the multiple buildings and commercial vehicles parked on the propery. Joyce wrote a letter to Mr. Sandstrom and has continued to write more letters regarding the ongoing problems. This neighbor contends that he runs a bed and breakfast and that the cabins are "sleeping rooms". I personally have viewed U-Haul trailers moving folks into the "sleeping rooms".

On 8/11/10, I called the City Building Department regarding building permits for the structures. I filed a formal complaint at the City the following day.

A "stop construction order" was served on 8/20/10 by Steve Shuttleworth. Thirty minutes after the order was served, work continued on the laundry building. At the time of the complaint, there were six (6) dry cabins. There are now nine (9) cabins. The cabins are fabricated in the large shop then rolled out and placed on gravel pads around the property. Continuous construction takes place. I have pictures of such.

On 9/2/10, I spoke with Paul Ewers, City Attorney, regarding pictures I had taken of the ongoing construction. He asked me to e mail the pictures to him, which I did.

I called Bernardo Hernandez on 10/22/10, regarding the ongoing letters between FNSB and Sandstrom. He suggested I call the mayor, Luke Hopkins and the assembly members to urge them to enforce the zoning codes.

On 5/18/11, according to FNSB assessing personnel, Melanie Breitenbach and Shelly Fritts, when they assessed the property at 341 Antoinette Avenue, they were told by someone on the property that it was a bed and breakfast. If it is, where is the business license?

Traffic in the neighborhood has increased expoentially along with the number of structutes at 341 Antoinette Avenue, especially taxi cab units. There has also been multiple police officers conduction some sort of business at this same address. It might be interesting to see just how much of the police budget is going to that address. I am sure FPD can key in that address into their database and know how many call-outs have been made, especially in the past two years.

The City of Fairbanks is pursuing legal action against Mr. Sandstrom as per their 5/26/11 letter from the Building Department.

The Borough continues to write letters and do nothing to enforce the zoning code. It will soon be one year since the ititial complaint was filed. I appeal to you to please have the zoning code enforced. If that were to happen, perhaps the City would not have to file legal action and thus, save some money.

My phone number is 456-1850, should you wish to discuss this matter with me.

Thank you for your consideration in this matter.

Page 138 91373 \

Jerry Cleworth City Mayor
Paul Ewers City Attorney
City Building Department
Bernado Hernandez FNSB Planning
Matt Want FNSB Assembly Member
Diane Hutchinson FNSB Assembly Member
Natalie Howard FNSB Assembly Member
Michael Dukes FNSB Assembly Member
Nadine Winters FNSB Assembly Member
Joe Blanchard FNSB Assembly Member
Kark Kassel FNSB Assembly Member



800 Cushman Street Fairbanks, AK 99701

Comm. Planning Dept.

Phone (907) 459-6720 Fax (907) 459-6719

May 26, 2011

MAY 3 1 2011

RECEIVED

Bud Sandstorm Family Trust 341 Antionette Avenue Fairbanks, Alaska 99701

Certified Letter No. 70071490000111420929

Re:

Unlawful Continuation of Work

Notice and Order to Vacate Dry Cabins

Dear Mr. Sandstrom,

ATTN: BERNARDO HERNANDEZ

(PLANNING & ZONING)

As you recall a stop work order was issued by the City of Fairbanks Building Department on 8/20/2010. The stop work order was issued because: 1) required plans for the cabins had not been submitted for review and approval 2) required permits had not been secured 3) required inspections had not been conducted 4) required water and sewer facilities had not been provided for each of the residential cabins and 5) the multiple cabins are in violation of current zoning regulations.

Subsequent to the original posting of the stop work order construction has continued contrary to the Fairbanks Administrative Code section 202.4... Unlawful Continuance. Further the Fairbanks General Code of Ordinances per section 82-2 requires all buildings to be connected to an approved community water system. Similarly FGC section 82-38 requires all buildings to be connected to an approved sewer system. The dry cabins are in non compliance with the Fairbanks General Code of Ordinances and section R306 of the 2009 International Residential Code as adopted by the City of Fairbanks.

The lack of running water and sewer and non complying construction constitutes a dangerous building condition as defined by section 302-15 of the Abatement Code. Pursuant to the chapter 4 of the Abatement Code all dry cabins shall be vacated by July 1, 2011. In the meantime all construction work is to cease.

The remedy for safe and lawful re-occupancy of the residential structures (cabins) is as follows: 1) submit plans for the cabins; the plans shall show compliance with the construction codes as adopted by the City of Fairbanks. Portions of the plans may be required to be designed by a licensed structural engineer. 2) Permit applications shall be submitted for all phases of construction including a) building, electrical, plumbing and mechanical 3) submittal of a zoning permit for the residential cabins, primary structures and accessory structures. Please note that a copy of the zoning permit must be submitted to the Building Department before any construction permits can be issued. 5) Obtain all required construction permits from the City of Fairbanks Building Department. 6) All

work shall be performed by licensed contractors as prescribed by City and State law. 6) Correction of all deficiencies as determined from required field inspections. 7) Secure the required Certificate of Occupancy from the City of Fairbanks Building Department.

Any person having any record title or legal interest in the building or property may appeal from this Notice and Order or any action of the Building Official to the Appeals Board provided the appeal is made in writing as provided in the code and filed with the building official within 30 days from the date of service of such Notice and Order. Failure to appeal will constitute a waiver of all right to an administrative hearing and determination of the matter.

This matter has been referred to the City Attorneys Office for legal action, should you have any questions please contact Mr. Dave Burglin at 459-6750.

Sincerely,

Steve Shuttleworth Building Official

CC: City Mayor Jerry Cleworth

FNSB Luke Hopkins

City Attorney /Paul Ewers

Deputy City Attorney / Dave Burglin Clem Clooten / Assistant Building Official

Bernardo Hernandez / FNSB Planning and Zoning Director

Abatement File



800 Cushman Street Fairbanks, AK 99701 Phone (907) 459-6720 Fax (907) 459-6719

May 11, 2011

Bernardo Hernandez Director Planning and Zoning FNSB 809 Pioneer Road Fairbanks, Alaska 99707

Comm. Planning Dept.

MAY 162011 RECEIVED

Re:

341 Antoinette Street

Complaint / Zoning Violation / Building Department Stop Work Order

Dear Bernardo.

Last year (8/20/2010) the Building Department placed a stop work order on 341 Antoinette Street. The stop work order was posted as a considerable amount of construction had taken place without required permits and inspections. Further these multiple rental cabins are not provided with water and sewer, as required by city ordinance. During routine follow up and discussions with the neighbor and the zoning enforcement department we confirmed that this particular owner was sent two previous letters dated 7/20/2010, 8/16/2010 from the FNSB. These letter stated that the (use) did not comply with the zoning requirements and the number of dwelling units were to be reduced to one dwelling unit. Since that time the owner has continued to construct more "dry" non conforming cabins contrary to the zoning department's letters and contrary to the stop work order; we therefore will pursue legal action based on construction issues.

As we see it two problems exist; a glaring and clear zoning violation and non conforming building construction. In keeping with our long standing working agreement with the Borough, we do not issue a building permit unless we receive a copy of a valid zoning permit. The fundamental question remains, is the Fairbanks North Star Borough going to enforce its zoning regulations with respect to this problem? We raise the obvious question as the adjacent neighbor routinely calls this department as she is frustrated with the lack of action by the Borough. Potentially, the building department with the unlikely cooperation of the owner could resolve the building construction issues but the entire residential compound would nonetheless remain in gross violation of the zoning regulations. Please let us know what course of action the Borough intends to take.

Sincerely.

Steve Shuttleworth /Building Official

cc:

Mayor Cleworth

Mayor Hopkins

City Attorney / Paul Ewers

Bud and Vi Sandstrom Family Trust 341 Antioinette Avenue Fairbanks, AK 99701



April 21, 2011

Joyce Kelso Code Enforcement Officer Fairbanks North Star Borough 809 Pioneer Road Post Office Box 71267 Fairbanks, AK 99707

RE: Pan 0084107, CV 2011-002

Dear Ms. Kelso,

1

I am writing in response to your letter of April 4, 2011 concerning the above referenced property. Firstly we have been back and forth regarding the buildings on this property. My letter that I hand delivered to your office on November 22, 2010 addressed the issue of the bed and breakfast operation that is currently in existence on this property. It is my understanding that this operation meets all FNSB zoning code language as well as the FNSB Comprehensive Plan and Title 18, complete text. Your recent correspondence does not seem to address my previous letters.

According to your many letters, the definition of a Bed and Breakfast is a facility with five to nine guestrooms where lodging with or without meals is provided for compensation to transient guests on a day-to-day basis. My establishment clearly falls within the parameters set by the FNSB 18.06.010.B.

I have in the past requested how the complaint with your office was initiated and by whom. I have spoken with my neighbor on one side and found her dissatisfaction in seeing my storage trailers; therefore I moved those to the other side of my property. I would like the opportunity to satisfy the concerns of any additional neighbors peacefully with them personally. Your assistance would be greatly appreciated.

With regards to the commercial type vehicles, please reference my letter of November 22, 2010 where I explained these vehicles were purchased surplus and used for storage. These trailers

were procured for storage from commercial entities that deemed them unusable for commercial use. These items are merely connex storage units.

In closing, I would like redress that I feel all codes have been researched and adhered to in the development stages of my bed and breakfast prior to my establishment. I cannot understand where or how I am non-compliant with said borough codes. Your written response addressing my concerns would be greatly appreciated.

Sincerely,

Wayne Sandstrom, Trustee

HAND DELIVERED

Comm. Planning Dept.

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CERTIFIED MAIL

Fairbanks North Star Borough

809 Pioneer Road

PO Box 71267

Fairbanks Alaska 99707-1267

Code-Enforcement

MAILED FROM ZIP CODE 99701

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Bud Sandstrom Family Trust

Bud Sandstrom Family Trus Vi Sandstrom Family Trust 341 Antionette Avenue

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P.O. Box 71267

Fairbanks, Alaska 99707-1267

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www.co.fairbanks.ak.us

Certified Mail: 7160 3901 9842 7824 2564 and non-certified

April 4, 2011

Bud Sandstrom Family Trust Vi Sandstrom Family Trust 341 Antoinette Avenue Fairbanks, Alaska 99701

Subject: CV 2011-002

Pan: 0084107

Legal Description: Lot 10, Block 27, Lemeta

Antoinette

Dear Mr. & Mrs. Sandstrom:

The Fairbanks North Star Borough requests your consideration and cooperation in a matter concerning exceeding the number of dwelling units permitted on a lot in Two Family (TF) zoning and concerning commercial uses in a residential zone.

Another inspection of the above referenced property was recently conducted in response to the open case that was initiated by a complaint being filed with this office.

It appears that there is still more than a single family residence or duplex that is permitted in Two Family (TF) zoning, and there are commercial vehicles used or stored on the above-referenced property.

In Two Family Residential (TF) zoning, the following are permitted uses:

FNSB 18.24.020 Use Regulations:

- A. Permitted Uses. In the TF two-family residential district, permitted uses are:
 - 1. Any permitted use in the SF-20, SF-10 and SF-5 districts;
 - 2. Two-family attached dwellings.

(FNSB 18.22.020 Use Regulations.

- A. Permitted use in the SF-20, SF-10 and SF-5, single-family residential districts, permitted uses are:
 - 7. Single-family detached dwellings.)

FNSB 18.06.010.B Definitions:

- "Dwelling" means a building or portion thereof designed or used exclusively for residential purposes, but not including hotels, motels, guest rooms, boarding homes, group homes, nursing homes, mobile homes or trailers.
- "Dwelling unit" means a room or group of rooms constituting all or part of a dwelling which are arranged, designed, used or intended for use exclusively as living quarters for one family, including washing, sleeping, cooking and eating facilities. This definition includes a manufactured home but not a mobile home.
- "Dwelling, single-family detached" means a detached dwelling designed for and intended for use by one family.
- "Dwelling, two-family attached" means one building consisting of two dwelling units attached by a common wall or vertical cavity wall extending from the floor to the ceiling and from exterior wall to exterior wall, or a horizontal structural floor extending from exterior wall to exterior wall.
- "Bed and breakfast homestay" means a facility with one too four guestrooms where lodging with or without meals is provided for compensation to transient guests on a day-to-day basis.
- "Bed and breakfast residence" means a facility with five to nine guestrooms where lodging with or without meals is provided for compensation to transient guests on a day-to-day basis.

In Two Family (TF) residential zoning, there can be only one principal structure -- either a single-family detached dwelling, or a two-family attached dwelling.

FNSB 18.50.020 Buildings per lot.

A. In the rural and agricultural through the TF, two-family residential district, both inclusive, not more than one principal building may be located on one lot. . .

On this property, there appear to be two detached dwelling units and at least eight cabins.

The cabins are not "rooms" of a dwelling unit, but are separate structures, or "cabins." The cabins are not a permitted use on this property, so they must be removed from this property.

There are also semi truck trailers and at least one commercial truck. Two Family (TF) zoning is residential zoning, and the use and/or storage of commercial vehicles is not a permitted use in residential zoning. Those vehicles must be removed from this property.

Please immediately bring this property into compliance so that there is only one principal structure, no cabins, and no commercial vehicles.

If you feel that you are not in violation of <u>FNSB 18.24.020 Use Regulations</u> and <u>FNSB 18.50.020 Buildings per lot</u>, or that this is not your property, please immediately contact this office and provide any information that can assist us in making this determination and, if necessary, we can discuss the various options to bring your property into compliance with Borough Ordinances.

You can contact me at the Code Enforcement Office, which is located in the Fairbanks North Star Borough Administrative Building at 809 Pioneer Road, or call 459-1270.

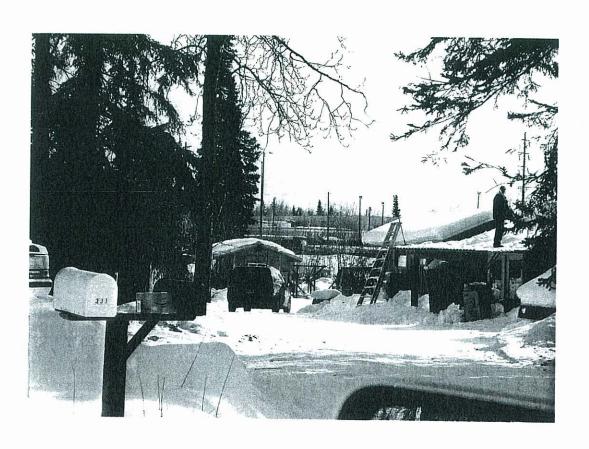
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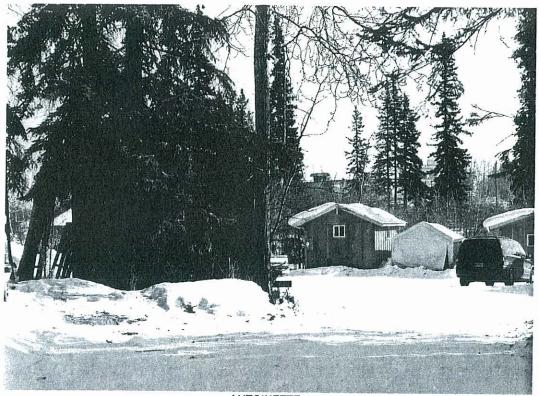
Joyce Kelso



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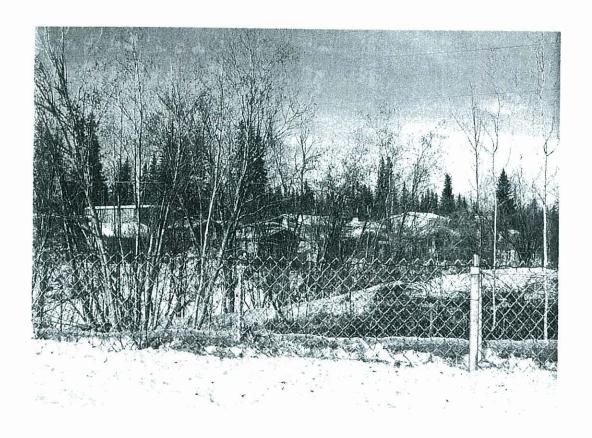
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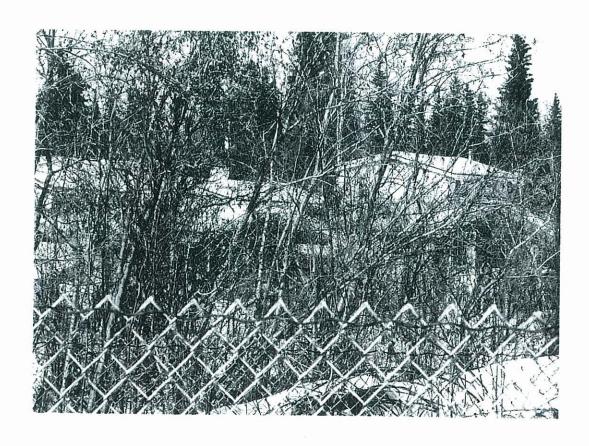
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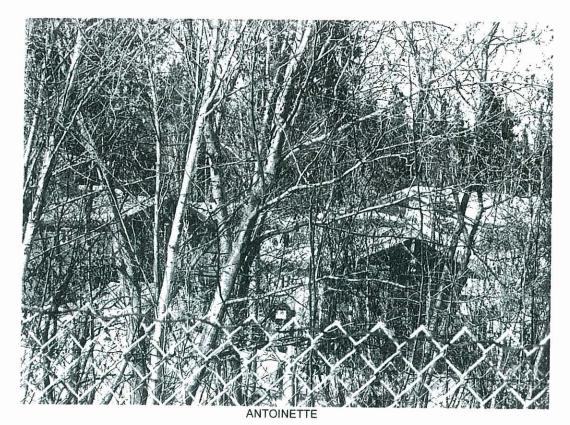




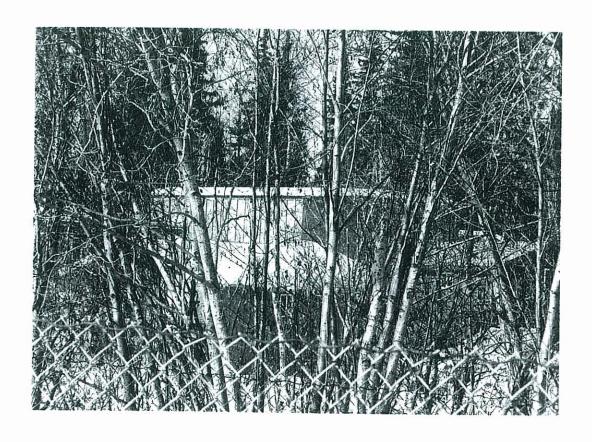
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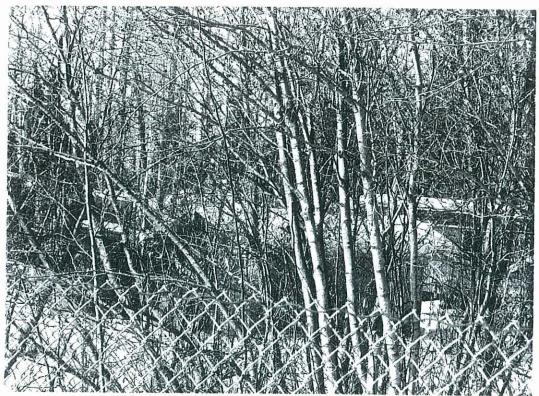
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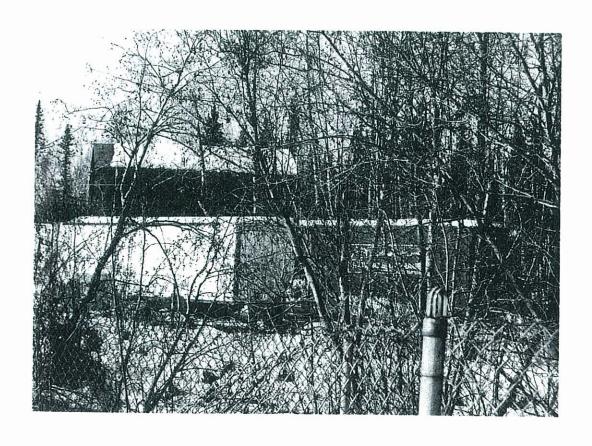
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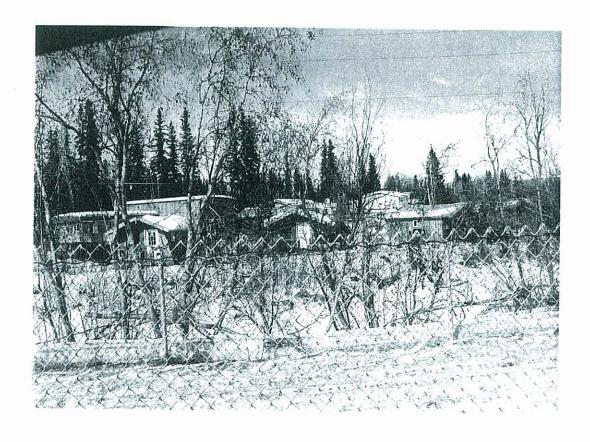
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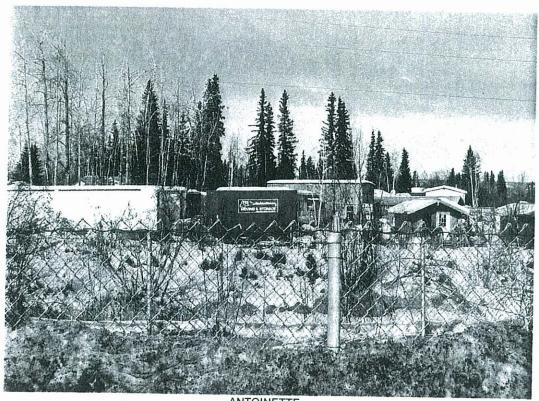




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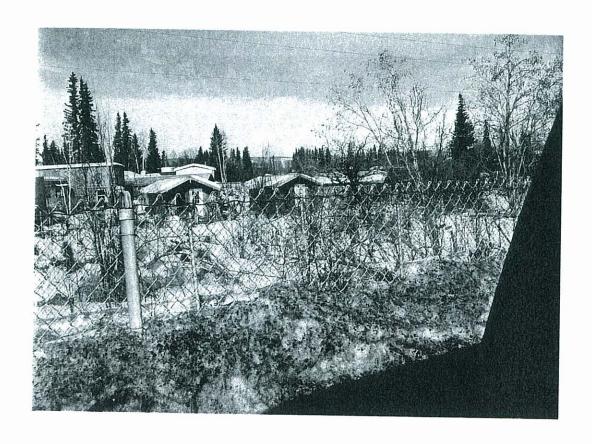
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680, 681 3/30/11 JK



Comm. Planning Dept.

December 2, 2010

Bud and Vi Sandstrom Famiy Trust 341 Antoinette Ave, Fairbanks, Alaska 99701 RECEIVED

Fairbanks North Star Borough (*HAND DELIVERED*) 809 Pioneer Rd PO Box 71267 Fairbanks. AK 99707-1267

ATTN - Ms Joyce Kelso, Code Enforcement Officer

Dear Ms Kelso.

I have received your letter of November 17. Apparently, our previous letters crossed in the mail. Therefore please consider this response as an addendum to my response to your first letter. I respectfully disagree with your interpretation of the Borough Code. My research leads me to believe a bed and breakfast residence within my zoning is permitted and my configuration, as planned, will not violate any borough code as written:

18.22.020 Use regulations. A. Permitted Uses. In the SF-20, SF-10 and SF-5, single-family residential districts, permitted uses are:

- Accessory uses; and
- Bed and breakfast residence; and

18.24.020 Use regulations. A. Permitted Uses. In the TF, two-family residential district, permitted uses are:

Any permitted use in the SF-20, SF-10 and SF-5 district

A bed and breakfast residence allows me up to nine guestrooms:

 18.06.010 Definitions "Bed and breakfast residence" means a facility with five to nine guestrooms where lodging with or without meals is provided for compensation to transient guests on a day-to-day basis.

Our primary disagreement in interpretation seems to stem from the use of my accessory buildings as sleeping rooms.

DEC 02 2013

- 18.06.010 Definitions "Building" means a structure for the support, shelter CEIVED enclosure of persons, animals, chattel or property of any kind. A building shall include such extended structures as attic entries, balconies, carports, decks, exterior stairways, garages, porches, wannigans and windows. Where independent units with separate entrances are not joined by a common wall and/or ceiling or floor, each unit shall be considered as a separate building. This definition does not include a fence.
- "Building, accessory" means a building which is subordinate to and serves a
 principal building or use. An accessory building is subordinate in extent and/or
 purpose to the principal building or use and contributes to the comfort,
 convenience, and/or necessity of the occupants of the principal building or use
 being served.

I noted in your letter that you referred to my accessory buildings as "dry cabins". I could not find any reference to "dry cabins" in the Borough Code. In my research, the best reference to "dry cabin" I could find (from want ads, bulletin boards, and local realtors); is generally a principal building with a 'path' that included all basic amenities for living (including cooking) but without water.

My accessory buildings are not equipped for anything other than sleeping - which fits the code definition cited above. I would like to point out that the accessory buildings that I use for sleeping purposes provide a far safer and private guest sleeping environment than most 'principal buildings' that have been converted to bed and breakfasts. This demonstrates that I have given life and safety issues the highest priority while establishing my livelihood for my senior years.

In regard to the number of principal buildings on my lot – there will be only one when completed. I stopped constructing once your office contacted me – otherwise I would have completed it while the weather was still reasonable. Now it will probably have to wait until I return from my medical appointments.

The other issue contained in your letter concerns the truck/vans on my property. You cite these vehicles as "commercial equipment" but failed to provide a reference of what 'commercial equipment' is. I too, could not find a reference in the code as published on the Borough's web page. The most germane seems to be the borough's code definition of what junk is **not**:

- Any unlicensed or inoperative vehicles that are not dismantled, salvaged or
 otherwise in a state of disrepair and which are totally obscured from view from
 adjacent property at all times of the year by a sight-obscuring fence; and
- Any unlicensed and operative vehicles which are used in the normal course of business on the property on which they are stored.

I have no doubt but that some of my vehicles could be used commercially. But it's obvious that I do not. The flaw in your rational is that it subjects any equipment with any commercial potential to one's personal judgment as to where it can or cannot be kept.

This leads to another contentious issue. Your department contacted me only after receiving an alleged complaint from someone who's identity you have not divulged. I would be delighted to work with that someone to resolve their concerns. For example, I contacted my next door neighbor and found she objected to my trailers. I responded by moving them to the other side of my lot which should have met with her satisfaction.

I trust this clarifies my interpretation of the FNSB Code.

Sincerely

Wayne Sandstrom, Trustee $\frac{|Z/2/10|}{|Z/2/10|}$

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Comm. Planning Dept.

NOV 2 2 2010 RECEIVED

November 22, 2010

To: Fairbanks North Star Borough 809 Pioneer Rd. P.O. Box 71267 Fairbanks, AK 99707-1267 907-459-1000

Attn: Joyce Kelso, Code Enforcement Officer Re: 341 Antoinette Ave., Fairbanks, AK 99701

I apologize for the delay in providing a more detailed response to your zoning letters dated August 16th and 17th, 2010. However, the cited issue(s) effect the essence of my retirement livelihood, thus I have taken the time necessary to thoroughly research the matter together with my advisors. Having done so, it is our opinion that my development does indeed meet the FNSB zoning code language as well as the Fairbanks North Star Borough Comprehensive Plan and title 18, complete text.

First, please be assured that the alleged commercial operation, based on commercial type vehicles on my property is invalid. I purchased said vehicles surplus and use same for storage and not for commercial purposes.

My retirement livelihood depends on my bed and breakfast operation, which, in our opinion, complies to that allowed under the zoning code for two family zoning - namely up to nine (9) guest rooms. I have two bona fide dwellings on my lot. One is a small one bedroom dwelling that I and my companion live in and the other is a bed and breakfast compendium that is comprised of a log dwelling with one (1) bedroom, a kitchen, a general purpose room, and an expanded bath area; supplemented with seven (7) sleeping-only rooms (no cooking or toilet facilities).

The guest bedrooms are not affixed to the ground, and are scattered throughout my lot and meet all separation requirements required by borough code. My parking areas also

NOV 222220 page 2 of RECEIVED

HAND DELIVERED

meet borough code.

While the unattached guest bedrooms are perhaps unorthodox, it is an attractive alternative to more traditional bed and breakfast arrangements because it takes advantage of the adjacent waterway for each guest and offers a greater degree of privacy.

I trust this response will satisfy your concerns and make further due process unnecessary. I will be out of the Borough for health care through the end of the year and perhaps longer.

Sincerely,

Wayne Sandstrom, Trustee for Bud and Vi Sandstrom Family Trust 341 Antoinette Ave., Fairbanks, AK 99701

Wayne Sandstrom Wayne date 1//22/2010

00 12/10/10 *0588-07438-20-31 RETURN TO SENDER UNCLAIMED LWABLE TO FORWARD DE 1 BC: 99707126767 000 **MHXHI**

Fairbanks North Star Borough

809 Pioneer Road

PO Box 71267

Fairbanks Alaska 99707-1267

Code Enforcement

RETURN RECEIPT REQUESTED

MAILED FROM ZIP CODE 99 701

0006555845

Bud Sandstrom Family Trust Vi Sandstrom Family Trust 341 Antionette Avenue Fairbanks, Al:

COLOTE PSOS A PERSON

AGENDA PACKET - February 27, 2012

Page 164 of 377



809 Pioneer Road

P.O. Box 71267

Fairbanks, Alaska 99707-1267

907/459-1000 www.co.fairbanks.ak.us

Certified Mail: 7160 3901 9842 7824 3325 and non-certified

November 17, 2010

Bud Sandstrom Family Trust Vi Sandstrom Family Trust 341 Antionette Avenue Fairbanks, Alaska 99701

Subject: CV 2011-002

Pan: 0084107

Legal Description: Lot 10, Block 27, Lemeta

Antoinette

Dear Mr. & Mrs. Sandstrom:

The Fairbanks North Star Borough requests your consideration and cooperation in a matter concerning exceeding the number of dwelling units permitted on a lot in Two Family (TF) zoning and concerning commercial uses in a residential zone.

Another inspection of the above referenced property was recently conducted in response to the open case that was initiated by a complaint being filed with this office.

It appears that there is still more than a single family residence or duplex that is permitted in Two Family (TF) zoning, and there are commercial vehicles used or stored here.

In Two Family Residential (TF) zoning, the following are permitted uses:

FNSB 18.24.020 Use Regulations:

- A. Permitted Uses. In the TF two-family residential district, permitted uses are:
 - 1. Any permitted use in the SF-20, SF-10 and SF-5 districts;
 - 2. Two-family attached dwellings.

(FNSB 18.22.020 Use Regulations.

- A. Permitted use in the SF-20, SF-10 and SF-5, single-family residential districts, permitted uses are:
 - 7. Single-family detached dwellings.)

FNSB 18.06.010.B Definitions:

"Dwelling" means a building or portion thereof designed or used exclusively for residential purposes, but not including hotels, motels, guest rooms, boarding homes, group homes, nursing homes, mobile homes or trailers.

- "Dwelling unit" means a room or group of rooms constituting all or part of a dwelling which are arranged, designed, used or intended for use exclusively as living quarters for one family, including washing, sleeping, cooking and eating facilities. This definition includes a manufactured home but not a mobile home.
- "Dwelling, single-family detached" means a detached dwelling designed for and intended for use by one family.
- "Dwelling, two-family attached" means one building consisting of two dwelling units attached by a common wall or vertical cavity wall extending from the floor to the ceiling and from exterior wall to exterior wall, or a horizontal structural floor extending from exterior wall to exterior wall.
- "Bed and breakfast homestay" means a facility with one too four guestrooms where lodging with or without meals is provided for compensation to transient guests on a day-to-day basis.
- "Bed and breakfast residence" means a facility with five to nine guestrooms where lodging with or without meals is provided for compensation to transient guests on a day-to-day basis.

In Two Family (TF) residential zoning, there can be only one principal structure -- either a single-family detached dwelling, or a two-family attached dwelling.

FNSB 18.50.020 Buildings per lot.

A. In the rural and agricultural through the TF, two-family residential district, both inclusive, not more than one principal building may be located on one lot. . .

On this property, there appear to be two detached dwelling units and at least five cabins used as a bed and breakfast.

The cabins are not "rooms" of a dwelling unit, but are separate structures, or "dry cabins." The cabins are not a permitted use on this property.

There are also semi truck trailers and at least one commercial truck. Two Family (TF) zoning is residential zoning, and the use and/or storage of commercial vehicles is not a permitted use in residential zoning. Those vehicles must be removed from this property.

In August, you said that you were waiting for the return of your consulting engineer in September before you talked with me. You have probably discussed your options with him by now, so please contact me immediately so we can discuss your plans to bring this property into compliance with zoning regulations.

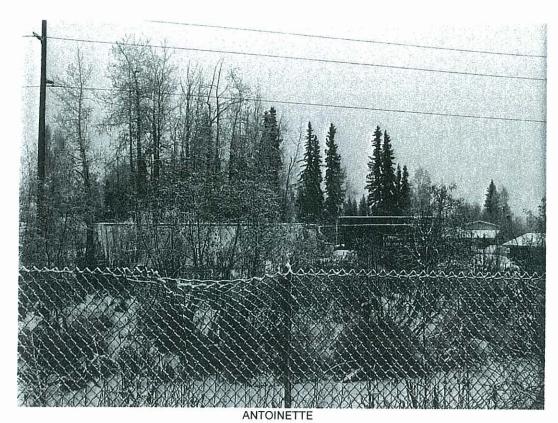
Please bring this property into compliance so that there is only one principal structure, no dry cabins, and no commercial vehicles.

If you feel that you are not in violation of <u>FNSB 18.24.020 Use Regulations</u> and <u>FNSB 18.50.020</u> <u>Buildings per lot</u>, or that this is not your property, please immediately contact this office and provide any information that can assist us in making this determination and, if necessary, we can discuss the various options to bring your property into compliance with Borough Ordinances.

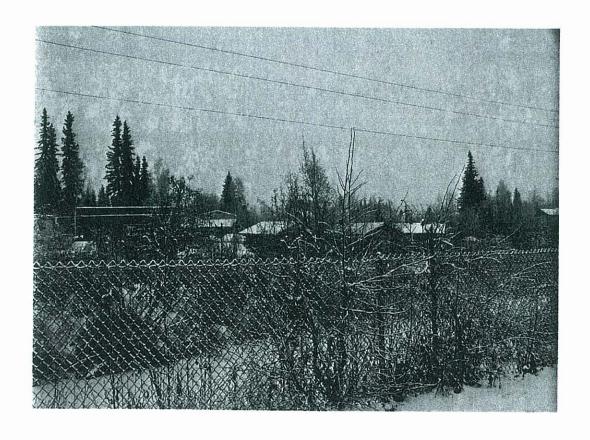
You can contact me at the Code Enforcement Office, which is located in the Fairbanks North Star Borough Administrative Building at 809 Pioneer Road, or call 459-1270.

Sincerely,

Joyce Kelso



414, 415 11/9/10 JK



Comm. Planning Dept.

HAND DELIVERED

AUG 23 2010 RECEIVED

August 21, 2010

To: Fairbanks North Star Borough 809 Pioneer Rd. P.O. Box 71267 Fairbanks, Alaska 99707-1267 907/459-1000

Attn: Joyce Kelso, Code Enforcement Officer

Re: 341 Antoinette Avenue, Fairbanks, Alaska 99701

Dear Joyce Kelso,

In response to your August 16th letter, please be advised of the following:

Due to the nature and complexity of your concerns, I must review this matter with my consulting engineer, however he is out of Alaska and won't be available until the 1^{st} or 2^{nd} week of September. Upon his return, we will respond to each of your concerns for your consideration.

Sincerely,

Wayne Sandstrom, Trustee for Bud and Vi Sandstrom Fam	nily Trust	
341 Antoinette Ave, Fairbanks, Alaska 29701	•	
Wayne Sandstrom	Date	Au6/23/2016



809 Pioneer Road

P.O. Box 71267

Fairbanks, Alaska 99707-1267

907/459-1000

www.co.fairbanks.ak.us

Certified Mail: 7160 3901 9842 7824 3370 and non-certified

August 16, 2010

Bud Sandstrom Family Trust Vi Sandstrom Family Trust 341 Antionette Avenue Fairbanks, Alaska 99701

Subject: CV 2011-002

Pan: 0084107

Legal Description: Lot 10, Block 27, Lemeta

Antoinette

Dear Mr. & Mrs. Sandstrom:

The Fairbanks North Star Borough requests your consideration and cooperation in a matter concerning exceeding the number of dwelling units permitted on a lot in Two Family (TF) zoning and concerning commercial uses in a residential zone.

An inspection of the above referenced property was recently conducted in response to a complaint being filed with this office. It appears that there are more than two dwelling units per lot permitted in Two Family (TF) zoning.

In Two Family Residential (TF) zoning, the following are permitted uses:

FNSB 18.24.020 Use Regulations:

- A. Permitted Uses. In the TF two-family residential district, permitted uses are:
 - 1. Any permitted use in the SF-20, SF-10 and SF-5 districts;
 - 2. Two-family attached dwellings.

(FNSB 18.22.020 Use Regulations.

- A. Permitted use in the SF-20, SF-10 and SF-5, single-family residential districts, permitted uses are:
 - 7. Single-family detached dwellings.)

FNSB 18.06.010.B Definitions:

- "Dwelling" means a building or portion thereof designed or used exclusively for residential purposes, but not including hotels, motels, guest rooms, boarding homes, group homes, nursing homes, mobile homes or trailers.
- "Dwelling unit" means a room or group of rooms constituting all or part of a dwelling which are arranged, designed, used or intended for use exclusively as living quarters for one family, including washing, sleeping, cooking and eating facilities. This definition includes a manufactured home but not a mobile home.

"Dwelling, single-family detached" means a detached dwelling designed for and intended for use by one family.

"Dwelling, two-family attached" means one building consisting of two dwelling units attached by a common wall or vertical cavity wall extending from the floor to the ceiling and from exterior wall to exterior wall, or a horizontal structural floor extending from exterior wall to exterior wall.

In Two Family (TF) residential zoning, there can only be a maximum of two dwelling units: either a single-family detached dwelling, or a two-family attached dwelling.

On this property, there are two detached dwelling units and at least six cabins used as a bed and breakfast.

The cabins are not "rooms" of a dwelling unit, but are separate structures, or "dry cabins." Therefore, the cabins are not a permitted use on this property.

You must <u>immediately</u> reduce the number of structures to not more than <u>one</u> two-family <u>attached</u> dwelling.

If you feel that you are not in violation of <u>FNSB 18.24.020 Use Regulations</u> or that this is not your property, please immediately contact this office and provide any information that can assist us in making this determination and, if necessary, we can discuss the various options to bring your property into compliance with Borough Ordinances.

You can contact me at the Code Enforcement Office, which is located in the Fairbanks North Star Borough Administrative Building at 809 Pioneer Road, or call 459-1270.

Sincerely,

Joyce Kelso



809 Pioneer Road

P.O. Box 71267

Fairbanks, Alaska 99707-1267

907/459-1000

www.co.fairbanks.ak.us

July 20, 2010

Bud Sandstrom Family Trust Vi Sandstrom Family Trust 341 Antionette Avenue Fairbanks, Alaska 99701

Subject: CV 2011-002, CV 2011-003

Pan: 0084107

Legal Description: Lot 10, Block 27, Lemeta

Antoinette

Dear Mr. & Mrs. Sandstrom:

The Fairbanks North Star Borough requests your consideration and cooperation in a matter concerning exceeding the number of dwelling units permitted on a lot in Two Family (TF) zoning and concerning commercial uses in a residential zone.

An inspection of the above referenced property was recently conducted in response to a complaint being filed with this office. It appears that there are more than two dwelling units per lot permitted in Two Family (TF) zoning.

In Two Family Residential (TF) zoning, the following are permitted uses:

FNSB 18.24.020 Use Regulations:

- A. Permitted Uses. In the TF two-family residential district, permitted uses are:
 - 1. Any permitted use in the SF-20, SF-10 and SF-5 districts;
 - 2. Two-family attached dwellings.

(FNSB 18.22.020 Use Regulations.

- A. Permitted use in the SF-20, SF-10 and SF-5, single-family residential districts, permitted uses are:
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"Dwelling, single-family detached" means a detached dwelling designed for and intended for use by one family.

"Dwelling, two-family attached" means one building consisting of two dwelling units attached by a common wall or vertical cavity wall extending from the floor to the ceiling and from exterior wall to exterior wall, or a horizontal structural floor extending from exterior wall to exterior wall.

In Two Family (TF) zoning, there can only be a maximum of two dwelling units: either a single-family detached dwelling, or a two-family attached dwelling.

It also appears that there are at least two commercial vehicles at this location.

A Zoning Permit is required before any construction or new use.

FNSB 18.54.060 Zoning Permit

"A review of the zoning permit application ensures the development's conformance with the regulations and provisions of this title and other ordinances. Before any excavation, construction, relocation or installation is started for a new use, a zoning permit shall be obtained by the owner, or his/her authorized representative, of any land in both the incorporated and unincorporated areas of the borough. The zoning permit application shall include the necessary information and be submitted in accordance with the standards and procedures as adopted by the borough and as required in this title and other ordinances."

If you feel that you are not in violation of <u>FNSB 18.24.020 Use Regulations</u>, <u>FNSB 18.24.030 Standards</u>, and <u>FNSB 18.54.060 Zoning Permit</u>, or that this is not your property, please immediately contact this office and provide any information that can assist us in making this determination and, if necessary, we can discuss the various options to bring your property into compliance with Borough Ordinances.

You can contact me at the Code Enforcement Office, which is located in the Fairbanks North Star Borough Administrative Building at 809 Pioneer Road, or call 459-1270.

Sincerely,

Joyce Kelso



ANTIONETTE 0099, 0100 7/15/10 JK





0101, 0102 7/15/10 JK



FAIRBANKS NORTH STAR BOROUGH P.O. Box 1267 Fairbanks, AK 99707

VIOLATION COMPLAINT FORM

2	Date Received: 7/9/10
	Person Receiving K
Name of Violator WAYNS SAMUSISON	Samonan
Address	
Location 34 ANTONETTE	Phone #
Property Discription	
Description of Complaint Sutto CABIN	S ON WHOOLS
2 TRACTOR TUBLIONS	2 MOVING VANG
LOU CABIN - ROS	
A140 - ROS	
Site drawing to identify roads or nearby	
	OFFICE USE ONLY ZONE: DATE ZONED: ORDINANCE VIOLATIO
ur Name: (please print) gwowynous	
ur Address	
	(Piaro)
Your	Signature

Code Violation

CV 2011 - 003

Exceeding FNSBC 18.24.020(A) Permitted Uses (commercial vehicles)

Includes: complaint, inspection photographs, related case correspondence arranged by date.

809 Pioneer Road

P.O. Box 71267

Fairbanks, Alaska 99707-1267

907/459-1000

www.co.fairbanks.ak.us

Certified Mail: 7160 3901 9842 7824 2564 and non-certified

April 4, 2011

Bud Sandstrom Family Trust Vi Sandstrom Family Trust 341 Antoinette Avenue Fairbanks, Alaska 99701

Subject: CV 2011-002

Pan: 0084107

Legal Description: Lot 10, Block 27, Lemeta

Antoinette

Dear Mr. & Mrs. Sandstrom:

The Fairbanks North Star Borough requests your consideration and cooperation in a matter concerning exceeding the number of dwelling units permitted on a lot in Two Family (TF) zoning and concerning commercial uses in a residential zone.

Another inspection of the above referenced property was recently conducted in response to the open case that was initiated by a complaint being filed with this office.

It appears that there is still more than a single family residence or duplex that is permitted in Two Family (TF) zoning, and there are commercial vehicles used or stored on the above-referenced property.

In Two Family Residential (TF) zoning, the following are permitted uses:

FNSB 18.24.020 Use Regulations:

- A. Permitted Uses. In the TF two-family residential district, permitted uses are:
 - 1. Any permitted use in the SF-20, SF-10 and SF-5 districts;
 - 2. Two-family attached dwellings.

(FNSB 18.22.020 Use Regulations.

- A. Permitted use in the SF-20, SF-10 and SF-5, single-family residential districts, permitted uses are:
 - 7. Single-family detached dwellings.)

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- "Bed and breakfast homestay" means a facility with one too four guestrooms where lodging with or without meals is provided for compensation to transient guests on a day-to-day basis.
- "Bed and breakfast residence" means a facility with five to nine guestrooms where lodging with or without meals is provided for compensation to transient guests on a day-to-day basis.

In Two Family (TF) residential zoning, there can be only one principal structure -- either a single-family detached dwelling, or a two-family attached dwelling.

FNSB 18.50.020 Buildings per lot.

A. In the rural and agricultural through the TF, two-family residential district, both inclusive, not more than one principal building may be located on one lot. . .

On this property, there appear to be two detached dwelling units and at least eight cabins.

The cabins are not "rooms" of a dwelling unit, but are separate structures, or "cabins." The cabins are not a permitted use on this property, so they must be removed from this property.

There are also semi truck trailers and at least one commercial truck. Two Family (TF) zoning is residential zoning, and the use and/or storage of commercial vehicles is not a permitted use in residential zoning. Those vehicles must be removed from this property.

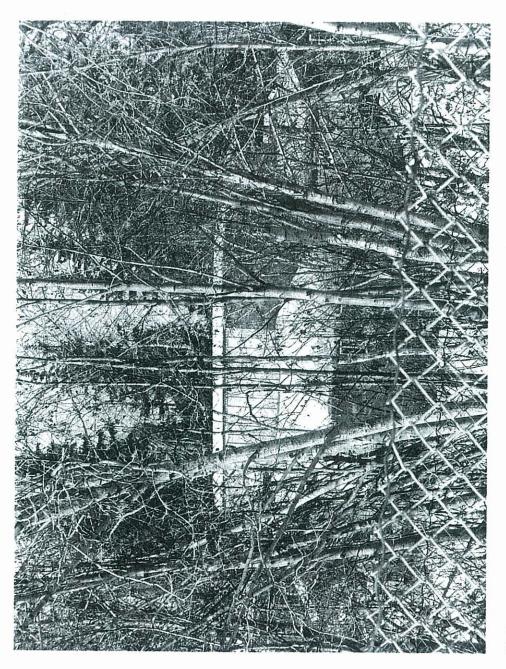
Please immediately bring this property into compliance so that there is only one principal structure, no cabins, and no commercial vehicles.

If you feel that you are not in violation of <u>FNSB 18.24.020 Use Regulations</u> and <u>FNSB 18.50.020 Buildings per lot</u>, or that this is not your property, please immediately contact this office and provide any information that can assist us in making this determination and, if necessary, we can discuss the various options to bring your property into compliance with Borough Ordinances.

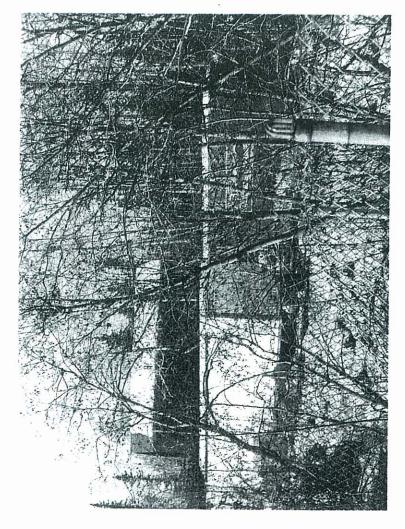
You can contact me at the Code Enforcement Office, which is located in the Fairbanks North Star Borough Administrative Building at 809 Pioneer Road, or call 459-1270.

Sincerely,

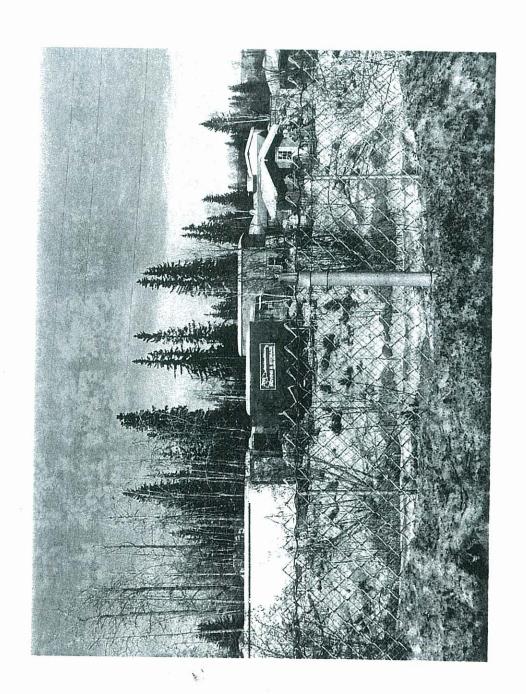
Joyce Kelso



SHOP 3/30/11 675



COMMERCIAL TRUCKS 3/30/11 677



COMMERCIAL TRUCKS AND SHOP 3/30/11

809 Pioneer Road

P.O. Box 71267

Fairbanks, Alaska 99707-1267

907/459-1000

www.co.fairbanks.ak.us

Certified Mail: 7160 3901 9842 7824 3325 and non-certified

November 17, 2010

Bud Sandstrom Family Trust Vi Sandstrom Family Trust 341 Antionette Avenue Fairbanks, Alaska 99701

Subject: CV 2011-002

Pan: 0084107

Legal Description: Lot 10, Block 27, Lemeta

Antoinette

Dear Mr. & Mrs. Sandstrom:

The Fairbanks North Star Borough requests your consideration and cooperation in a matter concerning exceeding the number of dwelling units permitted on a lot in Two Family (TF) zoning and concerning commercial uses in a residential zone.

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(FNSB 18.22.020 Use Regulations.

- A. Permitted use in the SF-20, SF-10 and SF-5, single-family residential districts, permitted uses are:
 - 7. Single-family detached dwellings.)

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The cabins are not "rooms" of a dwelling unit, but are separate structures, or "dry cabins." The cabins are not a permitted use on this property.

There are also semi truck trailers and at least one commercial truck. Two Family (TF) zoning is residential zoning, and the use and/or storage of commercial vehicles is not a permitted use in residential zoning. Those vehicles must be removed from this property.

In August, you said that you were waiting for the return of your consulting engineer in September before you talked with me. You have probably discussed your options with him by now, so please contact me immediately so we can discuss your plans to bring this property into compliance with zoning regulations.

Please bring this property into compliance so that there is only one principal structure, no dry cabins, and no commercial vehicles.

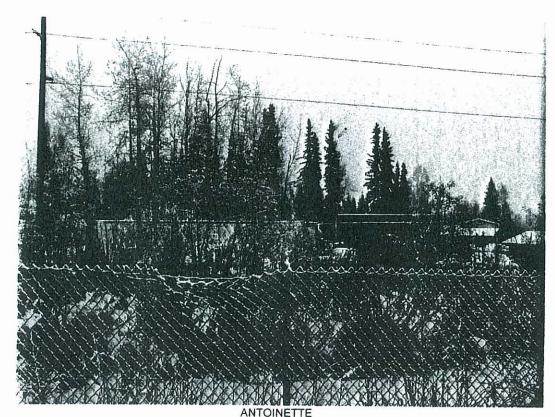
If you feel that you are not in violation of <u>FNSB 18.24.020 Use Regulations</u> and <u>FNSB 18.50.020</u> Buildings per lot, or that this is not your property, please immediately contact this office and provide any information that can assist us in making this determination and, if necessary, we can discuss the various options to bring your property into compliance with Borough Ordinances.

You can contact me at the Code Enforcement Office, which is located in the Fairbanks North Star Borough Administrative Building at 809 Pioneer Road, or call 459-1270.

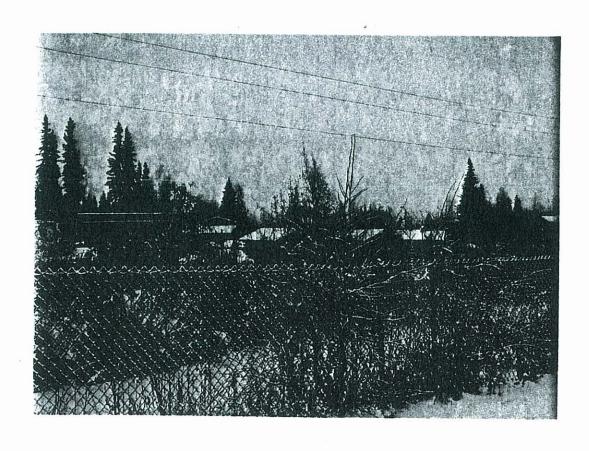
Sincerely

Joyce Kelso

Code Enforcement Officer



414, 415 11/9/10 JK



Comm. Planning Dept.

HAND DELIVERED

AUG 23 2010
RECEIVED

August 21, 2010

To: Fairbanks North Star Borough 809 Pioneer Rd. P.O. Box 71267 Fairbanks, Alaska 99707-1267 907/459-1000

Attn: Joyce Kelso, Code Enforcement Officer

Re: 341 Antoinette Avenue, Fairbanks, Alaska 99701

Dear Joyce Kelso,

In response to your August 17th letter, please be advised of the following:

These vehicles were procured for storage from commercial entities who deemed them unusable for commercial use. They are used strictly for private storage as stated in our telecon with you on 7-27-2010 and are not licensed.

Sincerely,

Wayne Sandstrom, Trustee for Bud and Vi Sandstrom Family Trust 341 Antoinette Ave, Fairbanks, Alaska 99701

Wayne Sandstrom

____ Date _ Auc / 23/ 2c10

P.O. Box 71267 Fairbanks, Alaska 99707-1267

907/459-1000

www.co.fairbanks.ak.us

Certified Mail: 7160 3901 9842 7824 3363 and non-certified

August 17, 2010

Bud Sandstrom Family Trust Vi Sandstrom Family Trust 341 Antionette Avenue Fairbanks, Alaska 99701

Subject: CV 2011-003

Pan: 0084107

Legal Description: Lot 10, Block 27, Lemeta

Antoinette

Dear Mr. & Mrs. Sandstrom:

The Fairbanks North Star Borough requests your consideration and cooperation in a matter concerning commercial uses in Two Family (TF) residential zoning.

An inspection of the above referenced property was recently conducted in response to a complaint being filed with this office. It appears that there are commercial vehicles in Two Family (TF) residential zoning.

In Two Family Residential (TF) zoning, the following are permitted uses:

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 - 1. Any permitted use in the SF-20, SF-10 and SF-5 districts;
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(FNSB 18.22.020 Use Regulations.

- A. Permitted use in the SF-20, SF-10 and SF-5, single-family residential districts, permitted uses are:
 - 7. Single-family detached dwellings.)

You must immediately remove the commercial vehicles on this property.

If you feel that you are not in violation of FNSB 18.24.020 Use Regulations or that this is not your property, please immediately contact this office and provide any information that can assist us in making this determination and, if necessary, we can discuss the various options to bring your property into compliance with Borough Ordinances.

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Sincerely,

Joyce Kelso

Code Enforcement Officer

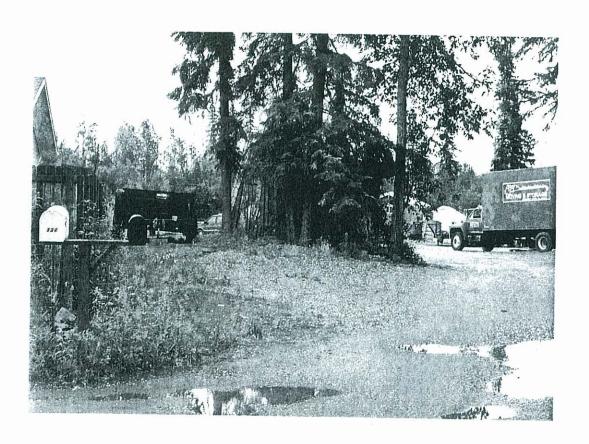


125, 126 8/6/10 JK





ANTOINETTE 125, 126 8/6/10 JK





Fairbanks North Star Borough

809 Pioneer Road

P.O. Box 71267

Fairbanks, Alaska 99707-1267

907/459-1000

www.co.fairbanks.ak.us

July 20, 2010

Bud Sandstrom Family Trust Vi Sandstrom Family Trust 341 Antionette Avenue Fairbanks, Alaska 99701

Subject: CV 2011-002, CV 2011-003

Pan: 0084107

Legal Description: Lot 10, Block 27, Lemeta

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In Two Family (TF) zoning, there can only be a maximum of two dwelling units: either a single-family detached dwelling, or a two-family attached dwelling.

It also appears that there are at least two commercial vehicles at this location.

A Zoning Permit is required before any construction or new use.

FNSB 18.54.060 Zoning Permit

"A review of the zoning permit application ensures the development's conformance with the regulations and provisions of this title and other ordinances. Before any excavation, construction, relocation or installation is started for a new use, a zoning permit shall be obtained by the owner, or his/her authorized representative, of any land in both the incorporated and unincorporated areas of the borough. The zoning permit application shall include the necessary information and be submitted in accordance with the standards and procedures as adopted by the borough and as required in this title and other ordinances."

If you feel that you are not in violation of <u>FNSB 18.24.020 Use Regulations</u>, <u>FNSB 18.24.030 Standards</u>, and <u>FNSB 18.54.060 Zoning Permit</u>, or that this is not your property, please immediately contact this office and provide any information that can assist us in making this determination and, if necessary, we can discuss the various options to bring your property into compliance with Borough Ordinances.

You can contact me at the Code Enforcement Office, which is located in the Fairbanks North Star Borough Administrative Building at 809 Pioneer Road, or call 459-1270.

Sincerely,

Joyce Kelso

Code Enforcement Officer



0101, 0102 7/15/10 JK



FAIRBANKS NORTH STAR BOROUGH P.O. Box 1267 Fairbanks, AK 99707

VIOLATION COMPLAINT FORM

	Date Received: 7/9/10
	Person Receiving
Name of Violator WAYNO SAMUOISON SAM	115/2011
Address	
Location 34 ANTONOMO	Phone #
Property Discription	
Description of Complaint 5411w CABINS ON W	
2 TRACTOR THAILORS 2 MG	
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Bud and Vi Sandstrom Family Trust 341 Antoinette Avenue Fairbanks, AK 99701

December 23, 2011 Office of Borough Clerk 809 Pioneer Road Post Office Box 71267 Fairbanks, AK 99707

Re: Brief response of FNSB Board of Adjustment Record

Dear Clerk,

The attached 18 page brief and 11 each NSB assessor photo exhibits is in response to the Board of Adjustment Record as prepared by the Planning Director.

After preparing this brief, I am convinced that the FNSBC is in dire need of a thorough technical editing to avoid similar disputes in the future. While each title in the code addresses unique responsibilities, they can often be construed to be in conflict - as my appeal demonstrates. I do not think this conflict is intended, nor useful. It should be reviewed to reflect the role of the Borough's Comprehensive Plan in both the content and interpretation of the code as mandated by Alaska statutes and constitution and it should promote consistency between titles, for example the appeal process varies significantly in terms of preparation and steps. Some are quite confusing while others are straight forward. The instructions for Title 18 appeal process are very hard to follow for example they imply that one must arrange for a transcript of the proceedings as a first order of business - even prior to preparing a brief.

After hearing myself identified as a code violator over the air and later in the newspaper, I am persuaded that Borough employees need to be officially reminded that sensitive discussions regarding appeals ought to be kept confidential.

Sincerely,

Wayne Sandstrom, Trustee

Oh :6 K. 22 C. 160

APPEAL OF PLANNING DIRECTOR'S RECORD – DETERMINATION ON 341 ANTIONETTE AVENUE

BRIEF FILED BY WAYNE SANDSTROM

The previous sentence contains the word 'room' four times. Yet it is easily understood. The dictionary contains a different 'generally accepted meaning' for each use.

The <u>room</u> went quite when she announced she would like to <u>room</u> with him

except that there was not enough room in his room for all her shoes.

The Planning Director states that "Guestroom is not defined in Title 18," then leaps to the definition of 'room' in Webster to support his position. <u>Obvious,</u> 'guestroom' is not found in Webster either. It seems bizarre that the Planning Director would solely rely on the dictionary to determine the meaning of the word 'room' - when 'room' used for B&B purposes is clearly defined in the FBNSC Title 3, and obviously includes sleeping rooms being allowed in accessory buildings.

Further, the Director was inconsistent when disallowing definitions found in Title 3 because they were absent in the definitions contained in Title 18 and therefore did not apply. Perhaps a minor point; but if the Director finds that Sandstrom cannot reference a definition for 'room' found in Title 3 when speaking to Title 18 — then how can the Director justifying his use of Webster when speaking to Title 18, when the Webster reference is found only in Titles 17 and 19, but not in Title 18, or anywhere else?

The Planning Director also relies heavily on the phrase 'primary use' claiming both bed and breakfasts and residential are primary uses and each are confined to a

Wayne Sandstrom's Brief - 1

APPEAL OF PLANNING DIRECTOR'S RECORD – DETERMINATION ON 341 ANTIONETTE AVENUE BRIEF FILED BY WAYNE SANDSTROM

principal building, which is restricted to one, in Sandstorm's zoning. The Director concludes that since only one principal building is allowed; both residential and the B&B must be confined in their entirety in one principal building. Sandstrom charges that the Director has confused the phrase 'primary use' for the code's phrase 'permitted use'. (A phrase search of the FNSBC turned up 'primary use' only two times in the code; one referencing use for parking spaces and the other for teaching space.)

Further, the Director's conclusion that accessory buildings cannot be used to supplement the permitted use in the principal building is clearly not supported by the FNSBC.

The following information gleaned solely from the FNSBC presents Sandstrom's argument for use of accessory buildings for B&B sleeping rooms. Words and phrases in bold or parenthesis are emphasized.

Is a B&B Home Resident allowed on the Sandstrom's property? There is no argument regarding, whether or not, a Bed and Breakfast residence is allowed; the property is zoned TF and both B&B Home Stays and B&B Residence are allowed uses. The disagreement arises from the use of 'accessory buildings as bedrooms for 'marketed' bed and breakfast bedrooms. Pertinent definitions contained in the code provide the answers to the following questions:

What is a B&B Residence? Title 18 defines a Bed and breakfast residence 'means a facility' with five to nine guestrooms where lodging with or without meals are

Wayne Sandstrom's Brief - 2

APPEAL OF PLANNING DIRECTOR'S RECORD – DETERMINATION ON 341 ANTIONETTE AVENUE BRIEF FILED BY WAYNE SANDSTROM

provided for compensation to transient guests on a day-to-day basis. Facility has the broader meaning of service and is not limited to one structure. For example, Fort Wainwright is a military facility; Pioneer Park is a recreational facility, and the University is an educational facility. The use of the descriptive term 'facility' clearly opens the door to more than one building.

And while guestroom is not defined in Title 18, "Bedroom" is and means a room marketed and/or designed to function primarily for sleeping by humans. The definition here is silent regarding the use of accessory buildings for bedrooms. However, the definition for accessory buildings in Title 18 clearly states "Building, accessory" means a building which is subordinate to and serves a principal building or use. An accessory building is subordinate in extent and/or purpose to the principal building or use and contributes to the comfort, convenience, and/or necessity of the occupants of the principal building or use being served. That clearly means inclusive and complements the 'facility' definition — and does not even suggest ruling out guest sleeping rooms. Obviously, sleeping is a necessity.

Conclusion- The FNSBC contains no language to preclude a B&B from being within the principal building or accessory building — or both.

Is or is not a B&B a home occupation? "Home occupation" means a business, profession, occupation or trade located entirely within a dwelling unit or a dwelling unit's accessory building, which is accessory, incidental, secondary and

Wayne Sandstrom's Brief - 3

APPEAL OF PLANNING DIRECTOR'S RECORD – DETERMINATION ON 341 ANTIONETTE AVENUE BRIEF FILED BY WAYNE SANDSTROM

subordinate to the residential use of the dwelling unit and does not change the essential residential character or appearance of such building or neighborhood in which it is located. (Attention is called to the section 'located entirely within a dwelling unit or <u>a dwelling unit's accessory building'</u>)

Conclusion — A B&B is a home occupation, and thus can utilize an accessory building. The FNSBC says nothing to even imply that accessory buildings B&B's are excluded.

Where cannot a B&B be located within the property? To answer that question Sandstrom again turns to the FNSBC for the definition 'dwelling'. "Dwelling" means a building or portion thereof designed or used exclusively for residential purposes, but not including hotels, motels, quest rooms, boarding homes, group homes, nursing homes, mobile homes or trailers. (Note that a dwelling is used exclusively for residential purposes — a dwelling unit; and excludes a Bed & Breakfast among other home occupations). According to the FNSBC a "Dwelling unit" is a room or group of rooms constituting all or part of a dwelling which are arranged, designed, used or intended for use exclusively as living quarters for one family, including washing, sleeping, cooking and eating facilities. This definition includes a manufactured home but not a mobile home."

Attention is called to the phrase 'all or part of a dwelling' this explains how a 'dwelling unit' and a Bed & Breakfast can exist in the same building and still be compatible with the definition of 'dwelling' the (a building or portion thereof) not

Wayne Sandstrom's Brief - 4

APPEAL OF PLANNING DIRECTOR'S RECORD – DETERMINATION ON 341 ANTIONETTE AVENUE BRIEF FILED BY WAYNE SANDSTROM

being used for a 'dwelling unit's' purpose. It also ties and explains the relationship between Principal and Accessory buildings and their uses.

Conclusion - The above cited FNSBC clearly allows, (without requiring a conditional use permit) a B&B Resident on property zoned TF as a home occupation and which can be located within the principal and/or accessory building(s). Further, while a B&B cannot be operated within a 'dwelling'; both a dwelling and a B&B can share a 'building' – just not the same space within the building.

The cited Title 18 information collaborates well with that pertaining to B&Bs contained in Title 3.58.010 Definition for room: "Room" means any structure or portion of a structure, permanent or temporary, fixed or mobile, in which a person, for money or other consideration, may obtain lodging, dwelling, or sleeping accommodations. This term includes hotels, apartment hotels, motels, tourist homes, houses or courts, lodging houses, inns, rooming-houses, hostels, trailers, bed and breakfasts, dormitories, and any other facility, structure, or room of whatever name where space for lodging, dwelling, or sleeping may be secured for consideration. "Room" does not include any hospital, self-contained and powered motor home, tent or tent space, medical clinic, sanitarium, or nursing home; any student dormitory operated by the University of Alaska; or any temporary lodging within a military reservation when that lodging is operated by the United States. Again, it seems bizarre that the Planning Director would resort to Webster to define 'room' when speaking to B&B's. Is the B&B's

Wayne Sandstrom's Brief - 5

APPEAL OF PLANNING DIRECTOR'S RECORD – DETERMINATION ON 341 ANTIONETTE AVENUE

BRIEF FILED BY WAYNE SANDSTROM

referred to in Title 3's definition of 'room' different than B&B's in Title 18? Or do they share the same definition?

The Director summarily dismissed this tie, claiming words used in one part of the FNSBC do not necessary have a similar meaning in other parts. That may be, however, the Director's argument is arbitrarily based on his choice of several meaning for 'room' contained in Webster. That definition is in direct conflict with Title 18 and Title 3; and flies in the face of logic.

The Director concludes his argument by claiming there can be only one principal building on a lot zoned Two-Family and since a B&B residence is a primary use (meaning a conditional use permit is not necessary); a B&B residence located in a separate building would result in two primary buildings on the lot. (That's not entirely correct, a B&B could conceivably be housed in a "Guest house" which is defined in the code as an accessory building, designed as a detached dwelling unit subordinate in size to and located on the same lot as the principal single-family detached dwelling or mobile home it serves. A guest house may be a mobile home in zoning districts where mobile homes are permitted uses.) But even were the Director's conclusion fully correct; Sandstorm's arrangement is different - in his situation, only the sleeping rooms are in accessory buildings — the rest of the B&B facility, inclusive of all utilities, is located in the principal building. And as previously cited and repeated here for emphases; Title 18 clearly states "Building, accessory" means a building which is subordinate to and serves a principal building or use. An accessory building is subordinate in extent and/or purpose to

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APPEAL OF PLANNING DIRECTOR'S RECORD – DETERMINATION ON 341 ANTIONETTE AVENUE

BRIEF FILED BY WAYNE SANDSTROM

the principal building or use and contributes to the comfort, convenience,

and/or necessity of the occupants of the principal building or use being served.

whatever the principal building is being use for; that use can be supplemented by

The Director continues on to state that "Accessory structures in the Two-Family

zone are typically storage sheds, greenhouses, garages and similar structures."

This statement could likely be said for all zones in the FNSB but simply has no

bearing on this issue since the FNSBC contains no restriction or reference to

why such a blatantly unrelated argument is being put forth since it serves no

'typically'. And does it hold true for properties hosting B&B's which make up only

a very small part of the total private property use within the FNSB? One wonders

The Director's position puts the FNSB and all property owners within the Borough

in a legal quandary by exposing borough and city funds to an unwinnable lawsuit.

To wit: here the Director argues that while it is lawful in Title 3 to collect bed tax

building. In short, the Director is implying that Title 3 operates outside of and not

subject to Title 18. It only makes sense that if the Borough or City is collecting bed

tax on an unlawful structure, why they would not have an obligation to inform the

on sleeping rooms described in the previous paragraph, which clearly includes

accessory buildings – it is unlawful to have a sleeping room in an accessory

The FNSBC cannot get much clearer when the pertaining language states that

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accessory building(s).

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APPEAL OF PLANNING DIRECTOR'S RECORD – DETERMINATION ON 341 ANTIONETTE AVENUE

BRIEF FILED BY WAYNE SANDSTROM

Borough (itself) of the situation? Do not the Departments within the FNSB have an

obligation to work together? Or does each Department operate within an island?

A Court of Law would quickly rule 'unequal application' of code since it would be impossible for the Borough or City to argue both sides, or that they didn't know. A retreat to the dictionary so as to support the Director's and staff opinions ought to be done with caution as there may well be existing B&B's within and outside the city limits that operate out of two or more buildings.

It is with respect, but strongly suggested that the Borough Planning Director and staff turned to Webster's to prop up a personal bias unique to this complaint. As the record shows the Planning Department glossed over Sandstrom's rights and was instrumental in rushing him into criminal court and made no secret of their bias — to the careless degree of having a Top Ranking Borough Official air it over the local Public Radio Station. His plight was further leaked and printed on the front page of the December 14 issue of the Fairbanks Daily Newsminer along with a large photograph of his property.

The Director, for whatever reason decided that Sandstrom was in violation, and then attempted to cherry-picked the code to prove it so. When the code fell short, the Director introduced outside reference to obfuscate the code; unrelated antidotal data to suggest misconduct by Sandstrom; and conveniently overlooked code content unfavorable to his position. His decision ended up being made on the sole basis of one of the several definitions of 'room' in Webster.

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APPEAL OF PLANNING DIRECTOR'S RECORD – DETERMINATION ON 341 ANTIONETTE AVENUE BRIEF FILED BY WAYNE SANDSTROM

In contrast, Mr. Sandstrom who has a fifty year plus contractor career spanning throughout the western states and Alaska, is no stranger to interpreting building and zoning codes; has presented a case which flows solely, directly, and succinctly from local code and does not depend on Webster or any other outside reference or support.

The previous discussion focused on the Director's and Sandstorm's interpretation of the FNSBC. Sandstrom's believes his hands-on experience working within the codes provides him with a semantic approach and perspective of code purpose that contrasts to the Director's experience which appears limited to that of an academic reference exercise.

For the Borough to set a precedent on one word out of Webster's – because one of its several meanings lined up with the Director's bias poses perilous folly.

The following discussion addresses Sandstorm's actions in context with code purpose and relationship to the Borough Land Use Comprehensive Plan.

Sandstorm's appeal reminds the Board of Adjustment that the Borough Land Use Comprehensive Plan is the lawful basis for land use in the FNSB. It is the single document that converts, mostly generic codes, to uniquely address local desires and concerns relating to land uses.

In Alaska, state law mandates the Comprehensive Plan emphases the rights of private property owners. This is an important consideration in Sandstorm's situation.

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APPEAL OF PLANNING DIRECTOR'S RECORD – DETERMINATION ON 341 ANTIONETTE AVENUE BRIEF FILED BY WAYNE SANDSTROM

While Sandstrom has an undisputable right to operate a nine bedroom B&B on his

property, the Director claims it has to be contained under one roof. Accordingly,

he can build a large house with nine extra bedrooms or even connect his existing

nine accessory buildings to a totally enclosed hallway and meet the Director's

criterion.

The first logical question to ask is: What difference in impact would there be on the neighborhood? And the answer is, none. Arguably, there would the same amount of vehicle and foot traffic, etc.

Sandstrom's lot is a rather large parcel and is bounded on the back by the Noyes Slough. His lot, in fact, is large enough to warrant subdividing into two lots, each with a nine bedroom B&B residence—that per the Planning Director, wouldbe in compliance with Webster.

However, Sandstrom preferred to showcase the Noyes Slough and its wildlife activity, serenity, and privacy for his guests; create a facility offering enhanced life-safety features; conserve energy and other operational costs; and virtually eliminating flood zone concerns. Sandstrom's preference was thwarted before he could make landscape improvements.

The next question to ask is: What would the difference mean to Sandstorm? And the answer is a great deal.

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BOARD OF ADJUSTMENT RECORD

APPEAL OF PLANNING DIRECTOR'S RECORD – DETERMINATION ON 341 ANTIONETTE AVENUE BRIEF FILED BY WAYNE SANDSTROM

- Since the accessory buildings are without water or drains and well insulated
 with individual Toyo Stoves for heating, they can be left unheated when not
 in use a significant savings in fuel oil cost as well as a lesser but still
 positive influence on neighborhood air quality.
- Life Safety concerns; since the accessory buildings are served by one 15amp
 breaker and are without cooking or launderings facilities, the exposure to
 fires is considerably less and in the event of a fire, can be more easily
 contained without it spreading to other parts of the facility. The resulting
 safety benefit is substantial. For example, all egresses lead directly to the
 outdoors.
- Since the accessory buildings have no direct connection to community
 water and sewer the danger of frozen, broken pipes, or sewer backup is
 eliminated. This in itself is a benefit that accrues to both Sandstorm and
 utility owners.
- Since the accessory buildings are manufactured modular, built to set on a compacted pad, and easily moved, they can be located in the flood plain without posing the environmental concerns that generally accrue when building in a flood plain. (Sandstrom's location is within a floodplain). This includes no buried utility lines or fuel tanks to worry about or property damage. These benefits can, and very likely will, be realized sometime within the next decade. The will accrue to both Sandstorm and the community.

APPEAL OF PLANNING DIRECTOR'S RECORD – DETERMINATION ON 341 ANTIONETTE AVENUE

BRIEF FILED BY WAYNE SANDSTROM

In short, Sandstorm's use of accessory buildings for sleeping rooms provides positive benefits that accrue to not only him but also to the neighborhood and community as well. And any perceived unfavorable impact to the neighborhood remains unchanged regardless of the configuration within the property.

Considering these many important benefits in context of the Comprehensive Plan's mandate to favor private property owners creates a powerful argument to support Sandstrom's position.

The preceding portions of this appeal brief focused on why both the FNSBC and Comprehensive Plan supported Sandstrom's sincere belief that a B&B Residence can utilize accessory buildings and why it makes so much sense to do so on his property. It also not only points out the flaws both technical and folly of the Director's decision, that if upheld by the Board of Adjustment would result in a significantly inferior facility.

The following portion of this brief addresses the FNSB permitting issues. Sandstrom obtained all pertinent operational licenses necessary to operate B&B residences. Sandstrom rates were established to adhere to FNSBC Title 3. The issue of extended (beyond 30 days) stays arose. The issue is not unique to Sandstrom's B&B. B&B's throughout the Borough, especially those offering lower and off-season discounted rates face this conundrum — especially if the guest has sought and arranged for public assistance to pay. Is that tacit public approval? Booting a guest out, knowing the likelihood of them spending the winter night hiding from the authorities in an open campsite is not an easy thing to do. Is it

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APPEAL OF PLANNING DIRECTOR'S RECORD – DETERMINATION ON 341 ANTIONETTE AVENUE BRIEF FILED BY WAYNE SANDSTROM

even lawful? Does it smack of prejudice? Sandstrom has asked these questions to the FNSB. The Borough chose to remain silent and not respond. Hopefully the Board of Adjustment will give some guidance.

Initially, Sandstrom did not apply for ether Borough Zoning or Floodplain Permits.

Sandstrom does not object to submitting both Zoning and Floodplain permits and has since applied for a Zoning Permit. FNSB action is pending, presumably waiting for the Board of Appeals decision.

For the record however, the zoning permit as written seems somewhat redundant for uses permitted (not requiring conditional use permits) in the code. The permit application itself seems to focus on 'dwelling units.' The code defines 'dwelling units' to family use only, excluding any enterprises. While Sandstrom's accessory buildings added nine B&B sleeping rooms, the 'dwelling unit' remained unchanged. The permit also excluded construction activities as described in Section 301(b) of the Uniform Building Code – which is sorely outdated. And similar, more recent, replacement code would not apply.

Further, since these are modular manufactured accessory buildings and does not require excavation, construction, relocation installation or connection to any utility, it is questionable that a zoning permit is necessary at all.

The same can be said for a Floodplain Permit. Sandsrom's units require only ground grading preparation before placing and are easily relocated above any flood level. A Floodplain permit is not required for grading.

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APPEAL OF PLANNING DIRECTOR'S RECORD – DETERMINATION ON 341 ANTIONETTE AVENUE BRIEF FILED BY WAYNE SANDSTROM

Again Sandstrom, upon the Borough's request, has completed and submitted a Zoning Permit which is pending and has engaged a local surveyor to prepare a Flood Zone Permit.

The remaining portion of this brief, addresses the Borough's lack of due process for Sandstrom. It appears that the Borough quickly took up an advocacy position when Sandstrom's neighbor filed a verbal complaint(s). Perhaps too quickly. At first, the complainant's identity was kept confidential.

Instead of informing the complainant that the property was zoned for B&B residence and Sandstrom was entitled to a B&B with up to nine guestrooms, Borough staff began to build a violation case. It is not clear, just what the Borough staff advised the complainant to do; however, it was clear that she had complained a number of times to the City Building Department who became involved and the zoning issue grew into both zoning and building codes issues.

It was also clear that Sandstrom had, by this time gained a reputation for being uncooperative. This became an unfortunate turning point. At the time Sandstrom was preparing yet another response to the Director continued effort to convince Sandstrom was violating the FNSBC. Disagreeing is not being uncooperative. It would have been a good time to appeal. In fact, Sandstrom had requested and filed an appeal form with both the Borough and the City. The request was ignored.

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APPEAL OF PLANNING DIRECTOR'S RECORD – DETERMINATION ON 341 ANTIONETTE AVENUE BRIEF FILED BY WAYNE SANDSTROM

Sandstrom also suspended his B&B activities and moved all but four of his

these units can be relocated without compromising utilities or fuel storage.

As a result of Sandstrom's reminder, the City formed an Appeal Board and a

hearing commenced. But once members of the hearing board realized that

the abatement threaten buildings were in fact, new manufactured modular

buildings; they recessed pending a FNSB a Zoning Permit.

Shortly afterwards, the City dropped their court action.

Sandstrom's guest were provided amenities connected to public utilities and that

At that time the FNSB again maintained their position; again the Director stressed

Webster and finally allowed the FNSB appeal process to begin. And that is where

manufactured units outside of the City, which, incidentally demonstrated the ease

At that time, the City, apparently being misled by the Borough and the
complainant; filed criminal charges against Sandstrom for not providing his guest
with sanitary facilities served by public utilities and threaten abatement for his
manufactured units. This was not true, but was never verified by the City, since
they relied on the Borough and complainant. Mr. Sandstrom followed the court's
order to get fingerprinted and attended three bail hearings where a trial date was
set. He also retained a criminal attorney and professional architect to represent

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the situation now rests – in your hands.

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The above described unfortunate chain of events occurred because the Planning Director was reluctant to allow his decision to go to the appeal process afforded by the FNSB. There is no reason to believe that the Director was not unaware of the new modular buildings, that the City deemed necessary to abate, nor could he have not known that all of Sandstrom's guests were using public water and sanitary utilities — the record shows that he did know. The attached 11 photos of Sandstrom's buildings were obtained from the Borough's accessory's files — obviously available to the Director. Attention is drawn to photos of the same buildings that were submitted in the appeal records by the Director. Sandstrom also noted a letter in the file from the City asking for a response, but apparently none was made — or least was not included in the appeals records. Sandstrom also kept phone notes; it appears that the record is lacking a phone or email log. It begs the question, is the case record complete of all pertinent records? Or has it too been cherry picked to favor the Director's decision?

The record shows that the dispute was that of code interpretation and not of services or even a public threat. The record strongly suggests that the Director, or his staff, had stepped even beyond the line of advocate for the complainant; perhaps crusader would be more appropriate.

It almost appears that the Director's action or lack thereof smacks of a deliberate scare tactic. A responsible public official, knowing, or should have known that Sandstrom was being denied due process and facing serious – but unfounded charges. A responsible public official would have paused the process to afford the

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APPEAL OF PLANNING DIRECTOR'S RECORD – DETERMINATION ON 341 ANTIONETTE AVENUE BRIEF FILED BY WAYNE SANDSTROM

Borough's appeal process (Board of Adjustment). Instead, he stood by, watching. It was Sandstrom's attorney that initiated dismissal of the charges and to which the City quickly concurred. This lack of concern coupled with the Director's insistence on building his decision the Webster strains the Borough's credibility.

Further, while Sandstrom was not being afforded FNSBC established appeal procedures, he was being maligned by high level Borough Officials, both among borough employees and publicly. The most grievous incident occurred when the Mayor's Chief of Staff, during a Borough Assemble deliberation of an unrelated matter, made references to Sandstrom 'as the person with all the violations'. His comments were broadcasted live over KUAC. The community was updated with a story and photo on the front page of the December 14 issue of the Fairbanks Daily News Miner. The paper sourced an informer.

Summary, this brief attempts to convey:

- That, in Sandstrom's opinion, the Director of Planning decision was weakly based on his choice to use Webster's and dismiss what appears to be obvious in the FNSBC;.
- That, in Sandstrom's opinion, his exhaustive arguments briefly summarized in this document, succinctly supported his code interpretation and a comprehensive rebuttal based FNSBC was not forthcoming;

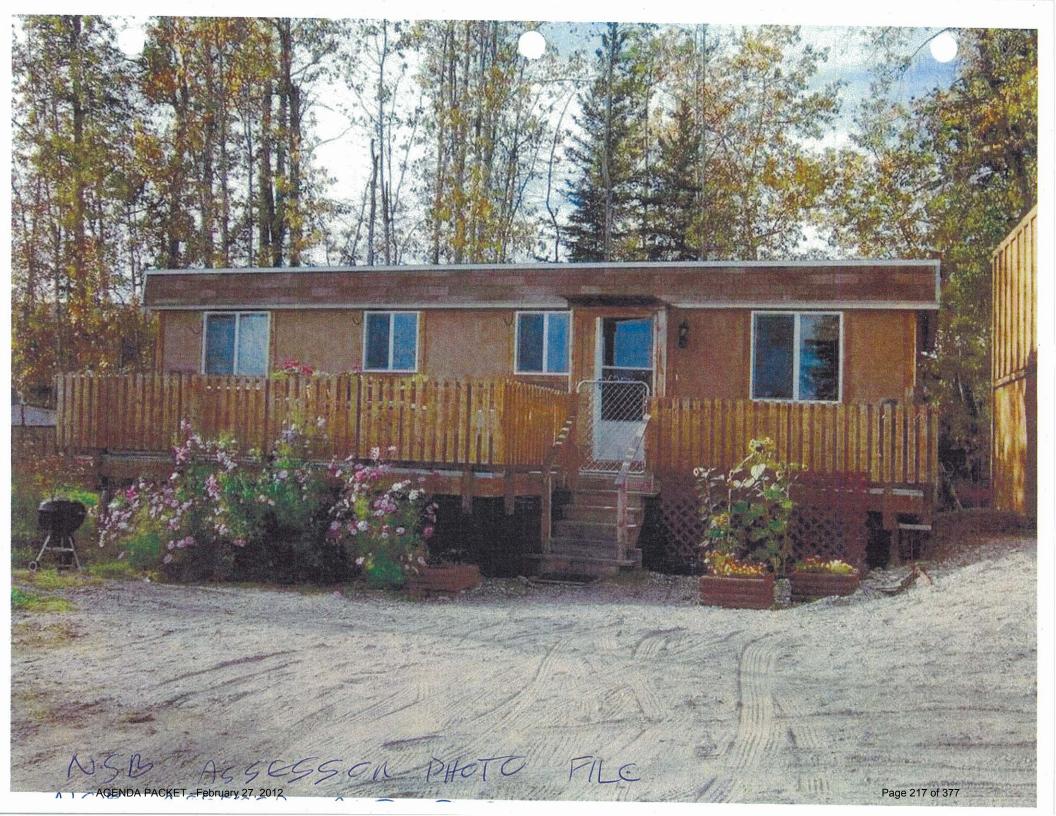
Wayne Sandstrom's Brief - 17

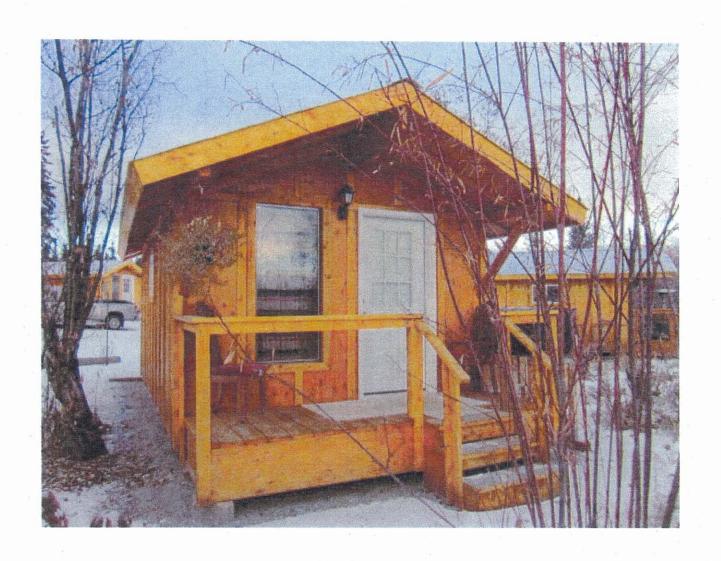
APPEAL OF PLANNING DIRECTOR'S RECORD – DETERMINATION ON 341 ANTIONETTE AVENUE

BRIEF FILED BY WAYNE SANDSTROM

- That the Director of Planning did not consider the Comprehensive Plan mandates when he made his decision;
- That the Director of Planning did not afford Sandstrom the timely appeal process he was entitled to according to the FNSBC;
- That the Director of Planning was derelict in his duties when he realized that Sandstrom was criminally charged with endangering the public and made no effort to even delay court action until the FNSB could complete the appeals process; and
- That Borough Officials condoned the Director's actions and facilitated trying Sandstrom in the court of public opinion, as well as in rushing him into the Alaska State Court on criminal charges

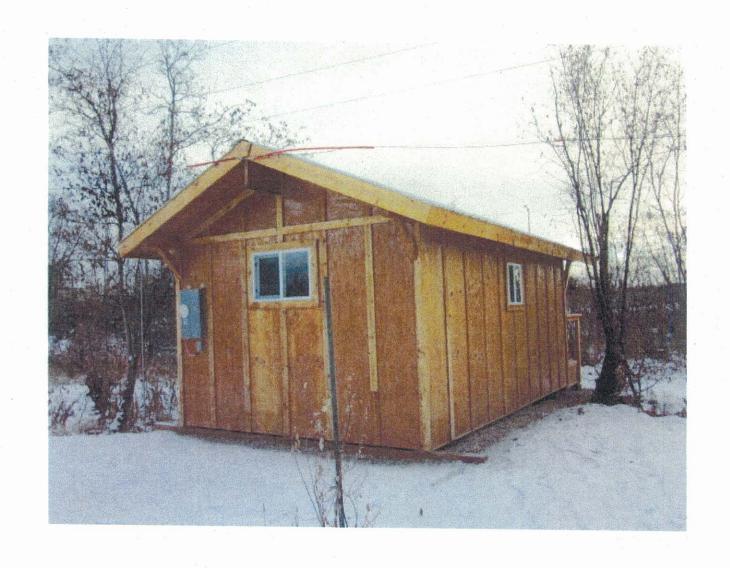
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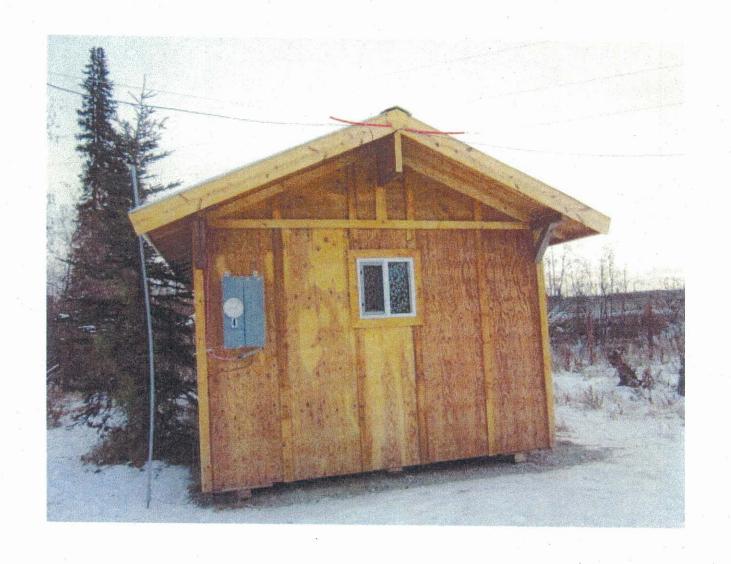


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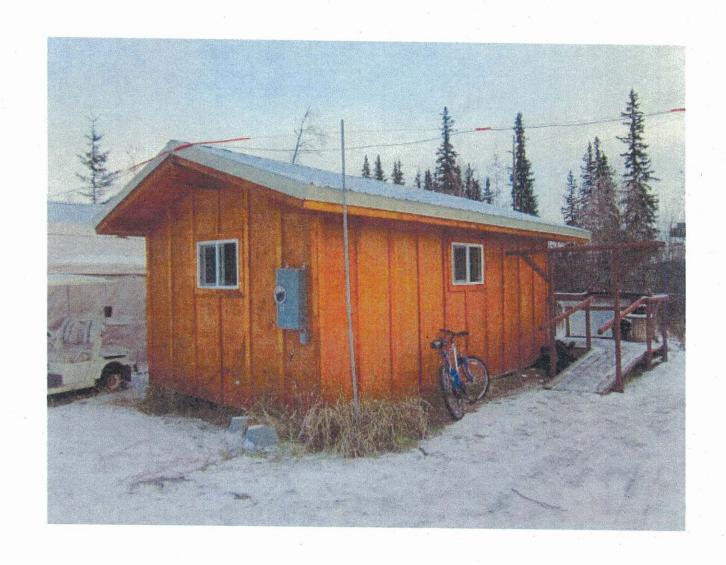
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NSB AGSESSER PHOTO FILE

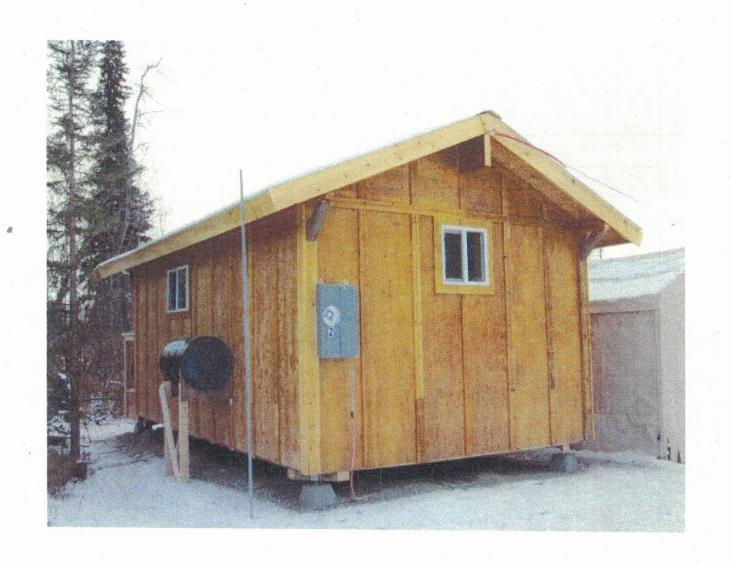
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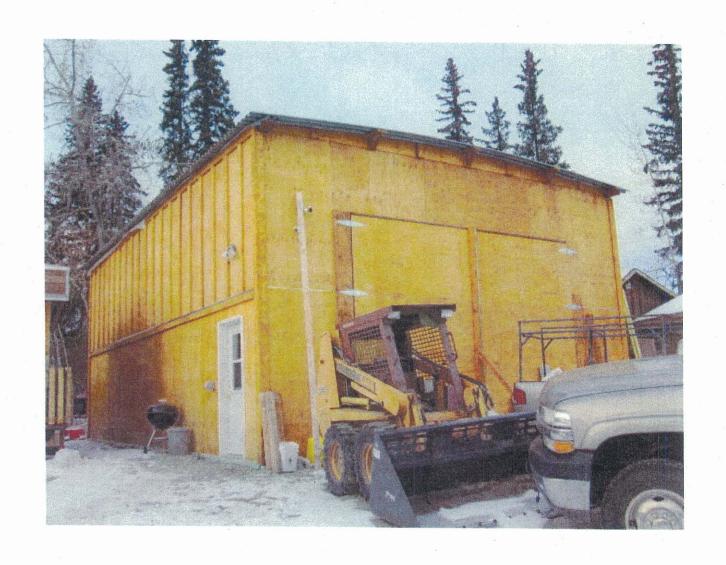


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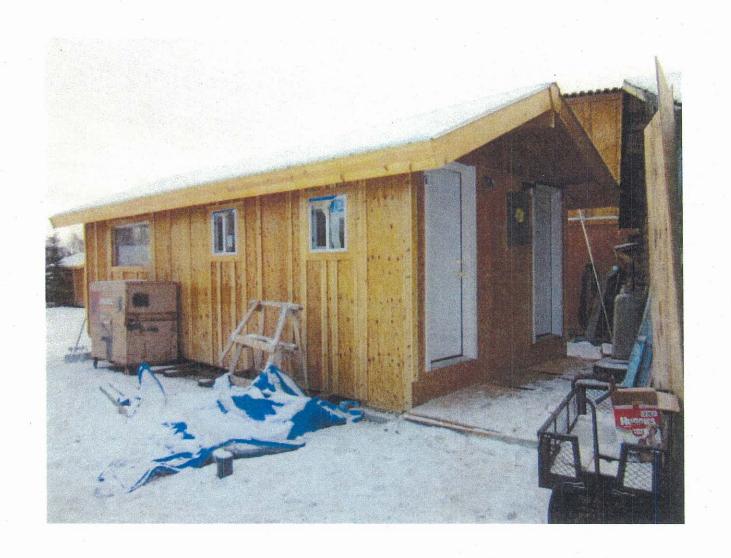
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MEMORANDUM

To:

Mona Lisa Drexler, FNSB Clerk

From:

Bernardo Hernandez, Community Planning Director

Date:

January 17, 2012

Subject:

Board of Adjustment Appeal of Administrative Decision on 341 Antoinette Drive

Property

Please find attached the Planning Department's response to the appeal / brief filed by appellant Wayne Sandstrom.

Thank you.

Reply to the Appeal Brief dated December 23, 2011 by Sandstrom

Decision on 341 Antoinette Avenue

Background:

The Bud Sandstrom Family Trust and the Sandstrom VI Family Trust (hereinafter "Sandstrom") are

co-owners of property at 341 Antoinette. Wayne Sandstrom is a Trustee for the trusts and is

representing the trusts in this appeal. The subject property is zoned Two-Family Residential. Up until

recently Sandstrom has had two single family residences and, in addition, up to seven residential cabins

on the property. The Community Planning Department Director held that multiple sleeping cabins are

not a permitted use in the Two Family Residential district and this appeal was filed by Sandstrom.

Several uses are permitted in the Two-Family Residential zone. Permitted uses in the Two Family

Residential zone include uses permitted in the Single Family zoning uses. The extent of the uses that are

permitted at 314 Antoinette is:

1. Accessory Uses

2. Bed and Breakfast Homestay

3. Bed and Breakfast Residence

4. Church Buildings

5. Home Occupations

6. Playground

7. Single Family Detached Buildings

8. Two-Family attached Buildings

Further it is important to note that 18.50.020 of the Borough Zoning Code allows only one principal

building per lot in the Two Family Residential zoning district.

Sandstrom contends that he is running a Bed and Breakfast Residence on the property and that the cabins are guest rooms of the Bed and Breakfast Residence. Sandstrom would like to have the cabins remain on the lot as a Bed and Breakfast Residence. In an October 27, 2011 letter (Exhibit A) to Sandstrom, the Community Planning Director determined that while a Bed and Breakfast residence was a permitted use on the subject property, having multiple sleeping cabins on the subject lot was a violation of the zoning code. In that letter the following decision and corresponding findings of fact were made by the Planning Department:

Thus I determine that a bed and breakfast residence is a permitted use in the Two-Family zone.

However guestrooms must be located within one single structure in this zone. I base this determination on the following findings:

- 1. The property located at 341 Antoinette is located within the Two-Family Residential zoning district.
- 2. Residential use and bed and breakfast uses are permitted uses in the Two-Family zone.
- 3. Only one principle building is permitted in the Two-Family zone.
- 4. Residential use or a bed and breakfast residence use makes the building a principal building.
- 5. More than one principal building on a lot within the Two-Family zone is not permitted.
- 6. Residential sleeping quarters either for residential or bed and breakfast uses in individual buildings are not accessory buildings because they are principal buildings.

Sandstrom is appealing this decision.

Response to Sandstom's Brief

Point 1. Sandstrom contends that the Borough should not use the dictionary to define "room."

Response 1. The zoning code under 18.06.010.A9 states that any words not found in the definition section 18.060.010 "shall be construed according to their generally accepted meanings."

The Dictionary is a fair, prudent, and relied upon source to determine 'generally accepted meanings' of words. As stated in the October 27, 2011 decision, the Webster's Ninth New Collegiate Dictionary defines a "room" as "a partitioned part of the inside of a building." This is the generally accepted meaning of a room. Because the cabin units which Sandstorm wishes to be considered guest rooms are individual buildings, they do not fit the generally accepted meaning of a "room".

- Point 2. Sandstrom maintains that we should use Chapter 3.58 of Borough Code for the definition of "room."
- Response 2. Definitions in Chapter 3.58 specifically pertain only to the collection of taxes. In fact, FNSBC 3.58.010 Definitions makes this point very clear: "For the purposes of this chapter, the following words and phrases have the following meanings." (Italics and bolding added.) Thus Chapter 3 definitions do not pertain to Title 18, the zoning code. When administering Title 18 we are obligated to follow the code as specified in Response 1 above. Further Chapter 3.58 definition of room is not altogether inconsistent with the definition of by Webster's Ninth Collegiate Dictionary.
- Point 3. Sandstrom states that the Planning Director relies heavily on the phrase "primary use."

 Response 3. Sandstrom is correct that the Director did use the word "primary use." Instead of primary use, the Director should have used the term "principal use." The department uses primary use and principal use interchangeably. However the logic remains the same as shown below:
 - Per Title 18, the zoning code, at FNSBC 18.06.010.B, the definition of use, principal
 means "the main, major and dominant use of a building or premises as
 distinguished from an accessory use." Italics are added.
 - FNSBC 18.06.010.B defines building, principal as: "a building in which is conducted the principal use of the lot on which it is located."

- The Bed and Breakfast at 341 Antoinette is a principal use. Therefore by definition the building that the Bed and Breakfast is in is a Principal Building.
- FNSBC 18.50.020 allows only one principal building per lot in the Two-Family Residential zoning district.
- The additional residential cabins, purported to be part of the Bed and Breakfast,
 would also be considered principal buildings as they also enclose principle use
 activities.
- The cabins are not accessory buildings because by Title 18 definition the bed and breakfast cabin use are not accessory uses—they are principal uses.
- Thus the cabins are not permitted as part of the Bed and Breakfast Residence on this lot. Only one principal building can be located on a lot within the Two-Family Residential zone.
- Point 4. Sandstrom states that a Bed and Breakfast guest room can be in an accessory structure.

 Respond 4. Please see Response 3 above. In addition there is another factor to consider.
 - Title 18.06.010 Zoning Definitions defines "use, accessory" as a "use which is clearly
 and customarily incidental and subordinate to the principal use of a building or
 premises and which is located on the same zoning lot as the principal use or
 building."
 - The word "incidental" per Webster's Dictionary means "secondary or minor but usually associated."
 - If the accessory use is incidental or secondary, it cannot be a principle use.

- The definition of "accessory use" further defines the understanding of "Building, Accessory" which means a building which is subordinate to and serves a principal building or use. An accessory building is subordinate in extent and/or purpose to the principal building or use and contributes to the comfort, convenience, and/or necessity of the occupants of the principal building or use being served. (Title 18.06.010 Definitions.)
- Thus these Bed and Breakfast cabins are not accessory uses-they are primary uses.
 And if they are primary uses, the building must be primary buildings.

Point 5. Sandstrom contends that a Bed and Breakfast is the same as a "Home Occupation."

Response 5. "Bed and Breakfast Residence" and "Home Occupation" are not the same uses. That is why they are itemized separately as permitted uses for the property. (Please see second paragraph of this brief.) A Home Occupation is a completely different use and has a complete set of standards that are required that do not pertain to Bed and Breakfasts. For example a Home Occupation cannot generate more three cars parked simultaneously at the home occupation. See Exhibit B for complete list Home Occupation standards. The definition for home occupation simply does not pertain or apply to Bed and Breakfasts. Furthermore, courts have held that a Bed and Breakfast is more closely akin to a hotel or boardinghouse than it is to a home occupation.¹

Point 6. Sandstrom states that Bed and Breakfast could be housed in a "Guest House."

Response 6. A Guesthouse is not permitted in the Two-Family Residential zone. They are permitted in other zones such as Rural Estate and Rural Residential zones.

Therefore, Sandstrom's argument that a "Guesthouse" and "Bed and Breakfast" are the same is irrelevant in this zone.

¹ See Reynolds v. Zoning Hearing Bd. Of Abington Tp.,134 Pa. Commw. 382, 578 A.2d 629 (1990).

Furthermore, if Sandstrom's definition of a guest room were adopted and guest rooms could be separate buildings, then the separate use of Guesthouse would be redundant. Obviously, when the drafters of the Borough code allowed Bed and Breakfasts in residential areas but did not allow Guesthouses, which by definition are a separate building, they intended that a Guesthouse and Bed and Breakfast were different. In doing so, the drafters made standards that would limit the effect each would have on the residential nature of the zones. For example, a Guesthouse, which by definition is a separate building, is not allowed in the Single-Family Residential, the Two-Family Residential or the Multiple-Family Residential Districts. These districts allow for small lots with minimum lot sizes ranging from 5,000 square feet to 20,000 square feet depending on the district. In Rural Residential District, where the minimum lot size is 40,000 square feet, a guesthouse is only a conditional use. Furthermore, there are restrictions on the Guesthouse: there can only be "one per lot, and only on a lot with an existing single-family detached dwelling." FNSBC 18.20.020.B.7. A Bed and Breakfast residence is allowed in the Rural Residential District. However, if a Bed and Breakfast guest room can also be a separate building as Sandstrom is arguing, then a lot in the Rural Residential District could include up to nine separate buildings as a guest room, while a Guesthouse would be restricted to only one building. Thus, the restriction for a conditional use Guesthouse would be superfluous. When construing a law, courts have held that one must presume that the governing body intended every word, sentence, or provision of the law to have some purpose, force, and effect, and that no words or provisions are superfluous.2

² See, Mech. Contractors of Alaska, Inc. v. State, Dep't of Pub. Safety, 91 P.3d 240, 248 (Alaska 2004) and Kodiak Island Borough v. Exxon Corp., 991 P.2d 757, 761 (Alaska 1999).

Point 7. Sandstrom argues that he did not receive adequate due process because he was not able to appeal the Community Planning Director's decision until now.

Response 7. Sandstrom complains that he did not receive due process because his appeal was not heard earlier. An appeal is not ripe until a final determination is made. The Community Planning Director did not make a final determination until October 27, 2011. Sandstrom was told in that letter that the determination was appealable and has taken the proper steps to file this appeal. Therefore, Sandstrom is getting due process. Any earlier appeal would have been premature because a final determination had not been made.

The remaining arguments made by Sandstrom do not relate to the final determination made by the Community Planning Director and should not be part of this appeal. For example, the Department of Community Planning did not file, or request, or was ever consulted, on any criminal charges may have been made against Sandstrom by the City of Fairbanks. This issue is not part of the Community Planning Director's October 27, 2011, decision. Similarly, Sandstrom's arguments relating to zoning and floodplain permits are also not part of the October 27, 2011 decision and are not part of this appeal. In summary the zoning code allows Sandstrom to have a Bed and Breakfast Residence on the property located within the Two-Family Residential Zoning District. All guest rooms must be located within one building. Cabins are <u>not</u> permitted as guestrooms for the Bed and Breakfast. The important factors in making these determinations are:

The Property is located in the Two-Family Residential zoning district.

The Bed and Breakfast is a principal use.

Any building housing this use is a principle building as per definitions above.

Only one principle building is permitted on a lot in the Two-Family Residential zone.

Accessory use must be "clearly and customarily incidental and subordinate to the principal use of a building or premises."

Multiple, individual dry cabins are not clearly and customarily incidental to a Bed and Breakfast and should not be allowed, especially in a residential district.

Please uphold the decision of the Fairbanks North Star Borough Community Planning Department.

Submitted by:

Dated: January 17, 2012

Bernardo Hernandez

Community Planning Department Director



Fairbanks North Star Borough

809 Pioneer Road

P.O. Box 71267

Fairbanks, Alaska 99707-1267

907/459-1000

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October 27, 2011

Bud Sandstrom Family Trust Vi Sandstrom Family Trust 341 Antoinette Fairbanks, Alaska 99701

Dear Mr. Sandstrom:

Thank you for your letter dated October 6, 2011. In response I would like to clarify permit requirements and I would like to address your concern of the Planning Department using Webster's Dictionary for the definition of "room."

As stated in my September 8th letter to you the Bed and Breakfast Residence is a permitted use on your property but you should remember that you are required to obtain a zoning permit and floodplain permit from the Planning Department before establishing this use. I sent you copies of those permits for your convenience.

In the same letter I wrote to you the following: "All bed and breakfast guestrooms must be within a building. Guestrooms cannot be in individual buildings. Title 18, the zoning code, states under 18.06.010.A9, that any words not defined in 18.060.010 'shall be construed according to their generally accepted meanings.' Guestroom is not defined in Title 18; however, Webster's Ninth New Collegiate Dictionary defines a "room" as 'a partitioned part of the inside of a building.' In addition, the bed and breakfast cannot be used for long term, transitional, or standard rental housing. Title 18 defines Bed and Breakfast Residence as a facility with five to nine guestrooms where lodging with or without meals is provided for compensation to transient guests on a day-to-day basis."

In your letter you cite Chapter 3.58.010 for the definition of room. That code states: "Room" means any structure or portion of a structure, permanent or temporary, fixed or mobile, in which a person, for money or other consideration, may obtain lodging, dwelling, or sleeping accommodations. This term includes hotels, apartment hotels, motels, tourist homes, houses or courts, lodging houses, inns, rooming-houses, hostels, trailers, bed and breakfasts, dormitories, and any other facility, structure, or room of whatever name where space for lodging, dwelling, or sleeping may be secured for consideration. "Room" does not include any hospital, self-contained and powered motor home, tent or tent space, medical clinic, sanitarium, or nursing home; any student dormitory operated by the University of Alaska; or any temporary lodging within a military reservation when that lodging is operated by the United States. You state "this definition casts a wide net around what can be deemed 'room' when it comes to B&B's and similar endeavors."

In response, Chapter 3.58 is Borough Code that pertains to Motel-Hotel Room Tax. The definition of room that you cited pertains only to Chapter 3.58 and is for the collection of taxes. The first sentence of FNSB 3.58.010, Definitions, states: "For the purposes of this chapter, the following words and phrases have the following meanings." Conversely, the use of a Bed and Breakfast on a parcel of land is a zoning issue and pertains to Chapter 18 of the zoning code. These are two separate chapters of the code with two different purposes. In administering the zoning ordinance we are obligated to follow Chapter 18 and zoning definitions. I have quoted the zoning code definitions above. Webster's Dictionary states a room is located within a building. It should also be noted that the definition of room as defined by Webster's Dictionary is not inconsistent with the definition you cite under 3.58.010.

You also quoted the zoning code definition of a building: "Building" means a structure for the support, shelter or enclosure of persons, animals, chattel or property of any kind. A building shall include such extended structures as attic entries, balconies, carports, decks, exterior stairways, garages, porches, wannigans and windows. Where independent units with separate entrances are not joined by a common wall and/or ceiling or floor, each unit shall be considered as a separate building. This definition does not include a fence.

"Principal building" is another zoning definition that is important. "Principal building" means a building in which is conducted the principal use of the lot on which it is located. Further, under 18.50.020 it states, in the rural and agricultural through the TF, two-family residential districts, both inclusive, not more than one principal building may be located on a lot....

Residential and bed and breakfast uses are primary uses in the Two-Family zone. Separate independent buildings that serve these uses would therefore be principal buildings. In the two-family zone, where your property is located, only one principal building is permitted. More than one principal building serving either a residential or bed and breakfast use exceeds the permitted uses of the two-family zone.

You also mention accessory buildings. Because residential and bed and breakfast uses are principal buildings, they are not accessory buildings. Accessory structures in the Two-Family zone are typically storage sheds, greenhouses, garages and similar structures.

Thus I determine that a bed and breakfast residence is a permitted use in the Two Family zone. However guestrooms must be located within one single structure in this zone. I base this determination on the following findings:

- 1. The property located at 341 Antoinette is located within the Two-Family Residential zoning district.
- 2. Residential use and bed and breakfast uses are permitted uses in the Two-Family zone.
- 3. Only one principle building is permitted in the Two-Family zone.
- 4. Residential use or a bed and breakfast residence use makes the building a principal building.

- 5. More than one principal building on a lot within the Two-Family zone is not permitted.
- 6. Residential sleeping quarters either for residential or bed and breakfast uses in individual buildings are not accessory buildings because they are principal buildings.

This determination can be appealed within 15 days of the date of this letter. Appeals can be made at the Borough Clerks Office at 809 Pioneer Road, Fairbanks, Alaska.

Sincerely,

Bernardo Hernandez, Director

FNSB Department of Community Planning

CC:

FNSB Mayor Luke Hopkins

Jeff Jacobson, FNSB Chief of Staff

Cynthia Klepaski, FNSB Asst. Borough Attorney

Mona Drexler, FNSB Clerk City Mayor Jerry Cleworth

City Attorney, Paul Ewers

Deputy City Attorney, Dave Burglin

Clem Clooten, Assistant Building Official

Assembly Member Matt Want

Assembly Member Natalie Howard

Assembly Member Michael Dukes

Representative Tammie Wilson

William Satterberg, Esq.

Council Member Vivian Stiver

Council Member Chad Roberts

Council Member Bernard Gatewood

Council Member Jim Matherly

Council Member John Eberhart

Council Member Elect Lloyd Hilling

18.50.080 Home occupations.

A home occupation, as defined herein, may be conducted in a residential dwelling unit or mobile home or in a building that is accessory to that residential dwelling unit or mobile home. The extent of operation of a home occupation shall not exceed the following:

- A. The home occupation shall be clearly an incidental, secondary and accessory use of the premises and shall be conducted wholly indoors for that portion of the activity occurring at the premises.
- B. Not more than 50 percent of the floor area of the residential dwelling unit shall be devoted to the home occupation. Home occupations may be located in one or more accessory buildings; however, cumulative area devoted to the home occupation shall not exceed 50 percent of the floor area of the principal residential dwelling unit. For purposes of calculation, garages are not considered as floor area of the residential dwelling unit.
- C. Except for one sign, there shall be no external visual or audible evidence of any kind of the home occupation, including but not limited to:
 - 1. Heavy commercial vehicle delivery;
 - 2. Outside storage;
 - 3. Noise, dust, odors, noxious fumes or other nuisances.
- D. Signs. Signs shall be a maximum of eight square feet and self-illumination or purposeful illumination is prohibited.
- E. Parking. Home occupations that generate four or more customer vehicles simultaneously shall be considered a commercial or professional office use and shall be located in an appropriate zoning district as set forth herein.
- F. Any home occupation that exceeds these standards shall be considered a commercial or professional office use and shall be located in an appropriate zoning district as set forth herein.

(Ord. 2002-70 § 2, 2003; Ord. 88-010 § 2, 1988)

REPLY TO FNSB PLANNING DIRECTOR'S REPLY—DETERMINATION ON 341 ANTIONETTE AVENUE BRIEF FILED BY WAYNE SANDSTROM

Background: Sandstrom's property, the subject of this appeal, is well over an acre in size and is zoned for mobile home subdivisions to the east and light industrial to the south. It can be seen from the Johansen Expressway. Its size, location and potential command a relative high property tax value. His lot features the Noyes Slough on its eastern boundary which makes it attractive, but high water concerns limit development. Recognizing the challenges Sandstrom developed and built easily-moved, special modular units to meet flood plain conditions and avoid any possible fuel or public utility contamination potential. In essence, with an acre plus, to use, his plan was to have a B&B with individual sleeping rooms (accessory buildings) along the slough in a park-like setting. All other B&B amenities, including bath, laundry, and cooking facilities were located in his principal building. Not only were Sandstrom's modules environmental friendly; they were economical to operate, and had outstanding life safety features. In his understanding he was (and remains to be) in full compliance with the FNSBC and the Borough's Comprehensive Plan. Once the main components were in place, but prior to landscaping, Sandstrom began a successful operation. However he was soon shut down by the local governments for alleged code violation that escalated to this appeal process. Sandstrom was told that he could have a B&B but that it had to be completely contained in one building on his very large lot – even though by doing so would compromise all the advantages his concept afforded without changing any impact on his neighborhood. What began as a well-thought plan, by a well-qualified arctic builder, by a well-intention land owner has now turned into a physical and fiscal nightmare, and is why this Board of Appeal is here now.

Finally, it seems that there are officials with concerns over guests having to go outside of their sleeping room and walk a few yards to the principal building to go to the bathroom. A health issue? Hardly not – the State of Alaska's Chena Wayside on University Avenue require users to walk much longer distances, over public property to get to a bathroom – and the State charges for it.

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Wayne Sandstrom's Reply - 1

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REPLY TO FNSB PLANNING DIRECTOR'S REPLY—DETERMINATION ON 341 ANTIONETTE AVENUE BRIEF FILED BY WAYNE SANDSTROM

- 1	i
1	Synopsis of the Fairbanks North Star Borough Planning Director's reply to Sandstrom's Brief
2	regarding to using accessory buildings for sleeping rooms for his B&B residence business.
3	The Planning Director offered rebuttals to seven (7) of Sandstrom's arguments and summarily
4	dismissed the remainder of his plea as being unrelated; stating that they should not be a part of
5	this appeal. Portions of Sandstrom's appeal that were rejected by the Director included
6	anything and everything that would link him or the Borough to the legal action that was hastily
7	brought against Standstrom by the City. Other portions, rejected by the Director, cited the
	Borough's Comprehensive Plan as the foundation document from whereby Borough Officials,
8	especially those responsible for zoning decisions are legally obliged to consider when making
9	zoning decisions. To wit: '18.02.010 Comprehensive plan. This title is the regulation that
10	implements the Fairbanks North Star Borough comprehensive plan, adopted in September,
11	2005. The comprehensive plan is a set of goal and policy statements and a map to guide the
12	physical development of the borough. In accordance with the comprehensive plan, the borough
13	assembly shall guide and regulate the use of land through the adoption and enforcement of a
14	borough-wide zoning ordinance. (Ord. 2005-56 § 2, 2005)'
	Finally, all arguments pertaining to life and safety were ignored. As were arguments that
15	Sandstrom's operation accrued benefits for both himself and the environment without creating
16	any undue neighborhood impacts.
17	any undue neighbornood impacts.
18	The suggestion that other B&B's within the Borough and the City were conducting business
19	under similar situation when unheeded.
20	This response will first address the Director's seven rebuttals before rebutting his dismissal of
21	the remainder of Sandstrom's appeal.

First, however, it is necessary to correct several errors that the Director introduced in his

'Background Statement'. The first to be introduced was the term 'residential cabin' and 'dry

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REPLY TO FNSB PLANNING DIRECTOR'S REPLY— DETERMINATION ON 341 ANTIONETTE AVENUE BRIEF FILED BY WAYNE SANDSTROM

cabin'. Early in this dispute, the terms cabin and dry cabin were used by Borough Officials. Sandstrom objected and pointed out that he was using 'accessory buildings' as allowed in the FNSBC which were neither cabins nor dry cabins. In fact, there is no definition for 'cabin' in the FNSBC and rental cabins in the Borough contain facilities for cooking and other amenities (some to include an outhouse) — whereby Sandstrom's buildings are designed only for sleeping and all other amenities are furnished in the principal building and served by public facilities. They are modules built to meet the FNSBC 'accessory building' criteria. The nomenclature issue seemed resolved — until now. The Director's attempt to reintroduce the term 'residential cabin' now is a deliberate and devious measure to cloud the issue.

It is also necessary to call the Board of Appeals attention to the Director's use of the word 'Building' in his list of uses on the first page (items 7 and 8). He insinuates the list is code verbatim. The code however reads 'Dwellings' – not 'Building'. An honest mistake? Perhaps, but Title 18 defines the two words very differently; 'building' refers to a structure while 'dwelling' speaks to use – and the difference is the essence of this dispute.

The Director continues building his argument in the following section of his rebuttal focusing on principal buildings and their uses to determine that Sandstrom's accessory buildings are, in his opinion 'principal buildings'. He summarizes his logic in seven disjointed steps that seems to say: That while Sandstrom's zoning permits both residential and B&B uses they are both 'principal uses' and therefore both must be limited to the confines of a principal building and since Sandstrom can have only one principal building on his large lot and cannot use 'accessory buildings' for any principal activities because doing so would make them 'principal buildings'. His logic is not only convoluted, but the FNSBC simply does not support it.

Careless or deliberate? It doesn't matter, either way the Director is saddled with the consequences, if any, of his actions.

Wayne Sandstrom's Reply - 3

REPLY TO FNSB PLANNING DIRECTOR'S REPLY- DETERMINATION ON 341 ANTIONETTE AVENUE BRIEF FILED BY WAYNE SANDSTROM

Director's rebuttal Point 1 – Sandstroms' objection to the use Webster definition of room. The Director's misquote noted earlier (Buildings in lieu of Dwellings) is a fatal flaw in his logic and the object of Sandstrom's objection. The Director and Webster are speaking 'building' while Sandstorm and the FNSBC are speaking 'use'. Use is not a synonym for building. The FNSBC Title 18.06.010, Definitions clearly bears this out: Building, accessory" means a building which is subordinate to and serves a principal building or use. An accessory building is subordinate in extent and/or purpose to the principal building or use and contributes to the comfort, convenience, and/or necessity of the occupants of the principal building or use being served.

"Use, accessory" means a use which is clearly and customarily incidental and subordinate to the principal use of a building or premises and which is located on the same zoning lot as the principal building. Sandstorm's use of accessory buildings conforms to both the FNSBC meaning of 'building, accessory' and 'use accessory'. Sandstorm maintains the Director cannot substitute Webster when the FNSBC clearly states what an accessory use entails.

Director's rebuttal Point 2 — Sandstroms' choice to reference the meaning of 'room' in Title 3.58.010 Definitions. Sandstrom continues to maintain that the definition in Title 3.58.010 is, in fact the correct definition because it addresses the very questions being asked regarding both structure and use. As pointed out in Sandstrom's previous submittals, it is important that there are no inconsistencies between code titles, especially within legal and finance arenas. For example issuing business licenses for B&B's that do not comply with zoning would be an inconsistent action. Title 1 of the FNSBC charges the Borough Clerk to seek out and resolve such conflicts. And it is in the City's interest, (and the property tax payer) that they be resolved. The Director partially agrees — he just prefers Webster because Webster can be construed to his opinion while Title 3 cannot. The Director claims "When administering Title 18 we are obligated to follow the codes as specified in Response above." Sandstrom challenges the

Wayne Sandstrom's Reply - 4

REPLY TO FNSB PLANNING DIRECTOR'S REPLY— DETERMINATION ON 341 ANTIONETTE AVENUE BRIEF FILED BY WAYNE SANDSTROM

Director's statement that he is 'obligated' to go to Webster. His was not an obligation, but a choice – and a poor one at that.

Title 3 defines "Room" means any structure or portion of a structure, permanent or temporary, fixed or mobile, in which a person, for money or other consideration, may obtain lodging, dwelling, or sleeping accommodations. This term includes hotels, apartment hotels, motels, tourist homes, houses or courts, lodging houses, inns, rooming-houses, hostels, trailers, <u>bed and breakfasts</u>, dormitories, and any other facility, structure, or room of whatever name where space for lodging, dwelling, or sleeping may be secured for consideration. "Room" does not include any hospital, self-contained and powered motor home, tent or tent space, medical clinic, sanitarium, or nursing home; any student dormitory operated by the University of Alaska; or any temporary lodging within a military reservation when that lodging is operated by the United States.

Director's rebuttal Point 3 — Sandstroms' objection to the use of the phrase "primary use". Sanstrom's objection had little to do with the Director's conclusions that while he erred in the use of 'primary', and should have used 'principal instead' — except that he and his staff commonly uses them interchangeably. This practice is understandable, but is of no interest to Sandstrom, because again, the Director appears to have glossed over Sandstrom appeal brief. A review of Sandstrom's brief, page 2, line 3 reveals that Sandstrom was referring to 'permitted use'—not primary use. And there is a big difference between primary or principal use and permitted use. One definition refers to what is allowed without a Conditional Use Permit and the others to what is taking place on the property.

Again, the Director appears to have glossed over Sandstrom appeal brief. Sandstrom suggests that the Director was unresponsive to the Sandstrom's argument.

Wayne Sandstrom's Reply - 5

REPLY TO FNSB PLANNING DIRECTOR'S REPLY- DETERMINATION ON 341 ANTIONETTE AVENUE BRIEF FILED BY WAYNE SANDSTROM

Nontheless, the Director uses this rebuttal to rational reintroducing the 'cabin' nomenclature in an attempt to equate their use to principal use thus, in his determination, making them principal buildings and therefore they are not accessory buildings - as Sandstorm claims - but also principal buildings. And since only one principal building is allowed, Sandstorm's accessory buildings are not allowed – because in the eye of the FNSB these accessory buildings became principal buildings. This fuzzy determination by the Director is the compelling factor in this dispute. And it brings up the Director response to his point 4.

Director's rebuttal Point 4 — Sandstroms' claim that a guest room can be in an accessory structure (building). The Director's response focuses on the definition of The FNSBC Title 18.06.010, "Use, accessory" means a use which is clearly and customarily incidental and subordinate to the principal use of a building or premises and which is located on the same zoning lot as the principal use or building. The Director than, again turned to Webster to determine the meaning of incidental as "secondary or minor"; and cited that meaning to disallow the use. Sandstrom maintains that the definition 'secondary or minor' is relative and subject to judgment. FNSBC is much more explicit.

Sandstrom's claim again focuses on "Building, accessory" means a building which is subordinate to and serves a principal building or use. An accessory building is subordinate in extent and/or purpose to the principal building or use and contributes to the comfort, convenience, and/or necessity of the occupants of the principal building or use being served. Sandstrom points to the phrase 'and contributes to the comfort, convenience, and/or necessity of the occupants of the principal building or use being served. As pointed out in his brief this describes his use of accessory buildings.

Further the FNSBC Title 18.06.010 defines "Use" means the purpose for which land and/or a building is arranged, designed, intended, occupied or maintained. This, when considered with the Borough's Comprehensive Plan, gives the property owner substantial latitude when

Wayne Sandstrom's Reply - 6

REPLY TO FNSB PLANNING DIRECTOR'S REPLY— DETERMINATION ON 341 ANTIONETTE AVENUE BRIEF FILED BY WAYNE SANDSTROM

designing and building accessory buildings. In fact, the accessory buildings subject to this dispute were so designed and arranged on Sandstrom's property to complement the available land, take advantage of the bordering Noyes Slough and compatible with surrounding zoning. For the record, Sanstrom's property is Two-Family, land directly across the Slough to the east is zoned for mobile home subdivisions, and that to the south is light industrial. Adding a park-like B&B using a low profile, low impact, and sleeping rooms with relative private settings and slough views would seem to be welcomed by local planners - especially when the bed tax contributes to the local economy and local government.

Director's rebuttal Point 5 — Sandstrom contends that a B&B is the same as a "Home Occupation.". The Director cited Reynolds v. Zoning Hearing Bd Of Abington Tp, 134 Pa. Commw. 382, 578. 2d 629 (1990) to support his rebuttal. The case conclusion was a B&B was not a 'Home Occupation' but 'more like a boarding house or hotel'. After review, Sandstrom agrees with the Director on this point.

Sandstrom further reviewed the Director's cited case and learned that the heart of the matter was that the applicant wanted a ruling that a B&B was a 'Home Occupation' in order to meet the lesser space requirement since the applicant's B&B did not meet the size requirement for a B&B. The court went on to note: 'The ZHB further found that even if "another interpreter" of the ordinance found that a Bed and Breakfast falls within the definition of a "home occupation," the Reynolds' proposed use did not fulfill the size requirements as set forth by the ordinance in Section 703(c)(2)(b) which reads as follows: Size — The use shall not exceed one-third (1/3) of the floor area of a residential dwelling or seven hundred fifty (750) square feet, whichever is lesser, or a legally existing accessory building meeting all applicable building codes.

In essence, while the Director's cited case law supported his contention that B&B's were not Home Occupations, they more importantly, supported Sandstrom's use of accessory buildings.

Wayne Sandstrom's Reply - 7

REPLY TO FNSB PLANNING DIRECTOR'S REPLY- DETERMINATION ON 341 ANTIONETTE AVENUE BRIEF FILED BY WAYNE SANDSTROM

Director's rebuttal Point 6 - Sandstrom contends that a B&B could be housed in a Guest House.

The Director statement is correct in Sandstrom's zoning, however Sandstrom's intention was to

point out that separate Guest Houses could - and are, being used for B&B's within the FNSB

occupying more than one building do exist in the borough. Some B&B's being wholly contain

Sandstrom's property, by using accessory buildings for some services provided by a B&B - in

Interestingly enough, the Alaska Mech. Conctractors of Alaska, Inc v State, Department of

Public Safety court case also cited by the Director adds supports to Sandstrom's argument. The

Director cited the following text: "Whether adoption of the IMC conflicts with other statutes

is a question of law to which this court will apply its independent judgment. When we engage

in statutory construction we will presume "that the legislature intended every word, sentence,

provisions are superfluous." Apparently the Director was attempting to claim his hands were

However the Director left out the next sentence in the quoted paragraph which reads "At the

same time, [s]trict construction does not require that statutes be given the narrowest meaning

allowed by their language; rather, the language should be given a "reasonable or common

legislature must govern and the policies and purposes of the statute should not be defeated'

sense construction, consonant with the objectives of the legislature." The intent of the

or provision of a statute to have some purpose, force, and effect, and that no words or

where zoning allow Guest Houses on the same lot. The intent was to show that B&B's

Guest Houses where zoning permitted and in other, more restrictive zoning such as

Sandstrom's situation, for sleeping purposes.

tied to the strictest interpretation of the FNSBC text.

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Wayne Sandstrom's Reply - 8

AGENDA PACKET - February 27, 2012

Page 248 of 377

REPLY TO FNSB PLANNING DIRECTOR'S REPLY- DETERMINATION ON 341 ANTIONETTE AVENUE BRIEF FILED BY WAYNE SANDSTROM

	The foremost enabling legislation behind FNSBC Title 18 is the Comprehensive Plan backed up
2	by Alaska's State Constitution. The Borough Planning Director is responsible for implementing
3	this legislative intent.

Director's rebuttal Point 7 — Sandstrom contends he did not receive adequate due process.

Sandstrom charge was that the Director of Planning did not afford Sandstrom the timely appeal process he was entitled to according to the FNSBC.

The Director's response: "An appeal is not ripe until a final determination is made." The Community Planning Director did not make a final determination until October 27, 2011.

Sandstrom's record shows that the FNSB Planning Department first responded in writing on July 20, 2010. This date documents that the Borough's staff was aware of, and working on this issue for over 14 months. During that time they were helpful in getting the City involved and then stood silently by while the City, under the impression that Sandstrom's guests had no approved bathroom facilities, made haste to press criminal charges and threaten to abate his new accessory modules. But when the City discovered that Sandstorm's guest did indeed have proper facilities they backed off and eventually dropped their charges at Sandstrom's request. The City also recessed their assigned appeal board pending further action on the part of the Borough and COE, namely issuing a zoning permit and flood permit (if needed). These ongoing activities were at the considerable expense and mental stress to Sandstrom while waiting for the 'appeal to ripen'. During that time period FNSB Officials apparently spoke of Sandstrom in unflattering terms, including broadcasting their opinion over the local radio station. That and other similar incidents obviously came from internal commutations within the Borough, which were not included in the official record furnished Sandstrom.

Wayne Sandstrom's Reply - 9

REPLY TO FNSB PLANNING DIRECTOR'S REPLY— DETERMINATION ON 341 ANTIONETTE AVENUE BRIEF FILED BY WAYNE SANDSTROM

Sandstrom claims that 14 months is an unreasonably long time frame to wait for the Director's decision. For the Director to deny any culpability for either Him or the Borough is unacceptable.

The Director has asked you to uphold his decision. The keystone of his decision is one of Webster's definitions for room. He defends it by cherry picking the FNSBC and his conclusions are perplexing. For example; he concludes: "6. Residential sleeping quarters either for residential or bed and breakfast uses in individual buildings are not accessory buildings because they are principal buildings." But the FNSBC clearly states that accessory buildings "contributes to the comfort, convenience, and/or necessity of the occupants of the principal building or use being served." Further, it is obvious that the Director continues to cherry pick from the court cases he chose by carefully citing only those portions he felt favored his position and ignoring those that did not. In Sandstrom's opinion the Director has taken off his public service hat and is using his Department's position to blatantly advocate a personal bias. Sandstrom is asking the Board of Appeal to start with an open mind and carefully consider his appeal.

Sandstrom maintains that he has only one principal building on his property that houses his dwelling and a B&B that utilizes accessory buildings as sleeping rooms. Sandstrom further maintains that not only does his configuration meet the letter of the FNSBC but also the spirit of the land ownership and rights policies contained in the FNSB Comprehensive Plan. Further, his carefully development plan will result in a significant safer, environmentally sound, less neighborhood intrusive, and lower operational cost facility.

Alaska is a unique state, an owner state if you please. Less than five percent of the land is in private ownership. But the State places a high value on that five percent and the foremost value is the rights of the property owner. The FNSB's Planning Director is charged with protecting these rights. Sandstrom ask that you uphold them by supporting his efforts to use accessory buildings as sleeping rooms.

Wayne Sandstrom's Reply - 10

AGENDA PACKET - February 27, 2012

1/26/12

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18.54.070 Appeals.

- A. Initiation of Appeal. Decisions may be appealed to the board of adjustment or a hearing officer by:
 - 1. An applicant for a conditional use or variance;
 - 2. Any governmental agency or unit;
 - 3. Any person aggrieved by a decision or determination made by the director of the department of community planning in the enforcement of this title, or by a decision of the planning commission concerning a request for conditional use or variance. To be considered a "person aggrieved," the person must present proof of the adverse effect the decision has or could have on the use, enjoyment, or value of his own property. The decision appealed from must personally affect a matter in which the person has a specific interest or property right in a way different from that of the general public. A request for variance from the terms of the land use regulations may be appealed when literal enforcement would deprive a property owner of rights commonly enjoyed by other properties in the district.

B. Appellees.

- 1. In the event a decision is appealed as provided in subsection (A) of this section, an appellee brief may be filed as provided in subsection (F)(2) of this section by:
 - a. The party in whose favor the lower administrative body's decision was rendered;
 - b. Any borough agency;
 - c. Any person who would be aggrieved if the decision of the lower administrative body were reversed.
- 2. Appellees who wish to be notified by the clerk's office of the date the record is available and of the date the appellant's brief is filed must file a notice of intent to file a brief with the clerk's office on a form prescribed by the borough clerk, within 20 days after the decision of the lower administrative body from which the appeal is taken.
- C. Notice of Appeal. An appeal must be perfected no later than 15 days after the decision of the administrative body from which the appeal is taken. The appeal is perfected by the filing of a notice of appeal, appeal fee and cost bond in accordance with this subsection.
 - 1. The notice of appeal must be filed with the borough clerk on a form prescribed by the borough clerk and must contain detailed and specific allegations of error.
 - 2. The appellant shall pay a nonrefundable appeal fee of \$75.00. In addition, the appellant shall file a cost bond of \$200.00. Following completion of the record, the appellant shall pay the actual cost of the record. However, should the decision of the lower body be reversed in whole or in part, the cost bond shall be refunded in full.
 - 3. An untimely notice of appeal or a notice of appeal which does not conform with the requirements of this subsection shall be denied. No further proceedings shall be made on a defective notice of appeal unless the defect is corrected within the period provided for an appeal.
- D. New Evidence Changed Circumstances. Appeals alleging new evidence or changed circumstances shall not be heard by the board of adjustment or hearing officer but shall be remanded forthwith by the clerk to the lower administrative body, which shall determine whether to rehear the matter.
- E. Preparation of Record.

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- 1. Upon timely perfection of an appeal, the borough clerk shall prepare an appeal record. The record shall contain:
 - a. A verbatim transcript of any proceedings before the administrative body from which the appeal has been taken prepared in accordance with subsection (E)(2) of this section;
 - b. Copies of all documentary evidence, memoranda and exhibits, correspondence and other written material submitted to the administrative body prior to the decision from which the appeal is taken;
 - c. A copy of the written decision of the administrative body, including its findings and conclusions.
- 2. The appellant shall arrange for the preparation of the transcript by a court reporter and shall pay the cost of such preparation. The appellant shall file this transcript with the borough clerk. If the appellant fails to file the transcript within 30 days of the filing of the notice of appeal, the appeal shall be automatically denied.
- 3. Upon completion of the record, the clerk shall notify the appellant by certified mail of the cost of its preparation. If the appellant fails to pay the costs within seven days of receiving the notice, the appeal shall be automatically denied. Upon timely payment of costs, the clerk shall, by certified mail, serve a copy of the record on the appellant. The clerk shall also notify by certified mail the appellees who have filed a notice of intent to file a brief that the record is available for pickup and the date the record was mailed to the appellant. Upon request, the clerk shall provide a copy of the record to an appellee or the public.

F. Written Argument.

- 1. Brief of the Appellant. The appellant may file a written brief of points and authorities in support of those allegations of error specified in the notice of appeal with the clerk's office not later than 15 days after mailing of the appeal record. The clerk shall deliver a copy of the appellant's brief to the borough staff assigned responsibility for the appeal. The clerk shall also notify by certified mail those appellees who have filed a notice of intent to file a brief that the appellant's brief is available for pickup. Upon request, the clerk shall provide a copy of the appellant's brief to appellees.
- 2. Brief of Appellee. The borough staff shall prepare and submit to the clerk a written reply to the notice of appeal and any brief in support thereof no later than 30 days after mailing of the appeal record. An appellee who has filed a notice of intent to file brief may also file with the clerk's office a written reply to the notice of points on appeal and any brief in support thereof no later than 30 days after the mailing of the appeal record. The clerk shall notify the appellant by certified mail that appellee briefs have been filed.
- 3. Reply Brief. An appellant may file a written reply brief to the appellee briefs no later than 10 days after mailing of notice that the appellee briefs have been filed.
- 4. Form of Briefs. All briefs shall be typewritten on eight and one-half by 11-inch pages. The text of the brief shall be double-spaced other than quotations from the record, case law, or other applicable law or exhibits which cannot be retyped on eight and one-half by 11-inch pages. The brief of the appellant is limited to 25 pages exclusive of exhibits. The brief of appellee is limited to 25 pages exclusive of exhibits. The reply brief is limited to 10 pages exclusive of exhibits. The clerk shall not accept a brief unless it is in the form prescribed by this subsection.

Printed on 1/30/2012

- 5. Untimely Briefs. If a brief is not filed within the time prescribed by this section, the clerk shall notify the board of adjustment or hearing officer that the brief was filed late. The board or hearing officer shall determine whether to accept a late brief and whether to allow additional time for any qualified opposing party to file its brief.
- G. Appeal Packet Notice of Hearing. Following the time set for the receipt of written argument from the appellant, appellee and the borough staff, the clerk shall prepare and distribute to the board members or hearing officer an appeal packet containing only the notice of appeal, the appeal record and any briefs filed in accordance with subsection (F) of this section. Following distribution of the packets, a date shall be set for consideration of the appeal. Notice of consideration on the appeal shall be published in a newspaper of general circulation and shall be served by mail on the appellant and those appellees who have submitted briefs. Appeal packets shall be made available to the public upon demand.
- H. Appeal Hearing. The meeting at which the board deliberates and decides an appeal shall be open to the public and a record of the hearing shall be made. The board or hearing officer shall not hear arguments nor take additional testimony or other evidence. Only the material contained in the appeal packet shall be considered.
- I. Scope of Administrative Review.
 - 1. An appeal shall be heard solely on the basis of the record established before the lower administrative body, the notice of appeal, appellant's argument and the reply thereto.
 - The board of adjustment or hearing officer may exercise its independent judgment on legal issues raised by the appellant. Legal issues as used in this subsection are those matters that relate to the interpretation or construction of ordinances or other provisions of law.
 - 3. The board of adjustment or hearing officer shall, unless it substitutes its independent judgment pursuant to subsection (I)(4) of this section, defer to the judgment of the lower administrative body regarding disputed issues or findings of fact. Findings of fact adopted expressly or by necessary implication by the lower administrative body may be considered as true if they are supported in the record by substantial evidence. Substantial evidence for the purpose of this subsection means such relevant evidence as a reasonable mind might accept as adequate to support a conclusion. If the record affords a substantial basis of fact from which the fact in issue may be reasonably inferred, it shall be considered that the fact is supported by substantial evidence.
 - 4. Notwithstanding the provisions of subsection (I)(3) of this section, the board of adjustment, by an affirmative vote of two-thirds of the fully constituted board, or the hearing officer, may substitute its independent judgment for that of the lower administrative body on any disputed issues or findings of fact. The judgment must be supported on the record by substantial evidence. For the purpose of this subsection, the fully constituted board of adjustment shall not include those members who do not participate in the appeal.
- J. Decision.

- 1. The board of adjustment or hearing officer may affirm or reverse the decision of the lower administrative body in whole or in part. It shall decide an appeal on the basis of the record on appeal and the briefs of the parties to the appeal, in accordance with the standards of subsection (I) of this section. A majority vote of the fully constituted board is required to reverse or modify the decision appealed from. For the purpose of this subsection, the fully constituted board shall not include those members who do not participate in the appeal. Where an appeal has been referred to a hearing officer, the hearing officer alone shall decide the appeal. A decision reversing or modifying the decision appealed from shall be in a form which finally disposes of the case on appeal except where the case is remanded in accordance with subsection (K) of this section.
- Every decision to affirm or reverse the decision of the lower administrative body shall be based upon findings and conclusions adopted by the board or hearing officer. Such findings must be reasonably specific so as to provide the community, and where appropriate, reviewing authorities, a clear and precise understanding of the reason for the decision. The board may seek the assistance of the borough attorney in the preparation of findings.

K. Remedies.

- 1. Where the board of adjustment or hearing officer reverses or modifies a decision of the lower administrative body in whole or in part, its decision shall finally dispose of the matter on appeal, except that the case shall be remanded to the lower body where it determines either:
 - a. That there is insufficient evidence in the record on an issue material to the decision of the case; or
 - b. That there has been a substantial procedural error which requires further public hearing.
- 2. A decision remanding a case shall describe any issue upon which further evidence should be taken, and shall set forth any further directions the board or hearing officer deems appropriate for the guidance of the lower administrative body.
- 3. The lower administrative body shall act on the case upon remand in accordance with the decision of the board of adjustment or hearing officer in the minimum time allowed by the circumstances.
- L. Special Rules of Procedure Applicable to Appeal Hearings Before the Board of Adjustment or Hearing Officer.
 - 1. Ex Parte Contacts Prohibited. Board members and the hearing officer shall be impartial in all appeal matters, both in fact and in appearance. No board member or hearing officer shall receive or otherwise engage in ex parte contacts with the appellant, other parties adversely affected by the appeal, or members of the public concerning the appeal or issues specifically presented in the notice of appeal either before the appeal hearing or during any period of time the matter is subject to reconsideration.
 - 2. Decisions of the board of adjustment or hearing officer may be brought up for reconsideration or rehearing only if:
 - a. There was substantial procedural error in the original proceeding; or
 - b. The board or hearing officer acted without jurisdiction in the original proceeding; or
 - c. The original decision was based upon fraud or misrepresentation.

Printed on 1/30/2012

The appellant or appellee may seek reconsideration or a rehearing by filing a request with the borough clerk, together with materials supporting one or more of the grounds stated above, within 15 days of the original decision. The board, by majority vote, or hearing officer may schedule a rehearing only if it finds the allegations to be correct. A rehearing shall be conducted in the same manner as original proceedings.

M. Judicial Review. Either the appellant or appellee may appeal the decision of the board of adjustment or hearing officer to the superior court. Appeals shall be made in accordance with the Alaska Rules of Civil Procedure. (Ord. 94-003 § 2, 1994)

Printed on 1/30/2012

Janey J. Hovenden

From:

Richard T. Springer

Sent:

Tuesday, February 21, 2012 4:44 PM

To:

Janey J. Hovenden

Cc:

Michael J. Schmetzer; Robert H. Pristash

Subject:

Wilbur Street Vacation

Attachments:

Preliminary comment.pdf; 11943 L1 TRACT H ASLS 80-64 PRELIM PLAT 12 19 2011 (2).pdf

Janey,

Attached is my review letter of non-objection to the proposed vacation of an undeveloped portion of Wilbur Street adjacent to the Montessori School on 30th Avenue. To my knowledge there is no reason to retain the right-of-way status of this ground. I therefore recommend the City Council approve the vacation.

R.T. Springer, PLS City of Fairbanks **Engineering Division** 459-6733



PUBLIC WORKS DEPARTMENT ENGINEERING DIVISION 907-459-6740

January 11, 2012

3 TIER -- Alaska, Corp. P.O. Box 71940 Fairbanks, Alaska 99707-1940

Re: Preliminary Replat of Lot 1, Tract H, A.S.L.S. 80-60

The City of Fairbanks Engineering Division has no objection to the replat of Lot 1, Tract H, A.S.L.S. 80-60 as shown on the preliminary drawing dated 12/01/2011. The vacation of a portion of Wilbur Street right of way must be approved by the City Council.

Sincerely,

R.T. Springer, P.L.S. City of Fairbanks Engineering Division

Cc: Michael J. Schmetzer, City Engineer

Fairbanks, Alaska 99707-1267

907/459-1000

www.co.fairbanks.ak.us

RECEIVED

FEB 2 1 2012

City Mayor's Office

February 21, 2012

The Honorable Jerry Cleworth, Mayor City of Fairbanks 800 Cushman Street Fairbanks, Alaska 99701

RE: Vacation of a Public Right-of-Way (VA 006-12 Wilbur St)

Dear Mayor Cleworth:

At its regular meeting of February 15, 2012 the Platting Board of the Fairbanks North Star Borough approved a request by 3-Tier Alaska on behalf of Fairbanks Montessori Assn., Inc. to vacate the westerly 50 foot wide portion of Wilbur Street adjacent to the eastern boundary of Lot 1, Tract H, ASLS 80-64, and add the 0.37 acre vacated area to create one new lot of 1.37 acres, within Sec 16, T1S R1W, FM (located on 30th Ave and Wilbur St).

Alaska Statute 29.40.140 states that no vacation of a city street may be made without the consent of the City Council. The Council shall have thirty (30) days from the date of the Board's decision in which to veto that decision. If no veto is received within the thirty-day period, the consent of the City of Fairbanks shall be deemed to have been given to the vacation.

The Department of Community Planning recommends approval (no veto) as conditioned by the Platting Board.

emende

Sincerely.

Bernardo Hernandez, Director Department of Community Planning

BH/b

Attachments:

Action Letter

Platting Board Minutes

Staff Report

DPO and Preliminary Maps

Hand-delivered to City Mayor, Surveyor, and City Clerk - 2/21/12



Fairbanks North Star Borough

809 Pioneer Road

P.O. Box 71267

Fairbanks, Alaska 99707-1267

907/459-1000

www.co.fairbanks.ak.us

February 16, 2012

3-Tier Alaska PO Box 71940 Fairbanks, AK 99707-1940

Re: VA 006-12 / RP 018-12 Wilbur Street Vacation

Dear Jim,

At its regular meeting on February 15, 2012 the Platting Board of the Fairbanks North Star Borough considered your request to vacate the westerly 50 foot wide portion of Wilbur Street adjacent to the eastern boundary of Lot 1, Tract H, ASLS 80-64, and add the 0.37 acre vacated area to create one new lot of 1.37 acres, within Sec 16, T1S R1W, FM.

The Board gave preliminary approval to the request, subject to the following conditions:

- Standard Flood Zone A note, base flood elevation, and temporary bench mark be shown on the final plat.
- 2. ADOT review and comment on the final plat.
- Standard utility notes be placed on the final plat, and GVEA, ACS and GCI review and comment on final plat utility easement provisions.
- 4. FNSB Zoning permit be submitted to verify the building addition will conform to zoning standards.
- 5. City of Fairbanks review and comment on the final plat.
- 6. Lot be designated as 1-A on the final plat.

Alaska Statute 29.40.140 states that no vacation of a city street may be made without the consent of the City Council. The Council shall have thirty (30) days from the date of the Board's decision in which to veto that decision. If no veto is received within the thirty-day period, the consent of the City shall be deemed to have been given to the vacation.

Your request is being forwarded to the City Council. Please contact the City Clerk's office (459-6715 or FAX 459-6719) City Clerk (488-2281) for the meeting date.

Upon non-veto by the City Council, a final plat must be prepared by a registered land surveyor and submitted to this office within 24 months of the City Council action or the preliminary approval will become void.

17

3-Tier Alaska February 16, 2012 Page 2

If you have any question regarding this matter, please contact the Fairbanks North Star Borough Department of Community Planning at 809 Pioneer Road, 459-1260, or FAX

Sincerely,

Loriann Quakenbush Platting Officer

L'aurenbush

LQ/b

Enclosure to Addressee

c: Fairbanks Montessori Assn, Inc.
 ADOT Planning
 Pete Eagan, ADOT ROW
 Jennifer Schmetzer, FNSB Public Works Engineer

FNSB PLATTING BOARD MINUTES February 15, 2012

A regular meeting of the Fairbanks North Star Borough Platting Board was held in the Assembly Chambers, 809 Pioneer Road, Fairbanks, Alaska. The meeting was called to order at 6:05pm by Merle Jantz, Chair.

PRESENT:

Merle Jantz, Chair

Margery Kniffen Dave Lanning Kirk Maynard

Joanne Trefethen, Vice Chair

ABSENT:

Andrew Bryan Bill Mendenhall Randy Pitney Leo Woster

ALSO PRESENT:

Luke Hopkins, FNSB Mayor

Cynthia Klepaski, Asst Borough Attorney Loriann Quakenbush, Platting Officer Jennifer Schmetzer, Public Works Engineer

Bobette McKirgan, Recording Clerk

CITIZENS' COMMENTS (On items not scheduled for public hearing, including consent agenda items)

None

*APPROVAL OF AGENDA AND CONSENT AGENDA

The agenda and consent agenda for this meeting, including the minutes of the January 18th Platting Board meeting, were approved without objection after a motion by Trefethen, seconded by Maynard.

*APPROVAL OF THE MINUTES (January 18, 2012)

CHAIR'S COMMENTS

None

COMMUNICATIONS TO THE BOARD

Quakenbush reported that the Assembly reconsidered the Platting Board's suggested changes to Title 17 and that 1) soil testing prior to road construction was eliminated, 2) the bond amount went to 5%, 3) the two-year warranty was approved, and 4) the road inspection report remained. **Quakenbush** said she wanted to comment at the end of the meeting on the Title 17 changes introduced by Assemblyman Dukes.

Mayor Hopkins expressed his appreciation to the board for their support and work on Title 17. The mayor said he anticipates further Title 17 amendments will be forthcoming and thanked the Platting Board for the appropriate work they did.

DISCLOSURE & STATEMENT OF CONFLICT

Lanning said he was considered for, but not awarded, the civil work on Wilbur Street.

There was no objection to Lanning's participation in discussion of VA 006-12 / RP 018-12 Wilbur Street Vacation.

Lanning declared that he had a brief discussion with another board member regarding the Tanana Clinic 1st Addition and he had suggested to the board member that he/she meet with the surveyor.

There was no objection to Lanning's participation in discussion of SD 039-11 / RP 035-11 / VA 006-11 Tanana Clinic 1st Addn.

PUBLIC HEARING ITEMS

Preliminary Applications

 VA 006-12 / RP 018-12 Wilbur Street Vacation – A request by 3-Tier Alaska on behalf of Fairbanks Montessori Assn., Inc. to vacate the westerly 50 foot wide portion of Wilbur Street adjacent to the eastern boundary of Lot 1, Tract H, ASLS 80-64, and add the 0.37 acre vacated area to create one new lot of 1.37 acres, within Sec 16, T1S R1W, FM (located on 30th Ave and Wilbur St).

Quakenbush gave the staff report; staff recommended approval of the vacation and replat of Wilbur Street with the following findings:

- The Mitchell Expressway was built after the dedication of Wilbur Street, thereby negating Wilbur's purpose as a collector.
- b) The Mitchell Expressway is a controlled access highway which prohibits any additional access.
- c) Wilbur Street is not constructed between Davis Rd and 30th Ave.
- d) Wilbur Street was vacated by similar conditions in South Davis Park in 2003 by VA 006-12.
- e) The adjoining property owners are the City of Fairbanks and the FNSB, both of which have no objection to vacating the area of Wilbur Street.
- f) Adjoining land also has adequate frontage onto 30th Ave, which is paved and maintained.
- g) There will be a 50' width remaining for Wilbur Street after the vacation that will be adequate for future access needs to adjoining properties.
- h) Vacating the 50' portion of Wilbur Street will not adversely affect alignment with North Van Horn Rd south of the intersection at 30th Ave.
- i) Peger Road and Lathrop Street provide adequate access onto the Mitchell Expressway without the need for using Wilbur Street.

Staff recommended preliminary approval of the replat with the following conditions:

- 1. Standard Flood Zone A note, base flood elevation, and temporary bench mark be shown on the final plat.
- 2. ADOT review and comment on the final plat.
- Standard utility notes be placed on the final plat, and GVEA, ACS and GCI review and comment on final plat utility easement provisions.

- 4. FNSB Zoning permit be submitted to verify the building addition will conform to zoning standards.
- 5. City of Fairbanks review and comment on the final plat.
- 6. Lot be designated as 1-A on the final plat.

Finding of fact: In addition to the findings for the replat/vacation approval, staff further recommended adoption of the following finding:

a) As conditioned, this replat/vacation meets the applicable requirements of Title 17.

Trefethen asked whether the City owned the property to the east and the Borough owned the property to the west and **Quakenbush** replied yes.

Kniffen questioned whether the Montessori school was a non-profit and if ownership was fee-simple and **Quakenbush** replied yes, adding that it was incorporated and agreed with **Kniffen's** assertion that the school was not a public entity or part of the school district.

A motion was made by Trefethen, seconded by Kniffen, to approve the replat and vacation of a portion of Wilbur Street with the six conditions and one finding of act, as recommended by staff.

Trefethen said that she did not foresee Wilbur Street ever being used.

Jantz said he did not see any issues with the application.

A roll call vote was taken on the motion by Trefethen, seconded by Kniffen, to approve the replat and vacation of a portion of Wilbur Street with the six conditions and one finding of act, as recommended by staff. Approval was unanimous.

APPROVED

2. SD 039-11 / RP 035-11 / VA 006-11 Tanana Clinic 1st Addn – A request by Stutzmann Engineering on behalf of the Greater Fairbanks Community Hospital Foundation to vacate that portion of 11th Avenue east of Noble Street and to replat Lots 1-8, Blk 119, Lot 1-A, Blk 120, portions of Lots 1 and 2, Blk 120, Lots 2-C-1-A, 2-C-1-B, and 2-C-1-C, Blk 120, Fairbanks Townsite, into four lots ranging in size from 22,865 square feet to 1.725 acres within the SE½ of Sec 10, T1S R1W, FM (located on 10th and 11th Avenues and Noble St).

Quakenbush gave the staff report. Staff recommended approval of the vacation of that portion of 11th Avenue lying east of Noble Street with the following findings:

- 1. All existing and proposed lots adjacent to this segment of 11th Avenue have access to other public streets.
- 2. This segment of 11th Avenue is currently being used as a common driveway for the two medical clinic buildings and is not providing primary access to any other parcels.
- 3. The only other lot with access to 11th Avenue is Lot 1, Tanana Clinic Subdivision. The apartment buildings on this lot use 10th Avenue for access. The owner has provided a letter of non-objection to the vacation.
- 4. Vacation of the street will allow for the redesign of parking areas and pedestrian access to the clinic buildings, which will improve public safety.
- 5. The Fairbanks Fire Department and City of Fairbanks have no objection to the vacation.

Staff recommended preliminary approval of the replat with the following conditions:

- Easements be reserved on the final plat within the vacated 11th Avenue right-of-way to cover all existing utilities, the storm drain catch basins and the street lights.
- Standard utility notes be placed on the final plat and GVEA review and comment on the final plat.
- 3. GHU and Aurora Energy review and comment on the final plat.
- GCI be given ten days to review and comment on the final plat utility easement provisions.
- Twenty foot radius corner rounding be reserved at the corner of 12th Avenue and Noble Street and the City of Fairbanks review and comment on the final plat.
- ACS review and comment on the final plat utility easement provisions.

Finding of fact: Staff further recommended adoption of the following finding:

With the conditions recommended by staff, this subdivision meets the applicable requirements of Title 17.

Kniffen asked about the provisions Dixon Apartments has for off-street tenant parking. Quakenbush replied there is parking along the sides; and the south lot is for Tanana Clinic employees. Kniffen asked about sufficient access for emergency vehicle when parking is full and Quakenbush replied that the majority of the parking takes place on the sides and there appears to be enough area for other vehicles to access.

Lanning said he was concerned about emergency vehicle access and asked whether the Fairbanks Fire Department had reviewed the plans. Quakenbush replied yes and their only comment was regarding relocation of a hydrant on 11th Avenue, and that would be done at the time the physical re-design of the facilities was done.

Jeremy Stark, Stutzmann Engineering, stated that the staff report summarized the purpose of the application, which will allow Tanana Clinic to make modifications and improve pedestrian and vehicle access on their medical campus. Stark said Fire Marshal Ernie Miscewicz reviewed the plans and confirmed there would be adequate access for fire trucks.

Klepaski asked for an explanation of an access shown on the conceptual TVC Parking Revision and Stark replied that it would be for dumpster access. Klepaski wanted to know about vehicular access for patients and Stark said that access for patients and staff would be off 10th and 12th Avenues. **Stark** added that further review would be done through the driveway process for the city and appropriate traffic analysis.

A motion was made by Trefethen, seconded by Kniffen, to approve the vacation of 11th Avenue lying east of Noble Street with the five findings of fact, as recommended by staff.

Trefethen said the street serves basically one property owner and she had no objection.

A roll call vote was taken on the motion by Trefethen, seconded by Kniffen, to approve the vacation of 11th Avenue lying east of Noble Street with the five findings of fact, as recommended by staff. Approval was unanimous.

APPROVED

A motion was made by Trefethen, seconded by Lanning, to approve the preliminary plat of Tanana Clinic 1st Addition with the six conditions, changing number six to ACS review and comment on the final plat utility easement provisions, and the one remaining finding of fact, which is noted as letter E, as recommended by staff. AGENDA PACKET - February 27, 2012

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A roll call vote was taken on the motion by Trefethen, seconded by Lanning, to approve the preliminary plat of Tanana Clinic 1st Addition with the six conditions, changing number six to ACS review and comment on the final plat utility easement provisions, and the one remaining finding of fact, which is noted as letter E, as recommended by staff. Approval was unanimous.

APPROVED

EXCUSE ABSENT MEMBERS

The absences of Pitney, Woster and Mendenhall were excused without objection.

COMMENTS

Citizens

None

Platting Staff

Quakenbush said the proposed Title 17 ordinance introduced by Assemblyman Dukes on January 26th had been referred to the Platting Board and Assembly Road Service Area Commission (ARSAC) for comment and recommendation to the Assembly. **Quakenbush** reported that the ARSAC voted 6-2 to approve the ordinance. **Quakenbush** noted three Assembly members serve on the RSAC. **Lanning** asked who the Assembly members are and **Quakenbush** replied Sattley, Howard and Dukes. **Quakenbush** suggested it would be beneficial for the Platting Board to have a work session to gain an understanding of the purpose for the ordinance, staff concerns and to provide input. **Quakenbush** noted the two items for review are the family exemption and road building exemption, adding that the deadline to refer to the Assembly is April 17th.

Lanning said he preferred to have a work session to discuss all items instead of piece-meal discussions and Quakenbush agreed.

Jantz advised he will be gone through the end of March and said a meeting could be set for early April. **Jantz** said there are real issues that need addressed and discussion could be held prior to a public hearing.

Trefethen added that her preference is to have an early April meeting, as there is a heavy schedule in March.

Discussion was made and it was agreed to hold a special meeting with a public hearing following. **Jantz** said to let the public hear what is being said by the board and then take comments.

Trefethen added that the public would get a lot from the Platting Board's discussion during a special meeting instead of a work session where the public is invited, but cannot participate.

Kniffen wanted to clarify the timeline for the Platting Board meeting with regard to the Assembly agenda. **Quakenbush** said agenda setting would be April 17th and the Platting Board deadline to provide comment would be April 16th. All board members present expected to be able to attend a meeting proposed for April 4th.

Action: The Platting secretary will secure a meeting place and date, and contact Platting Board members regarding their availability to attend.

Kniffen said she would likely be gone for the March meeting.

Lanning said he was confused about the need for revisiting Title 17 after spending 1½ to 2 years doing so. Quakenbush said that Assembly members have the authority to introduce ordinances at any time. She said this ordinance was introduced by an Assembly person at the Assembly level and referred down. Jantz added that Mayor Hopkins has elected to bring forth steering committee recommendations incrementally.

Klepaski said the presentation by **Bob Henszey** and **Mitch Osborne** of the US Fish & Wildlife Service was excellent and good information to know, especially during consideration of riverfront developments.

Board Members

Jantz thanked Trefethen for chairing the January meeting.

Jantz advised he will not attend the March meeting.

ADJOURNMENT

The meeting was adjourned at 6:56pm.

/b

Prepared 01-23-12 by

STAFF REPORT

FNSB PLATTING BOARD

February 15, 2012

~~~

Martin Gutoski Platting Officer Wilbur Street Vacation # VA 006-12 / RP 018-12

Applicant:

3-Tier Alaska

PO Box 71940

Fairbanks, AK 99707-1940

Surveyor:

3-Tier Alaska PO Box 71940

Fairbanks, AK 99707-1940

Owners/Subdividers:

Fairbanks Montessori Assn. Inc.

2014 30<sup>th</sup> Ave

Fairbanks, AK 99701

Specific Request/

Legal Description:

To vacate the westerly 50 foot wide portion of Wilbur Street adjacent to the eastern boundary of Lot 1, Tract H, ASLS 80-64, and add the 0.37 acre vacated area to create one new lot of 1.37 acres, within Sec 16,

T1S R1W, FM.

Location/Access:

30th Ave and Wilbur St.

**Existing Land Use:** 

Daycare facility (Montessori School)

**Current Zoning:** 

MFO - Multi-Family Residential/Professional Office

Minimum Lot Size: (SFR) 5,000 sf

Minimum Lot Size: (Duplex) 3,500 sf each unit Minimum Lot Size: (Multi-family) 1,500 sf each unit

Minimum Street Setback: 20 ft Minimum Side Yard Setback: 10 ft Minimum Rear Yard Setback: 20 ft

Comprehensive Plan:

Urban Area, Urban Boundary

Soils:

Salchaket Sandy Loam

Flood Zone:

Α

**Road Service Area:** 

City of Fairbanks

**History:** Plat #80-149 recorded August 22, 1980 created Tracts A through M of ASLS 80-64. This plat encompassed an area of approximately 600 acres bounded on the north by Eagan Avenue, on the south by 30<sup>th</sup> Avenue, on the east by Lathrop Street, and on the west by Peger Road. Plat #84-172 recorded August 17, 1984 replatted Tract H into two parcels. The dedication of the Mitchell Expressway resulted in the reconfiguration of Tracts I, J, K, and M per Plat #96-39 recorded on March 22, 1996. Plat #96-65 replatted Tract G into three tracts. A vacation of the portion of Wilbur St north of the Mitchell Expressway was approved for South Davis Subd (VA 013-02) Plat #2003-42 by the Platting Board because access onto the Mitchell was no longer practical.

**Specific Request/Analysis:** This application is to vacate the western half of the 100' wide right-of-way for Wilbur St adjacent to Lot 1, Tract H dedicated by the 1980 plat on a state land survey. The plat of ASLS 80-64 was a DNR survey to provide 12 large tracts for municipal entitlements. The City of Fairbanks, FNSB and State of Alaska retained the large tracts and have subsequently subdivided smaller tracts for sale or lease to private parties. The FNSB subdivided Tract H twice in 1984, the first of which created the parent parcel for this vacation (H-1) and the second adjacent lot (H 2-A). Both lots were sold by the FNSB to the Montessori School organization, but Lot 2A was subsequently sold in 2008 to another private non-profit.

**Flood Zone/Wetlands:** This property is within Flood Zone A. The standard Flood Zone A note, TBM, and BFE will be required to be shown on the final plat.

This property appears to be in a wetland area according to the Army Corps of Engineers Wetland Mapping. It is recommended that prior to beginning construction, the developer contact the Army Corps of Engineers for a wetland determination and permit, if required.

Soils Report: No soils report is required as this parcel is served by community sewer and water.

### **FNSB In-house Review:**

<u>Transportation Planner</u>: still hasn't been hired since Todd retired in May.

Street Addressing: has no objection.

Public Works Engineering / Rural Services: has no objection since the roads are City maintained.

Advanced Planning/Zoning: indicated it is not clear the building and shed meet the setbacks.

<u>Flood Plain Administrator</u>: remarked that the flood zone note is incorrect, standard Flood Zone A note, TBM and BFE will be required on the final plat.

<u>Trails</u>: has no objection.

Land Management: has no objection.

### Agency and Utility Review:

ACS: was sent a copy of the preliminary on Dec 19, 2011 and returned no comment.

<u>ADOT</u>: requests clarification for a note on the preliminary plat.

GCI: was sent a copy of the preliminary on Dec 19, 2011 and returned no comment.

<u>GVEA</u>: requests review of the final plat.

FNG: has no objections.

City of Fairbanks: has no objection to the vacation.

**Replat Analysis:** The replat consists of adding the vacated area of Wilbur Street into the lot. The 40' PUE within the road right-of-way will not be vacated. The purpose of acquiring the vacated area is to accommodate the additional off street parking for the building remodel that will require more spaces for staff and clients.

**Vacation Analysis:** The 1980 plat of ASLS 80-64 created the 12 tracts within Section 16 and dedicated right-of-way for Eagan Ave, 19<sup>th</sup> Ave, Davis Rd, 30<sup>th</sup> Ave, Peger Rd, Lathrop St, including the present alignment of Wilbur St. The Mitchell Expressway is a controlled access right-of-way, which means that Wilbur Street cannot be constructed to intersect with the expressway. When DOT planned for the Mitchell Expressway, they did not include any intersection at Wilbur Street because it was not built from Davis Rd to 30<sup>th</sup> Ave. There were adequate access points available onto the Mitchell Expressway a mile apart at Peger Rd and at Lathrop St. Wilbur Street was vacated north of the Mitchell Expressway to Davis Rd for South Davis Park because a connection was not practical

**Vacation Recommendation:** Staff recommends approval of the vacation of Wilbur Street because it meets the criteria of <u>17.40.030.E.1.</u> the area is no longer practical for the uses or purposes authorized.

Vacation Findings: Staff recommends adopting the following findings for vacation approval:

- a) The Mitchell Expressway was built after the dedication of Wilbur Street, thereby negating Wilbur's purpose as a collector.
- b) The Mitchell Expressway is a controlled access highway which prohibits any additional access.
- c) Wilbur Street is not constructed between Davis Rd and 30<sup>th</sup> Ave.
- d) Wilbur Street was vacated by similar conditions in South Davis Park in 2003 by VA 006-12.
- e) The adjoining property owners are the City of Fairbanks and the FNSB, both of which have no objection to vacating the area of Wilbur Street.
- f) Adjoining land also has adequate frontage onto 30<sup>th</sup> Ave, which is paved and maintained.
- g) There will be a 50' width remaining for Wilbur Street after the vacation that will be adequate for future access needs to adjoining properties.
- h) Vacating the 50' portion of Wilbur Street will not adversely affect alignment with North Van Horn Rd south of the intersection at 30<sup>th</sup> Ave.
- i) Peger Road and Lathrop Street provide adequate access onto the Mitchell Expressway without the need for using Wilbur Street.

**Recommendation:** Staff recommends preliminary approval of the replat and vacation, with the following conditions:

- Standard Flood Zone A note, base flood elevation, and temporary bench mark be shown on the final plat.
- 2. ADOT review and comment on the final plat.
- 3. Standard utility notes be placed on the final plat, and GVEA, ACS and GCI review and comment on final plat utility easement provisions.
- 4. FNSB Zoning permit be submitted to verify the building addition will conform to zoning standards.
- 5. City of Fairbanks review and comment on the final plat.
- 6. Lot be designated as 1-A on the final plat.

**Finding of fact:** In addition to the findings for the vacation approval, staff further recommends adoption of the following finding:

This replat meets the applicable requirements of Title 17.

### **Recommended Motion:**

I move to approve the replat and vacation of a portion of Wilbur Street with the six conditions and one finding of fact, as recommended by staff.

/b1

| _ |           |                    |          |        |                |
|---|-----------|--------------------|----------|--------|----------------|
| 6 | DPOs sent | 6 Parcels notified | Opposed: | Favor: | Undeliverable: |

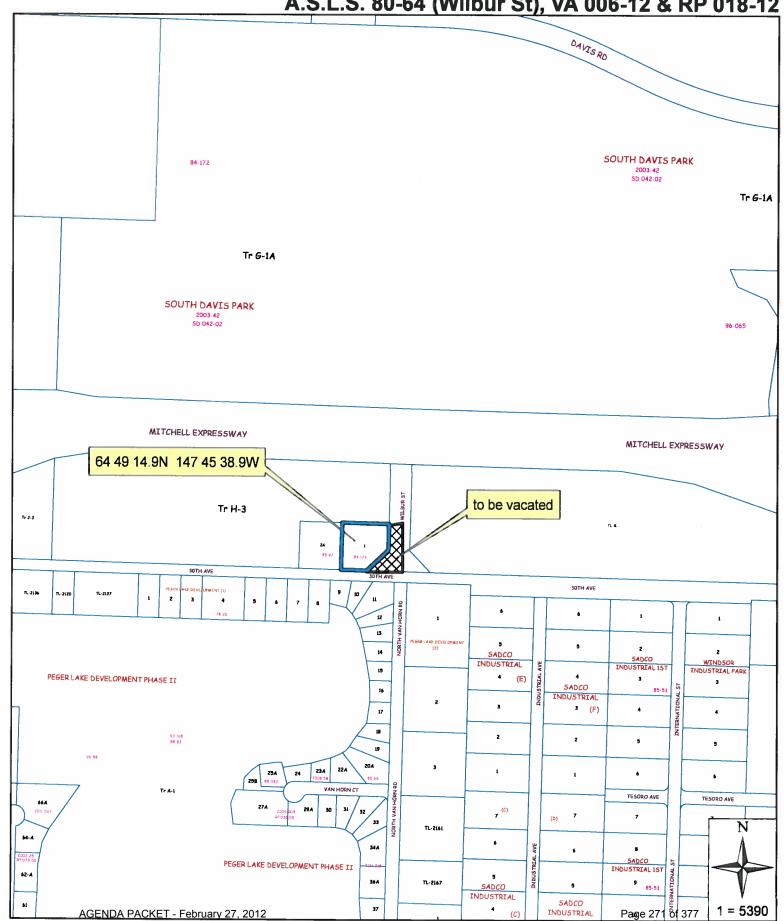


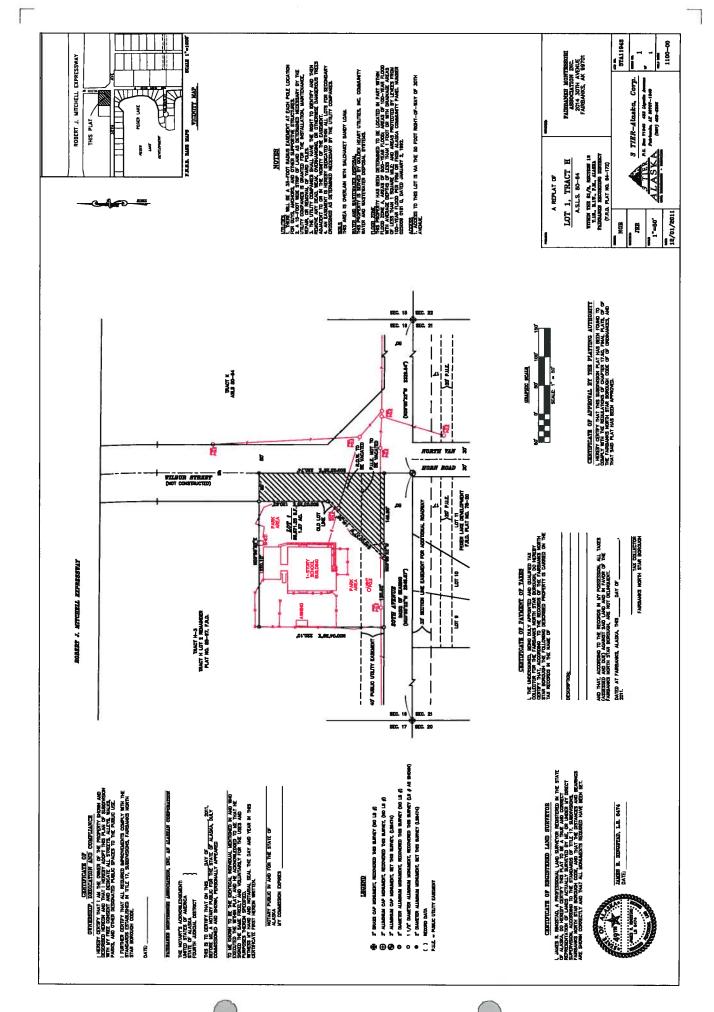
# **FNSB Dept. Of Community Planning**

**Printed on: Jan 26, 2012** 

**Platting Board** 

A.S.L.S. 80-64 (Wilbur St), VA 006-12 & RP 018-12



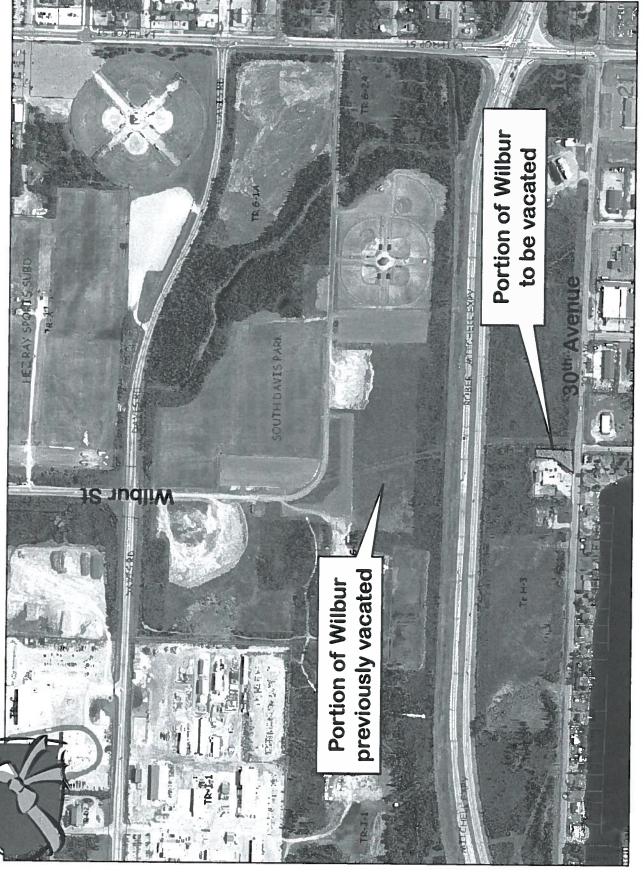


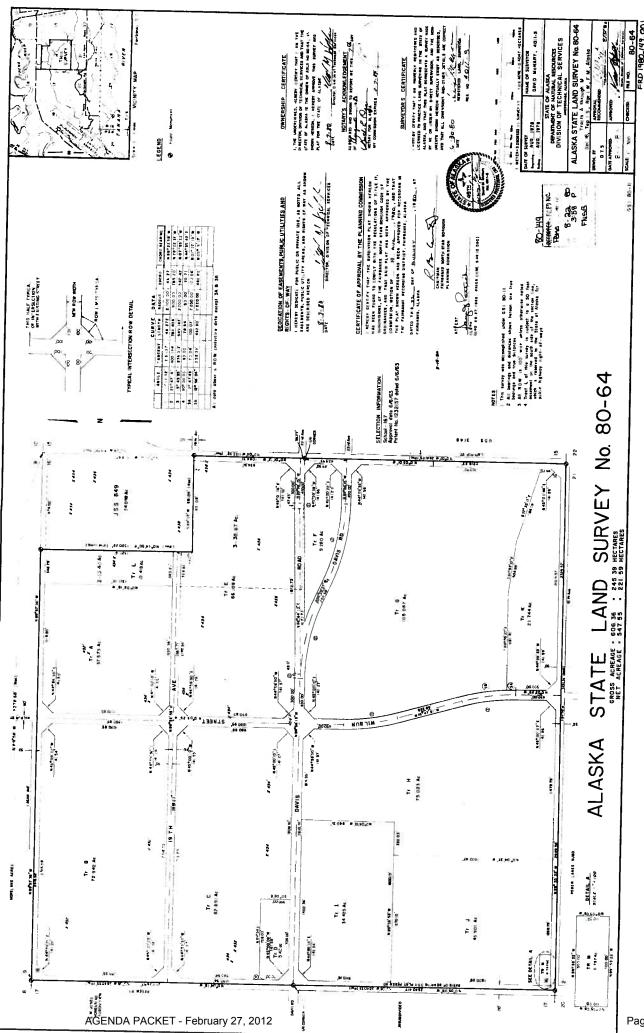
# **Proposed Expansion**

# **Aerial**

PB 2-15-2012

VA 006-12 & RP 018-12





CORP

# PRELIMINARY PLATTING APPLICATION

| NOTE: An informal pre-application conference by appointment with FNSB staff prior to the submittal of this application is encouraged.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Applicant: FAIRBANKS MONTESSORI ASSOCIATION, INC 3-TER ALASKA, W                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| Mailing Address: 2014 30th EVENUE, FAIR BADKS, AK 99701                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| Phone: wk 907-456-5895 hm FAX 907-456-3176 e-mail JRR & 3176RALASKA-LO                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| Surveyor: 3- MER ALASKA, CORP.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| PROPERTY INFORMATION  Legal description of property involved in this request (as shown on attached title report)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| LOT 1, TRACE H, A.S. L.S. 80-64                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| Please include Sec 10 T 1. S. R 1. W.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| Existing Zone: MPO Road Service Area: CITY OF FAIKEANKS                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| Total Acreage: 1.37 No. of Lots Resulting: Size of each lot: 1.37 AC.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| Describe the proposed change: TO ACQUINE THE UNCONSTRUCTED, WESTERLY  PORT WAS OF WILLSER ST, DUE EAST OF CURRENT LOT !                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| That H, A.S.L.S. 80-64                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| Proposed name [non-duplicate] for new subdivision/waiver: LOT IA, TRACE H, A.S.L.S.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| Pr - 144                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| FOR VACATION, COMPLETE THIS SECTION ALSO                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| Legal description of area to be vacated: THAT PORTION WEST OF WILBUR ST.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| Legal description of area to be vacated: THAT PORTION WEST OF WILBUR ST.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| Legal description of area to be vacated: THAT PORTION WEST OF WILBUR ST.  ADTACEST TO LOT I, TRACK H, A.S. U.S. 80-44  X Dedicated public right-of-waystreet name                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| Legal description of area to be vacated: THAT PORTION WEST OF WILBUR ST.  ADTACEST TO LOT I, TRACK H, A.S. U.S. 80-44  \[ \text{ Dedicated public right-of-waystreet name WIBUR ST.}  Section line easementwidth of easement Park or public area Trail easementwidth Designation in FNSB Comprehensive Trail Plan  The Platting Board deems the area for which vacation is requested to be of value to the public. The applicant                                                                                                                                                                                                                                                                                                                                                                 |
| Legal description of area to be vacated: THAT PORTION WEST OF WILBUR ST.  ADTACEST TO LOT 1, TRACK H, A.S. U.S. 80-U4  \[ \text{ Dedicated public right-of-waystreet name}  \text{ WLBUR ST.} \\  \text{ Section line easementwidth of easement}   \text{ Park or public area}   \text{ Trail easementwidth}  \text{ Designation in FNSB Comprehensive Trail Plan} \]  The Platting Board deems the area for which vacation is requested to be of value to the public. The applicant must show that the area proposed for vacation is no longer practical for the uses or purposes authorized or that                                                                                                                                                                                            |
| Legal description of area to be vacated: That PORTION WEST OF WILBUR ST.  ADTACEST TO LOT I, TRACK H. A.S. L.S. 80-44   X Dedicated public right-of-way—street name Wilbur ST.  Section line easement—width of easement — Park or public area — Trail easement—width — Designation in FNSB Comprehensive Trail Plan — The Platting Board deems the area for which vacation is requested to be of value to the public. The applicant must show that the area proposed for vacation is no longer practical for the uses or purposes authorized or that other provisions have been made which are more beneficial to the public.                                                                                                                                                                    |
| Legal description of area to be vacated: THAK PORKING WEST OF WILBUR ST.  ADTACEST TO LOT 1, TRACK H., A.S. L.S. 80-64  X Dedicated public right-of-way—street name                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| Legal description of area to be vacated: THAT PORTION WEST OF WILBUR ST.  ADTACENT TO LOT 1, TRACK H, A.S. U.S. 80-44  X Dedicated public right-of-waystreet name WILBUR ST.  Section line easementwidth of easement Park or public area  Trail easementwidth Designation in FNSB Comprehensive Trail Plan  The Platting Board deems the area for which vacation is requested to be of value to the public. The applicant must show that the area proposed for vacation is no longer practical for the uses or purposes authorized or that other provisions have been made which are more beneficial to the public.  Justification for requested vacation (attach separate page if necessary): THERE IS NO                                                                                       |
| Legal description of area to be vacated: THAT PORTION WEST OF WILBUR ST.  ADTACENT TO LOT I, TRACK H, A.S. L.S. 80-44  X Dedicated public right-of-way—street name                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| Legal description of area to be vacated: THAT PORTION WEST OF WILBUR ST.  ACTACEST TO LOT 1, TRACK H., A.S. L.S. 80-64  X Dedicated public right-of-waystreet name                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| Legal description of area to be vacated: That PORTION WEST OF WILBUR ST.  ADTACEST TO LOT 1, TRACK H, A.S. L.S. 80-64  X Dedicated public right-of-waystreet name Wilbur ST.  Section line easementwidth of easement Park or public area Trail easementwidth Designation in FNSB Comprehensive Trail Plan Platting Board deems the area for which vacation is requested to be of value to the public. The applicant must show that the area proposed for vacation is no longer practical for the uses or purposes authorized or that other provisions have been made which are more beneficial to the public.  Justification for requested vacation (attach separate page if necessary): There is no construct that Pontion of Wilbur ST ADTACEST TO LOT 1, THACK H, ASU 80-64 FROM 30 F AVENUE. |
| Legal description of area to be vacated: THAT PORTION WEST OF WILBUR ST.  ACTACEST TO LOT 1, TRACK H., A.S. L.S. 80-64  X Dedicated public right-of-waystreet name                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |

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Sponsored by: Mayor Cleworth

Finance Committee: January 31, 2012 Introduced: February 06, 2012

#### ORDINANCE NO. 5875

# AN ORDINANCE AMENDING CHAPTER 86 VEHICLES FOR HIRE CHAUFFEUR REQUIREMENTS

WHEREAS, the City seeks to streamline the issuance of chauffeur licenses and provide a onestop-shop for applicants eliminating the need for applicants to go to the State Division of Motor Vehicles and Alaska State Troopers Offices for required reports; and

**WHEREAS**, online criminal background checks are now available which provide instant results and a more thorough nationwide criminal history search; and

**WHEREAS**, the current character references requirement has proven to be problematic, has not proven to be a good measure of an applicant's character, and has not achieved its intended purpose; and

WHEREAS, the proposed changes make it more affordable and convenient for renewal applicants who are already seasoned career drivers who have proven their safety and driving capabilities; and

**WHEREAS**, the proposed changes will streamline the application process, will provide instant results for applicants, and will be less costly for the majority of applicants,

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

**SECTION 1**. Fairbanks General Code Chapter 86 Vehicles for Hire is amended as follows (new text in **underlined bold** font, deleted text in **strikeout** font):

### Sec. 86-76. - Chauffeur's license required.

- (a) No person shall operate a commercial passenger transport vehicle upon the streets of the city until the person has been issued and thereafter holds in effect a chauffeur's license granted by the city.
- (b) Any person operating or driving a vehicle in violation of subsection (a) of this section shall be deemed guilty of a misdemeanor and upon conviction of such offense by a court shall be subject to punishment as prescribed in FGC Section 1-15(a).

### Sec. 86-77. - Application for chauffeur's license.

<u>(a)</u> All applications for issuance or renewal of a chauffeur's license shall be made upon forms provided for this purpose by the city clerk, and the applications shall be submitted to the city clerk for review. The applicant shall also submit a current criminal history report obtained from the state department of public safety if a state resident or, if not, a current record obtained from the state of

residency, and a current driving record. The requirements to be fulfilled prior to issuance of a chauffeur's license shall be as follows:

- (1) The applicant must be 21 years of age or older and furnish proof if requested.
- (2) The applicant must be able to read, write and speak the English language.
- (3) The applicant must be in possession of a current Alaska State Driver's License.
- (4) The applicant must not have had a conviction within 24 months of:
  - a. A moving traffic violation which results in suspension or revocation of the applicant's driver's license pursuant to AS 28.15.221 through 28.15.261;
  - b. Reckless or negligent driving;
  - c. Driving while license is limited, suspended or revoked;
- (5) The applicant must not have had his driver's license suspended or revoked within two years prior to the application date.
- (6) Except as otherwise provided in this subsection, the applicant must not have had a felony conviction within eight years or a misdemeanor conviction within four years of:
  - a. Prostitution or promotion of prostitution;
  - b. Any offense under AS Title 11, Chapter 71 Controlled Substances.
  - c. Any felony or misdemeanor which includes as an element the use or threat of force upon a person;
  - d. Burglary, felony larceny, fraud or embezzlement;
  - e. Any sexual offense;
  - f. Any homicide or assault involving operation of a motor vehicle;
  - g. Two separate felony convictions of any type;
  - h. Operation or driving a vehicle while intoxicated within five years or within eight years for a felony conviction;
  - i. Refusal to submit to a chemical test as defined in AS 28.35.032 within five years or within eight years for a felony conviction.
- (7) The applicant must not be addicted to the use of intoxicants or narcotics.
- (8) The applicant must be of good moral character and repute, to be evidenced by two affidavits of respectable citizens who personally know the applicant.
- (9) The applicant must not be a sex offender or kidnapper subject to the registration requirements of AS Title 12, Chapter 63.
- (b) The City Clerk's Office shall procure an online criminal history report for each applicant, the cost of which will be included in the Chauffeur License application fee in the City Schedule of Fees and Charges for Services.

### **Sec. 86-79. - Residency.**

An applicant for a chauffeur's license must have resided within the Fairbanks North Star Borough for a minimum of 30 days immediately prior to application. This residence requirement may be waived by the city clerk if the applicant has had a Fairbanks chauffeur's license within the last five years.

Sec. 86-80. - Reserved.

### Sec. 86-81. - Chauffeur's training required.

Within 24 months of issuance of a city chauffeur's license, each driver shall:

- (1) Attend a defensive driving school and furnish a copy of the certificate of completion to the city clerk.
- (2) If the city clerk does not receive the certificate described in subsection (1) by the end of the 24-month period, the license shall not be renewed.

Paul J. Ewers, City Attorney

| SECTION 2.                            | That the effective date of this Ordinance shall be the day of February 20 | 012. |
|---------------------------------------|---------------------------------------------------------------------------|------|
|                                       | Jerry Cleworth, City Mayor                                                |      |
| AYES:<br>NAYS:<br>ABSENT:<br>ADOPTED: |                                                                           |      |
| ATTEST:                               | APPROVED AS TO FORM:                                                      |      |

Janey Hovenden, CMC, City Clerk

### **DMV Approved Defensive Driving Courses**

All courses mentioned below are DMV approved courses, allowing for a two point reduction in the individual's drivers license point accumulation total. If you would like to request defensive driving in lieu of the points on an open citation, you must FIRST go to the City Clerk's Office and fill out a Defensive Driving Request Form.

| INTERNET COL            | Certificate to<br>Student | Notify DMV      |     |       |
|-------------------------|---------------------------|-----------------|-----|-------|
| Website                 | Phone                     |                 |     |       |
| AARP.org/drive (50yr +) | (888) 227-7669            | Yes             | No  | 19.95 |
| AlaskaDriver.com        | (888) 714-7425            | Yes             | Yes | 39.99 |
| DrivingUniversity.com   | (877) 937-4846            | Yes             | Yes | 30.00 |
| idrivesafely.com        | (800) 723-1955            | Yes             | No  | 39.95 |
| TrafficSchoolOnline.com | (800) 800-3579            | Unofficial Copy | Yes | 29.95 |
| GoToTrafficSchool.com   | (888) 329-7069            | Yes             | Yes | 26.95 |

| CLASSROOM COURSES  (All classroom courses provide certificate to student and notify DMV) |            |              |                |  |
|------------------------------------------------------------------------------------------|------------|--------------|----------------|--|
| Alaska Peace Officers Association (9                                                     |            |              | (907) 455-8335 |  |
| Jan. 2 & 3                                                                               | Apr. 2 & 3 | Jul. 2 & 3   | Oct. 1 & 2     |  |
| Feb. 6 & 7                                                                               | May 7 & 8  | Aug. 6 & 7   | Nov. 5 & 6     |  |
| Mar. 5& 6                                                                                | Jun. 4 & 5 | Sep. 10 & 11 | Dec. 3 & 4     |  |
| Cherokee Riders                                                                          |            |              | (907) 455-0010 |  |
| Jan. 7                                                                                   | Apr. 3     | Jul. 10      | Oct. 6         |  |
| Feb. 11                                                                                  | May. 8     | Aug. 14      | Nov. 10        |  |
| Mar. 10                                                                                  | Jun. 29    | Sep. 4       | Dec. 8         |  |
| AARP (888) 227-7669                                                                      |            |              | (888) 227-7669 |  |
| Call for schedule and availability                                                       |            |              |                |  |

## PROPOSAL FOR A ONE-STOP-SHOP FOR CHAUFFEUR LICENSE APPLICANTS

**NOTARIZED STATEMENTS**: Inconvenient for applicant and very time-consuming. Recent residents do not know people who can vouch for their good character. It has been observed many times that applicants and renewals resort to paying other driver's to stop by and sign on their behalf for a fee. References seldom even read what they are signing.

**Recommendation**: Discontinue. Their statement states that they are of good moral character.

**8 YEAR LOOK-BACK CRIMINAL HISTORY REPORT(S)** – All applicants must obtain their criminal history from the Alaska State Troopers (\$20.00). If the applicant is not dishonest this will fulfill their criminal history report requirement.

If the applicant has resided in another state within the past 8 years, they must also contact their state(s) of residency and request their criminal history report from a governmental agency. This delays issuance until required documents are received. The fees from different states vary and we usually are not informed of their costs. As other states become more electronically responsive, they want to email the results to the applicant (sometimes that is the only way they will respond) which calls into question their legitimacy. Some states (California) will outright deny issuance of criminal history reports for licensure requirements.

**Recommendation**: The agency used by AML/JIA's police investigator for background checks of potential police officers is "Criminal Background Checks (CBC)".

We can electronically search 46 state court records (excludes: DE, MA, SD and WY) The following is a description of the National Criminal Background Check:

The national criminal background check is an instant search that is the fastest most broadest way to investigate someone's criminal history within the United States. Our national criminal background checks search for criminal court records, county court records, correctional facility records, sex offender and most wanted criminal records. National criminal background reports show correctional facility records on current and historical inmates, court records, current and historical felony convictions, misdemeanor offenses and some traffic offenses and/or infractions.

- Search results include felony, misdemeanor, some traffic records and some infractions
- The national criminal background check only returns convictions, NOT arrest records
- The national criminal background check only includes sex offender data and limited other criminal data for some states. In order to keep this search instant, most criminal records from DE, MA, SD and WY are not included.

Like all our other criminal background checks, our national criminal background check comes with a <u>free National Sex</u> Offender Check and a free America's Most Wanted Criminals List Search.

This provides instant results. Applicant would not have to drive anywhere and would not have to pay \$20.00 for their Alaska criminal history. This would eliminate any concerns about other states of residency or other states where criminal convictions might exist.

The report would not contain arrest records that did not result in convictions. Also it would not include information for 4 states listed above which would require the applicant to obtain the information as they do now. The report would include the DUI and DWSOL records because there is a criminal element to the offenses.

**5 YEAR LOOK-BACK DRIVING RECORD(S)** – All applicants must obtain their driving record from the State DMV (same building as AST) (\$10.00)

If the applicant has resided in another state within the past 5 years, they must also contact their state(s) of residency and request their driving record from a governmental agency. This delays issuance until required documents are received. The fees from different states vary and we usually are not informed of their costs.

The national criminal history described above would capture the following offenses that would prevent a license under the current code: 1) A moving violation which resulted in the suspension or revocation of the applicant's license. 2) Reckless or negligent driving, and 3) Driving while license is limited. suspended, or revoked. (See email from Paul Ewers stating Reckless Driving and Driving while license is limited, suspended or revoked is a misdemeanor and would appear on criminal history. However a "point system" suspension would not.) In my history, there has been only one denial for all of these offenses and the Council granted the applicant's appeal.

Currently the CBC provides driving records for individual states only for an additional \$24.95 per state. It appears that the State of Alaska DMV does not share its information electronically yet so CBC requires 7 days to complete.

**Recommendation:** For a one stop shop and to be more cost effective for the applicant, we would need to 1) rely solely on the criminal history for this type of offense, 2) eliminate these offenses that prevent a license, or continue to send them to DMV for their records or out of state if needed.

LOOKUP ON ALASKA SEX OFFENDER'S REGISTRY - The Clerk does a search by name on the State's Sex Offender's Registry online and prints the results.

**Recommendation**: The CBC includes the nationwide Sex Offender's Registry for free automatically.

**DEFENSIVE DRIVING CERTIFICATE (RENEWALS ONLY)** – This is inconvenient for the applicant, benefits the cab companies ONLY by saving money on their insurance costs, it adds anywhere from \$20.00 to \$40.00 plus a \$10.00 Test Fee (Depending on agency), and hurts the career cab driver who has already been driving cab for at least two years and has already proven his/her safety and driving capabilities. The ones who should take it, if at all, are the new drivers.

**Recommendation**: Eliminate this requirement.

### NEW PROCESS / CHANGES PROPOSED:

Eliminate: 2 notarized statements by character references

Defensive Driving Requirement

Fees. Increase the application fee to \$75.00 to cover the cost of the online criminal Increase: history report and charge it regardless of new or renewing applicants.

ADVANTAGES OF PROPOSED RECOMMENDATION:. This provides instant results. Checks criminal history nationwide and provides a one-stop-shop. These combined changes will result in a cost savings to the majority of applicants. A very few may pay a few extra dollars, but the convenience highly outweighs the small increase.

### REQUIRED PROCESS COMPARISONS:

### **CURRENT**

- Completed Application
- Notarized statements by two Character References
- Copy of AK Driver's License (except Military and Dependents)
- 8 year Criminal History Report(s) by Governmental Agency 5 year look-back Driving Record(s) by Governmental Agency
- Lookup on Alaska Sex Offender's Registry
- RENEWALS ONLY Defensive Driving Certificate \$30 \$50.00
- Application Fee \$25.00
- Biennial License Fee \$100.00

### PROPOSED

- Complete Application
- Copy of AK Driver's License (except Military and Dependents)
- Sign release to do a National Criminal History Search
- Application Fee \$75.00 (To cover cost of CBC Lookup)
- Biennial License Fee \$100.00

### Janey J. Hovenden

From: Paul J. Ewers

Sent: Wednesday, January 25, 2012 12:15 PM

To: Janey J. Hovenden Subject: Chauffeur's ordinance

Attachments: Ordinance \_\_\_\_\_ Chauffeur License paul ver.doc

Hi Janey,

Attached are my suggestions. Please note that this is a new document that I saved on my desktop. I tried to take your document and do highlighting, strike out, etc., but it was too confusing. You will find:

- 1. Took out the italic in the heading "CHAUFFEUR REQUIREMENTS" (unless you wanted that)
- 2. Big rewrites for the whereases
- 3. Corrected the format for Sec. 86-76 (no indentation for text with (a)'s and (b)'s)
- 4. Sec. 86-77: made the first part (a) and added an new (b) which includes the language about the Clerk running criminal history reports

One question about the adjustment in the fees – will a renewal applicant be required to pay for a full background check?

Paul J. Ewers City Attorney City of Fairbanks 800 Cushman Street Fairbanks, Alaska 99701 (907) 459-6750 (907) 459-6761 (fax)

### **CURRENT CITY FEES**

### PROPOSED CITY FEES

| Application Fee (1 time)          | \$ 25.00 | Application Fee (Each time)       | \$ 75.00 |
|-----------------------------------|----------|-----------------------------------|----------|
| Chauffeur License (New & Renewal) | \$100.00 | Chauffeur License (New & Renewal) | \$100.00 |

### Current out of pocket fees paid by applicant:

| Criminal History (Alaska only)<br>(Additional Fees for Additional States) | \$ 20.00 | Paid to State AST              |
|---------------------------------------------------------------------------|----------|--------------------------------|
| Driving Record (Alaska only (Additional Fees for Additional States)       | \$ 10.00 | Paid to State DMV              |
| Defensive Driving (1 <sup>st</sup> Renewal Only)                          | \$ 50.00 | Paid to DD Course Organization |
| Application Fee (New Applicant Only)                                      | \$ 25.00 | City of Fairbanks              |
| License (2 year)                                                          | \$100.00 | City of Fairbanks              |

This will work and can be expanded to other occupational licenses.





### Criminal Background Records

www.CriminalBackgroundRecords.com



SAMPLE CRIMINAL RECORD

EMPLOYMENT SCREENING

--- select a state

January News Workplace Violence Preventative **Measures** 

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SEARCH CRIMINAL BACKGROUNDS

YOUR ORDER LOOKUP

TENANT SCREENING

### **National Criminal Background Checks**

### Instant Nationwide Criminal Background Check

(Order a national background check now for \$59.95)

| National Criminal Background Check:                                                 |         |  |  |
|-------------------------------------------------------------------------------------|---------|--|--|
| Turnaround Time: Instant (may take up to a minute if a lot of records are returned) |         |  |  |
| Cost:                                                                               | \$59.95 |  |  |
| Other costs/surcharges:                                                             | NONE    |  |  |
| Coverage: USA                                                                       |         |  |  |

### **Description of National Criminal History Search:**

The national criminal background check is an instant search that is the fastest most broadest way to investigate someone's criminal history within the United States. Our national criminal background checks search for criminal court records, county court records, correctional facility records, sex offender and most wanted criminal records. National criminal background reports show correctional facility records on current and historical inmates, court records, current and historical felony convictions, misdemeanor offenses and some traffic offenses and/or infractions.

- Search results include felony, misdemeanor, some traffic records and some infractions
- The national criminal background check only returns convictions, NOT arrest records
- The national criminal background check only includes sex offender data and limited other criminal data for some states. In order to keep this search instant, most criminal records from DE, MA, SD and WY are not included.

Like all our other criminal background checks, our national criminal background check comes with a free National Sex Offender Check and a free America's Most Wanted Criminals List Search.

### Descriptions of Free Searches performed with every National Background Check:

Free National Sex Offender Registry Check - This is a full national sex offender search covering all 50 US States. If a match is made the sex offender record results will usually show photos of the person including mug shots. This search also includes the following:

- National Sex Offender Registry provided by the United States Department of Justice (DOJ)
- High-Risk Sex Offenders All 50 US States
- Sexual Predators Sexually violent offenders and persons obtaining or seeking non-consensual sexual contact with another person and/or has committed sex crimes, such as rape or child sexual abuse.
- Dept of Corrections Convicted Sex Offenders who were under the supervision of the DOC
- Crimes Against Children Kidnapping, felonious restraint and/or child abuse. People convicted of, found guilty of or plead guilty to committing or attempting to commit sexual offenses and other crimes against children.

Free US Most Wanted Criminal List Search - Includes separate searches from the FBI, Department of Public Safety, America's most wanted criminals and US Marshals most wanted criminals list.

REMEMBER: Detailed information regarding what each statewide search within the national background check covers is listed on our individual state pages. You can visit any of our state pages to learn what you should expect from your search results from each state. The national criminal background check performs individual state criminal background checks all at once in one comprehensive national criminal search.

### Instant National Criminal Background Check includes all of the following 46 states

Alabama National Criminal Background Check Alaska National Criminal Background Check Arizona National Criminal Background Check Arkansas National Criminal Background Check \*California National Criminal Background Check Colorado National Criminal Background Check Connecticut National Criminal Background Check Florida National Criminal Background Check Georgia National Criminal Background Check Hawaii National Criminal Background Check daho National Criminal Background Check Illinois National Criminal Background Check Indiana National Criminal Background Check Iowa National Criminal Background Check Kansas National Criminal Background Check Kentucky National Criminal Background Check Louisiana National Criminal Background Check Maine National Criminal Background Check Maryland National Criminal Background Check Michigan National Criminal Background Check Minnesota National Criminal Background Check Mississippi National Criminal Background Check

Nebraska National Criminal Background Check Nevada National Criminal Background Check New Hampshire National Criminal Background Check New Jersey National Criminal Background Check New Mexico National Criminal Background Check New York National Criminal Background Check North Carolina National Criminal Background Check North Dakota National Criminal Background Check Ohio National Criminal Background Check Oklahoma National Criminal Background Check Oregon National Criminal Background Check Pennsylvania National Criminal Background Check Rhode Island National Criminal Background Check South Carolina National Criminal Background Check Tennessee National Criminal Background Check Texas National Criminal Background Check Utah National Criminal Background Check Vermont National Criminal Background Check Virginia National Criminal Background Check Washington National Criminal Background Check Washington DC National Criminal Background Check

#### Instant Background Checks

- State Background Checks
- ■3-State Background Check
- National Background Check

### Non-Instant Background Check

- County Background Checks
- Federal Search
- SSN Validation & **Address History Trace**
- Driving Records
- Professional Verifications







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### THIS IS ONLY A SAMPLE CRIMINAL BACKGROUND RECORD SEARCH



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### **PERSON INVESTIGATED**

John Doe **Order Number:** 3215892 Date of Birth: 02/04/1965 Order Date: 1/31/2012 SS#: Member: 8285995 012-34-5678

States Searched: Texas & California (multi-county)

Please verify that the following record(s) are indeed the person you are investigating. If the details in the record(s) below do not match those of the subject you are investigating, then there are No Records Found based on the search criteria you

|      |            | OFFENSE PROFILE FOR JOHN DOE |
|------|------------|------------------------------|
| DOB: | 02/04/1965 | Gender: Male                 |

Alias: White Johnny Dough, Jon Doe Race: SSN: Eves: Brown Address: 715 Main Street Hair: Black

City: Dallas 5 ft. 9 in. Height: State: Weight: 213 lbs. TΧ Zip Code: 75252

### **OFFENSE INFORMATION**

Admitted Date: Status: **INMATE** 12/01/1996

Search Type: Texas Dallas Criminal Prison/Probation Agency: TX DEPT CORRECTION

County: Dallas Code: N/A StateID: 23990004 Phone: N/A Financial: Unknown Parole Date: 12/01/2005 **Prison Release Date:** Unknown

### **COURT RECORD**

#### PLACE & TYPE OF OFFENSE CUSTODY & CASE INFORMATION

Offense: MALICIOUS CAUSE BOD INJ F-99546097 Case Number: Offense Type: **FELONY** Count Number: N/A Offense Date: 08/20/1996 Sentenced Date: 09/25/1996

Offense Code: 18.2-51 Incarceration: State Prison Facility

Disposition: CONVICTION Probation: N/A Earliest Release Date: 12/01/2004 Disposition Date: 09/25/1996 Disposition Code: 310 Max Release Date: 12/01/2010

Court: 195TH DISTRICT COURT DALLAS Release Date: N/A Statute: 14-111 Suspended: N/A Special Provisions: Unknown County: Dallas

JAIL / PROBATION DATA ADDITIONAL INFORMATION

Admission Date: 12/01/1996 Status: **ACTIVE** 

Verdict Code: **Dallas Police Department** GU

Agency: Verdict Description: GUILTY Court Fine: \$0

Agency Code: TX227015G Community Service: N/A Arrest Date: 08/20/1996

Arrest Agency: Dallas PD

Plead: Offender Plead Guilty Time:

Please send questions or inquires regarding this order (including order number) to: service@CriminalBackgroundRecords.com

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1/31/2012

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- End of Record -

### THIS IS ONLY A SAMPLE CRIMINAL BACKGROUND RECORD SEARCH

1/31/2012

Introduced by: Mayor Cleworth Introduced: February 27, 2012

### **RESOLUTION NO. 4513**

# A RESOLUTION AMENDING THE CITY SCHEDULE OF FEES AND CHARGES FOR SERVICE, ADJUSTING COSTS TO CONDUCT CRIMINAL HISTORY CHECKS FOR CHAUFFEURS APPLICANTS

**WHEREAS,** the City *Schedule of Fees and Charges for Services* was enacted in 2008 by Ordinance No. 5744 and has been amended by resolution on several occasions since that time; and

**WHEREAS,** the Council passed Ordinance No. 5875, which amended the process for criminal history reports for Chauffeur License applicants and allowed for an increase to pay the cost of the new process, while eliminating other costs to applicants.

**NOW, THEREFORE, BE IT RESOLVED** by the City Council to approve the attached amended version of the *Schedule of Fees and Charges for Services* to amend the fee for a Chauffeur's License.

day of February 2012

PASSED and APPROVED this

| TAGED and ALTROVED and                 | _ day 011 coldary 2012.      |
|----------------------------------------|------------------------------|
|                                        | JERRY CLEWORTH, MAYOR        |
| AYES:<br>NAYS:<br>ABSENT:<br>APPROVED: |                              |
| ATTEST:                                | APPROVED AS TO FORM:         |
| JANEY HOVENDEN, CMC, City Clerk        | PAUL J. EWERS, City Attorney |

|                                           |           | City of Fairba                       | ank  | s Fee Sc   | hedule             | )     |                                                          |  |  |  |
|-------------------------------------------|-----------|--------------------------------------|------|------------|--------------------|-------|----------------------------------------------------------|--|--|--|
| Resolution 4513 - Effective February 2012 |           |                                      |      |            |                    |       |                                                          |  |  |  |
| Category                                  | Code Sec. | Topic                                |      | ırrent Fee | Resolution<br>4513 |       | Unit                                                     |  |  |  |
|                                           | 14-123    | Private Detective                    |      | 100.00     |                    |       | One time Application; non-refundable                     |  |  |  |
|                                           | 14-129    |                                      |      | 400.00     |                    |       | Two Year License                                         |  |  |  |
|                                           | 14-131    |                                      |      | 10,000.00  |                    |       | Bond                                                     |  |  |  |
|                                           |           |                                      | \$ 2 | 20,000.00  |                    |       | Out of state not registered in at least two other states |  |  |  |
|                                           | 14-256    | Massage Practitioner                 |      | 100.00     |                    |       | One time Application; non refundable; ea pers            |  |  |  |
|                                           |           |                                      |      | 200.00     |                    |       | 2 year license - each person                             |  |  |  |
|                                           | 14-294    | Plumber/mechanical Contractor        |      |            |                    |       |                                                          |  |  |  |
|                                           |           | Master Plumber                       | \$   | 200.00     |                    |       | Non refundable application & Exam Fee                    |  |  |  |
|                                           |           |                                      | \$   | 200.00     |                    |       | 3 year license - each applicant                          |  |  |  |
|                                           |           | Journeymen                           | \$   | 100.00     |                    |       | Non refundable application & Exam Fee                    |  |  |  |
| Occupational                              |           | •                                    | \$   | 200.00     |                    |       | 3 year license - each applicant                          |  |  |  |
|                                           | 14-433    | Master Operator's License            | \$   | 250.00     |                    |       | 2 Year license - entity                                  |  |  |  |
|                                           | 14-361    | Commercial Refuse                    | \$   | 2,000.00   |                    |       | 2 Year license - entity                                  |  |  |  |
|                                           |           | Gaming Establishment                 | \$   | 100.00     |                    |       | One time Application; non refundable, entity &           |  |  |  |
|                                           | 14-502    |                                      | Ψ    | 100.00     |                    |       | each employee or agent                                   |  |  |  |
|                                           |           |                                      | \$   | 2,000.00   |                    |       | Two year license                                         |  |  |  |
|                                           | 86-51     |                                      | \$   | 100.00     |                    |       | One time Application; non refundable                     |  |  |  |
|                                           |           | Commercial Transport Vehicle Company | \$   | 400.00     |                    |       | Two year license fee - entity                            |  |  |  |
|                                           |           | Commercial Transport Vehicle Company | \$   | 200.00     |                    |       | Per Car lic; 2 years (\$100 vehicle transfer fee)        |  |  |  |
|                                           | 86-55     |                                      | \$   | 100.00     |                    |       | Transfer fee - car or entity                             |  |  |  |
|                                           | 86-80     | Chauffeurs License                   | \$   | 25.00      | \$ 7               | 75.00 | Each One-time App Fee; non refundable                    |  |  |  |
|                                           | 00-00     | Chauneurs License                    |      | 100.00     |                    |       | 2 year license - each driver                             |  |  |  |

Introduced By: Mayor Cleworth Date: February 27, 2012

### **RESOLUTION NO. 4514**

# A RESOLUTION URGING THE ALASKA LEGISLATURE TO REFRAIN FROM ENACTING ANY LEGISLATION THAT WOULD INCREASE THE STATE'S PENSION LIABILITY

**WHEREAS**, the State enacted the Public Employee Retirement System ("PERS") and Teacher's Retirement Systems ("TRS") in the 1960's; starting in 1986, the state has reduced benefits several times with the most recent changes in 2005:

- Closing the defined benefits ("DB") programs of PERS and TRS and providing a defined contribution ("DC") program to public employees.
- Capping the PERS rate paid by municipalities to 22% and subsidizing the difference between that rate and the actuarial rate with a statewide appropriation so local governments do not have to share the full burden with local taxpayers.
- Capping the TRS contribution to 12.56% and again subsidizing the difference between that rate and the actuarial rate with a statewide appropriation so local school districts do not have to take money out of the classroom in order to pay their rising TRS costs.

**WHEREAS**, the current statewide liability for PERS & TRS now totals \$11 billion; the most recent state appropriation for these programs was \$470 million and rising in the coming year to \$610.5 million; and

**WHEREAS,** there are pending proposals to amend the pension plans that will increase benefits, which would limit the state's ability to properly fund other deserving programs and increase the portion paid by municipal employers.

**NOW, THEREFORE, BE IT RESOLVED**, that the City of Fairbanks urges the legislature to refrain from making any amendments to the PERS and TRS system that would increase the costs and liability of the programs.

| PASSED and APPROVED this       | Day of 2012.              |
|--------------------------------|---------------------------|
| AYES:                          | Jerry Cleworth, Mayor     |
| NAYS: ABSENT: ADOPTION:        |                           |
| ATTEST:                        | APPROVED AS TO FORM:      |
| Janey Hovenden, City Clerk CMC | Paul Ewers, City Attorney |

Sponsored by: Mayor Cleworth

Finance Committee Review: February 21, 2012

Introduced: February 27, 2012

## **ORDINANCE NO. 5876**

# AN ORDINANCE TO AMEND CHAPTERS 14, 46, AND 78 TO REPEAL, AMEND, AND CLARIFY CERTAIN OFFENSES

**WHEREAS**, certain offenses under the Fairbanks Code that are currently misdemeanors could be handled more efficiently and without any detriment to public safety as violations; and

**WHEREAS,** certain offenses under the Code are duplicative of offenses found in State criminal and traffic statutes; and

**WHEREAS**, there are certain ordinances currently in the Fairbanks Code that have become outdated or have been held unconstitutional since the time they were first enacted,

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

**SECTION 1.** That Fairbanks General Code Chapter 14, is amended as follows [new text is in **bold/underlined** font; deleted text is in **strike out** font]:

## Sec. 14-171. Illegal Presence

- (a) A person may not knowingly enter or remain on premises:
  - (1) In which alcoholic beverages are manufactured, sold, offered for sale, possessed for sale or barter, trafficked in or bartered in violation of:
    - a. AS 04.11.010;
    - b. AS 04.16.090; or
    - c. A municipal ordinance adopted under AS 04.21.010(a) or (b); or
  - (2) Licensed under state law during hours in which the person's presence on the premises is a violation of a city ordinance adopted under authority of AS 04.16.010(d) providing for hours of closure that are outside the hours of closure prescribed by AS 04.16.010(c).
- (b) A person who violates this section is guilty of a <u>violation</u> misdemeanor, punishable <u>by a maximum fine of \$500</u> as provided in section 1-15. <u>This</u> offense is amenable to disposition without court appearance upon payment

## and forfeiture of a bail amount of \$150, plus the surcharge imposed by the State of Alaska under AS 12.55.039.

Sec. 14-177. Indecent exposure in premises holding any alcohol license.

REPEALED.

**SECTION 2.** That Fairbanks General Code Chapter 46, is amended as follows [new text is in **bold/underlined** font; deleted text is in **strike out** font]:

Sec. 46-4. Penalties.

\* \* \* \* \*

- (c) A person convicted of any of the following offenses shall be punished by a fine only of not more than \$450.00:
  - (1) Section 46-43 Soliciting business on residential premises Section 46-41(a) Disorderly Conduct.
  - (2) <u>Section 46-42(a) Disturbing the peace</u>
  - (3) Section 46-162 Littering.
  - (4) Section 46-137 Illegal handbilling.
- (d) A person convicted of any of the following offenses shall be punished by a fine of not more than \$500.00 or by imprisonment for not more than five days or both such fine and imprisonment:
  - (1) Section 46-41(b) Disorderly conduct
  - (2) Section 46-42(b) Disturbing the peace
  - (3) Section 46-80 Drinking in public
  - (3) Section 46-257 Urinating in public

## Sec. 46-41. Disorderly Conduct.

- (a) A person commits the offense of disorderly conduct if he: No person may
  - (a)  $\mathbf{R}_{\text{recklessly}}$  blocks the entry or exit of any public or private building  $\mathbf{or}$

- (b) After being informed by a police officer that his conduct is in violation of subsection (a), refuses to clear the entry or exit of the public or private building.
- (b) No person may recklessly insult, taunt or challenge another person in a manner likely to offend or provoke a violent response.

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

- (a) A person commits the offense of disturbing the peace if he:
  - (1) In a public place, repeatedly or continuously shouts, blows a horn, plays a musical or recording or amplifying instrument, or otherwise generates loud sound or noise with the intent to disturb or in reckless disregard of the peace and privacy of others.
  - (2) In a private place, engages in the conduct described in subsection (a)(1) of this section, with the same intent or reckless disregard, after having been informed by another that the conduct is disturbing the peace and privacy of others not in the same place.
  - (3) Between the hours of 11:00 p.m. and 7:00 a.m., operates or uses a pile driver, pneumatic hammer, bulldozer, road grader, loader, power shovel, derrick, backhoe, power saw, manual hammer, motorcycle, snow machine or other instrument, appliance or vehicle which generates loud sounds or noise, after having been informed by another that such operation or use is disturbing the peace and privacy of others.
  - (4) Keeps any dog or other animal which is allowed to engage in frequent or prolonged barking or other loud noise-producing activity, after having been informed by another that such frequent or prolonged barking or noise-producing activity is disturbing the peace and privacy of others.
  - (5) Repeatedly or continuously sounds any horn or other soundproducing warning device on a motor vehicle when such repeated or continued sounding is not necessary to warn of any danger.

# (b) After being informed by a police officer that his conduct is in violation of subsection (a), refuses to abate the prohibited activity.

(c) As used in subsections (a)(1) and (a)(2) of this section:

- (1) "Loud sound" in a public place means sound which is loud enough to inhibit the ability of a not unduly sensitive person in the same place to speak freely without leaving the same place.
- (2) "Loud sound" in a private place means sound which is loud enough to awaken a not unduly sensitive person in another private place.
- (3) The inside and outside of buildings and separate residences within an apartment house, and separate rooms within a hotel are different places.
- (d) As used in subsections (a)(3) and (a)(4) of this section, loud sound or loud noise is sound or noise which would awaken, or cause difficulty in sleeping for, the average, not unduly sensitive individual attempting to sleep in any house, apartment, hotel, motel or other residence in the vicinity of the sound or noise-producing activity.
- (e) The following sound or noise is not prohibited by this section:
  - (1) Noise of safety signals, warning devices and emergency pressure relief valves when used for their warning of emergency purposes.
  - (2) Noise produced by any authorized emergency vehicle when responding to an emergency call or when otherwise authorized by law or ordinance to activate its sirens or other warning devises.
  - (3) Noises necessarily produced in the course of work required to protect persons or property from an-imminent peril.
  - (4) Noise produced by any activity for which a permit has been issued pursuant to subsection ( $e\underline{f}$ ) of this section.
- (f) Applications for a permit for relief from the application of this section to any activity on the basis of undue hardship may be made to the mayor or his duly authorized representative. A non-refundable application fee and a permit fee<sub>2</sub> as set forth in the city's schedule of fees and charges for services, will be charged for the city's processing of an application. Any permit granted by the mayor under this subsection shall contain all conditions upon which such permit has been granted and shall specify a reasonable time that the permit shall be effective. The mayor or duly authorized representative may grant the relief as applied for if he finds that:
  - (1) Additional time is necessary for the applicant to alter or modify his activity or operation to comply with this section; or

- (2) The activity, operation or noise source will be of a temporary duration, and cannot be done in a manner that would comply with other paragraphs of this section; and
- (3) No other reasonable alternative is available to the applicant.

However, the mayor may prescribe any conditions or requirements he deems necessary to minimize adverse effects upon the community or the surrounding neighborhood.

Sec. 46-43. Soliciting business on residential premises.

REPEALED.

Sec. 46-76. Sale or transfer of prohibited weapons to minors.

REPEALED.

Sec. 46-78. Issuing a bad check.

REPEALED.

Sec. 46-83. Administrative surcharge, minor misconduct.

REPEALED.

Sec. 46-186. Use of electronically amplified sound systems in motor vehicles.

Is hereby moved from Chapter 46 to Chapter 78, renumbered as FGC Sec. 78-652 and amended as follows:

## Sec. 78-652. Use of electronically amplified sound systems in motor vehicles.

- (a) No person operating or in control of a parked or moving motor vehicle shall operate or permit the operation of an electronically amplified sound system in or on the motor vehicle so as to produce sound that is clearly audible more than 50 feet from the motor vehicle.
- (b) Any person violating the provisions of this section shall pay a <u>fine</u> eivil penalty of \$50.00 for the first violation or date of violation, <u>and</u> \$300.00 for the second <u>and any subsequent</u> violation<u>s</u> within six months of the first violation, and \$1,000.00 for the third violation within one year of the first violation.

- (c) Any authorized police officer may issue a citation for any violation under this section, except they may arrest for instances when the alleged violator refuses to provide the officer with such person's name and address and any proof as may be reasonably available to the alleged violator.
- (d) The following sound or noise is not prohibited by this section:
  - (1) Noise of safety signals, warning devices and emergency pressure relief valves when used for their warning of emergency purposes.
  - (2) Noise produced by any authorized emergency vehicle when responding to an emergency call or when otherwise authorized by law or ordinance to activate its sirens or other warning devices.
  - (3) Noises produced by vehicles for the purpose of advertising commercial or political messages.

## Sec. 46-257. Urinating in public.

- (a) A person commits the offense of urinating in public if he urinates on any portion of a public place not existing for the purpose of receiving urine.
- (b) A person convicted under this section shall be punished by a fine only if the person has not been previously convicted under this section or has only been convicted once. The fine for a first or second offense is \$150.00.
- (c) A person convicted more than two times under this section shall be punished by a fine of not more than \$500, by imprisonment of not more than five days, or both such fine and imprisonment.

Sec. 46-258. Loitering for prostitution.

REPEALED.

Sec. 46-292. Failing to maintain firearm transaction record.

REPEALED.

Sec. 46-294. Possession of a dangerous weapon on school grounds.

REPEALED.

Sec. 46-327. Making a false report of need for emergency assistance.

REPEALED.

| <b>bold/underlined</b> font; deleted text is in strike | out font]:                                |
|--------------------------------------------------------|-------------------------------------------|
| Sec. 78-611. Reckless driving.                         |                                           |
| REPEALED.                                              |                                           |
| Sec. 78-613. Failure to yield to police                | e officer.                                |
| REPEALED.                                              |                                           |
| Sec. 78-614, 615, 616. Notice of accid                 | ent.                                      |
| REPEALED.                                              |                                           |
| Sec. 78-893. Unlawful use of license.                  |                                           |
| REPEALED.                                              |                                           |
| <b>SECTION 4.</b> That the effective date of this C    | Ordinance shall be the day of March 2012. |
|                                                        | Jerry Cleworth, City Mayor                |
| AYES:<br>NAYS:<br>ABSENT:<br>ADOPTED:                  |                                           |
| ATTEST:                                                | APPROVED AS TO FORM:                      |
| Janey Hovenden, CMC, City Clerk                        | Paul J. Ewers, City Attorney              |

**SECTION 3.** That Fairbanks General Code Chapter 78, is amended as follows [new text is in

Introduced by: Mayor Cleworth

Finance Committee Review: February 21, 2012

Date: February 27, 2012

## ORDINANCE NO. 5877

# AN ORDINANCE AUTHORIZING A LAND EXCHANGE BETWEEN THE GREATER FAIRBANKS COMMUNITY HOSPITAL FOUNDATION AND THE CITY OF FAIRBAKS TO FACILITATE VACATION OF 11TH AVENUE AND TO PROVIDE PARKING ADJACENT TO FIRE STATION HEADQUARTERS

- **WHEREAS**, the City owns the land underlying the streets within the original Townsite of Fairbanks by virtue of Deed from the Townsite Trustee; and
- **WHEREAS,** The Greater Fairbanks Community Hospital Foundation, Inc. (GFCHF), seeks to vacate a portion of a City-owned right of way, comprising that portion of 11<sup>th</sup> Avenue lying east of the Noble Street, for the purpose of increased traffic safety and parking expansion as shown on "Exhibit A" (attached); and
- **WHEREAS**, the City seeks to acquire additional land adjacent to the Fire Station Headquarters at 1101 Cushman to satisfy a parking shortfall; and
- **WHEREAS**, GFCHF owns vacant Lot 6A, Block 122, adjoining the Fire Station Headquarters; and
- **WHEREAS,** GFCHF and the City have agreed to a like-kind exchange of lands, in which the vacated portion of 11<sup>th</sup> Avenue will be exchange for a portion of Lot 6A, to be created by subdivision, as shown on "Exhibit B" (attached); and
- **WHEREAS**, the Administration has determined that the exchange parcels each have a value of approximately \$60,000; and
- **WHEREAS**, each party will bear its own costs of survey and administration as may be required to effect this exchange; and
- **WHEREAS**, real estate exchange is unique by nature and not subject to public offering; and
- **WHEREAS,** Fairbanks General Code Section 70-45 Property Exchanges authorizes the Council to approve such exchanges when in the judgment of the Council it is advantageous for the City to do so,
- NOW THEREFORE, BE IT ENACTED BY THE CITY COUNCIL OF THE CITY OF FAIRBANKS, ALASKA, as follows:

**SECTION 1**. That a Real Estate Purchase and Sale Agreement approved by the City Attorney shall be used to set forth the particulars in this real estate exchange.

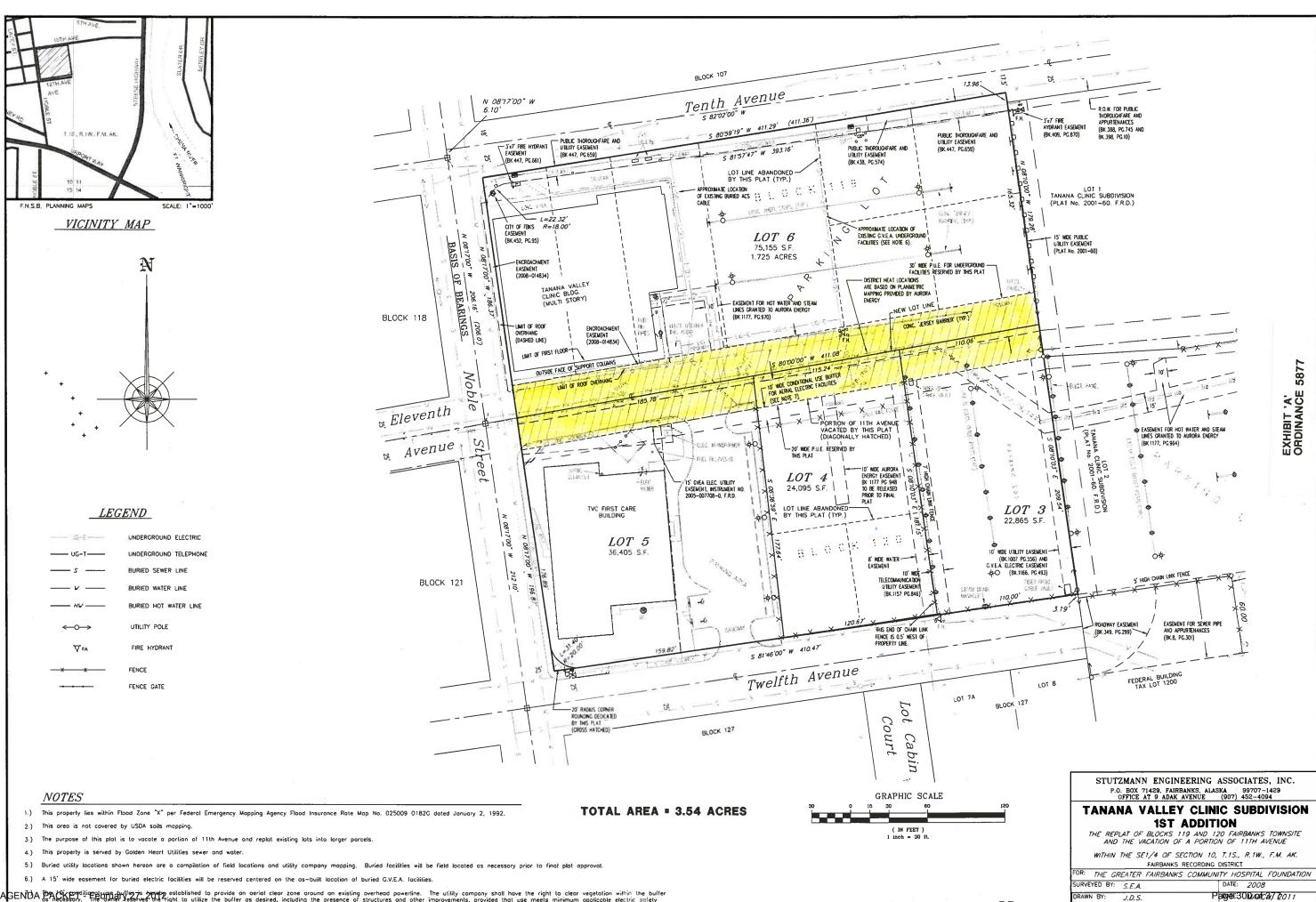
**SECTION 2**. That the Mayor is hereby authorized to execute said Agreement and all such other legal documents as may be necessary to complete the transaction on behalf of the City.

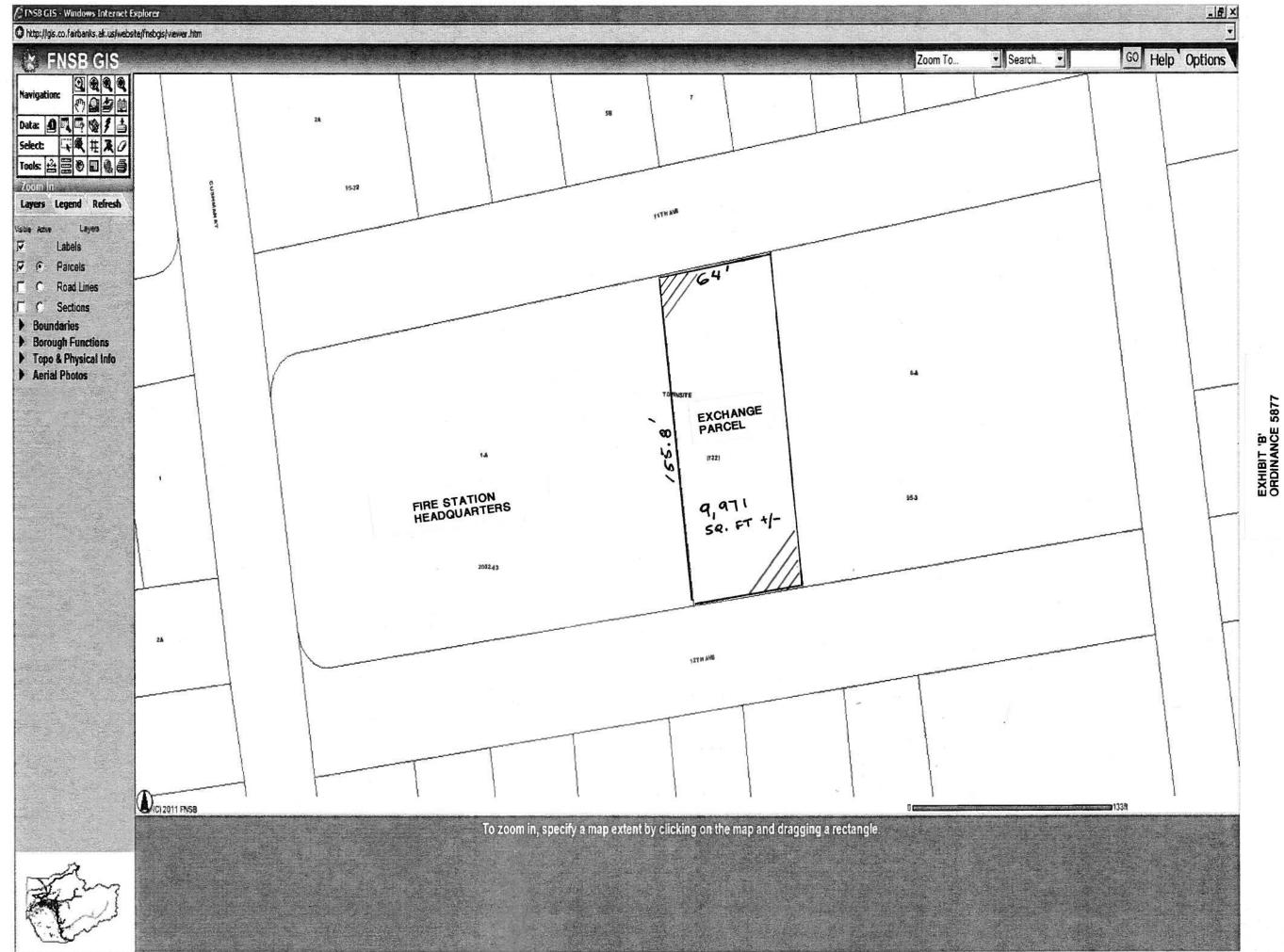
**SECTION 3**. That conveyance of the property shall be subject to a thirty-day permissive referendum period as required under Fairbanks General Code of Ordinances Section 70-42, and the City Charter.

**SECTION 4.** That the effective date of this Ordinance shall be the 12th Day of March, 2012.

|                                       | JERRY CLEWORTH, Mayor     |
|---------------------------------------|---------------------------|
| AYES: NAYS: ABSTAIN: ABSENT: ADOPTED: |                           |
| ATTEST:                               | APPROVED AS TO FORM:      |
| JANEY HOVENDEN, CMC, City Clerk       | PAUL EWERS, City Attorney |

Ordinance No. 5877 Page 2 of 2





## City Of Fairbanks

## **MEMORANDUM**



To:

City Council Members

From:

Jerry Cleworth, City Mayor

Subj:

E-911 Call Taking Agreement

Date:

February 23, 2012

City staff has spent many months working on replacement agreements for the services provided by our Dispatch Center. Recall that we have conducted a workload analysis, cost of service study, and extensive discussions with our customers.

The largest piece of the process is a new agreement with the Fairbanks North Star Borough for E-911 call taking service (the service that occurs prior to any dispatching and records keeping tasks that follow the 911 call).

Attached is my recommended agreement, after input at last week's Finance Committee meeting.

We continue to work on dispatching agreements with each of the agencies that use our center's service.

Thank you.

cc: Stephanie Johnson, Dispatch Center Manager

### **INTERGOVERNMENTAL**

## **AGREEMENT FOR 9-1-1 CALL TAKING SERVICES**

- 1.0 **PURPOSE**: This Intergovernmental Agreement serves to establish the 9-1-1 Call Taking agreement between City of Fairbanks (City) operating the Fairbanks Emergency Communications Center (FECC), the Fairbanks North Star Borough (Borough) and the Department of Public Safety and contains the following objectives:
  - 1.1 To promote the health, safety and general welfare of the citizens and visitors throughout the Fairbanks North Star Borough. To that end, the parties wish to continually improve procedural efficiency and technical capabilities of emergency call taking, emergency call processing, and all emergency response communications.
  - 1.2 To save lives by improved call processing time which reduces response times to emergency incidents.
  - 1.3 To improve safety of emergency responders.
  - 1.4 To effectively receive calls for routine and emergency assistance, based on structured call intake protocols, and coordinate response resources to those calls for service based on the needs of the caller and the direction of field response agencies.
  - 1.5 To provide all agencies with a single contact point for the notification of emergencies and receipt of emergency assistance requests, and for the control of coordinated dispatch for law enforcement, fire and EMS.
  - 1.6 To bring about increased efficiencies and coordination of communications and emergency response services, including the use of the National Incident Management System. These communications improvements are intended to impact emergency response for all services provided by law enforcement agencies, fire departments, ambulance services, and other organizations that respond to emergency situations of imminent danger to life or property.
  - 1.7 To provide the public and field response agencies with highly trained and certified 9-1-1 call-takers who strive to provide the best service possible to all parties involved.
  - 1.8 To set the goals of 1) meeting NFPA's 1221 standards; and 2) meeting National Emergency Dispatch standards for Emergency Medical Dispatch (EMD),

- Emergency Fire Dispatch (EFD) and Emergency Police Dispatch (EPD) Accreditation.
- 1.9 To <u>plan for establish</u> an alternate center to serve as a backup, overflow and training site, and as a secondary location where emergency dispatchers will function in the event that they need to evacuate the primary 9-1-1 Center.
- 2.0 **DEFINITIONS**: As used in this Agreement the following words and phrases shall have the meanings indicated unless the context clearly requires otherwise:
  - 2.1 "9-1-1 Services" shall mean services and equipment to answer 9-1-1 calls on a 24 hours per day basis.
  - 2.2 "Agency" Individual police, fire and/or EMS provider.
  - 2.3 "Call-Taker" means a person employed in a primary or secondary answering point whose duties include the initial answering of 911 or enhanced 911 calls and routing the calls to the agency or dispatch center responsible for dispatching appropriate emergency services and a person in a primary or secondary answering point whose duties include receiving a 911 or enhanced 911 call either directly or routed from another answering point and dispatching appropriate emergency services in response to the call; the term "Call-Taker" is synonymous with the term "dispatcher" in that it is inclusive of the functions of both answering the 911 or enhanced 911 calls and dispatching emergency services in response to the calls.
  - 2.4 "Dispatch Center Time Study" the identification of specific tasks and job elements performed by Call-Takers/dispatchers and allocating the time needed to perform those tasks to the individual agencies that receive services from the FECC.
  - 2.5 "Dispatching" The act of alerting, directing and documenting the response of public safety units to the desired location.
  - 2.6 "Enhanced 911 equipment" means the equipment dedicated to the operation of, or use in, the establishment, operation, or maintenance of an enhanced 911 system, including customer premises equipment, automatic number identification or automatic location identification controllers and display units, printers, cathode ray tubes, recorders, software, and other essential communication equipment required by the system or as may be defined by state law.
  - 2.7 "Enhanced 911 system" means a telephone system consisting of network, database, and enhanced 911 equipment that uses the single three digit number, 911, for reporting a police, fire, medical, or other emergency situation, and that enables the users of a public telephone system to reach a public safety answering point to report emergencies by dialing 911; an enhanced 911 system includes the

AGENDA PACKET - February 27, 2012

- personnel required to acquire, install, operate, and maintain the system and its facilities and to dispatch the calls generated by the system.
- 2.8 "Jurisdiction" Local or State government with the authority to provide public safety services.
- 2.9 "NENA" National Emergency Number Association.
- 2.10 "Other Services" shall mean services related to emergency service or jurisdictional communications provision, such as administrative call-taking.
- 2.11 "Participants" shall mean the parties to this Agreement.
- 2.12 "Public safety answering point" (PSAP) means a 24-hour local jurisdiction communications facility that receives 911 service calls and directly dispatches emergency response services or that relays calls to the appropriate public or private safety agency.
  - 2.12.1 Primary PSAP Refers to the initial PSAP to which 9-1-1 calls are routed to for initial screening.
  - 2.12.2 Secondary PSAP Refers to the PSAP to which calls are transferred after initial screening by the Primary PSAP.
- 2.13 "Significant workload change" an annual increase or decrease in call volume greater than eight hundred Fire/EMS or one thousand law enforcement calls for service; an annual increase or decrease of greater than 10 percent of 911 calls received by the FECC; or the addition of a task(s) requiring the need for additional staffing as determined by the Dispatch Center Manager.
- 2.14 "User Group" Individual police, fire and/or EMS provider that uses the services of the FECC.
- 2.15 "Wireless telephone" means a telephone that is not a wireline telephone and includes cellular and mobile telephones.
- 2.16 "Wireline telephone" means a telephone that uses a local exchange access line.

### 3.0 **FACILITIES AND EQUIPMENT**:

- 3.1 The City will provide a PSAP (FECC) that includes facilities sufficient to maintain the E911 equipment and provide call-taking services.
- 3.2 The City will provide the labor to staff the FECC.
- 9-1-1 Call Taking Services Agreement

- 3.3 The City recognizes the <u>long-term</u> need to establish a suitable location to function as a backup facility to the primary facility for 9-1-1 Call Taking. The City agrees to continue to explore options for locating a back up location or to develop agreements with other jurisdictions/entities for this purpose.
- 3.4 The Borough provides the enhanced 9-1-1 Equipment, networking components, telephone lines, workstation hardware, software, annual maintenance and GIS support for the 9-1-1 system.
  - 3.4.1 Long Distance or other charges that are incurred at FECC unrelated to the delivery of the 9-1-1 service shall be paid by the City.
- 3.5 The City will provide the Computer Aided Dispatch (CAD) system, emergency dispatch protocols related to police, fire and medical call taking.
- 3.6 The City agrees to allow the Borough access to the FECC for the purpose of trouble-shooting, maintaining, and replacing E9-1-1 equipment. The Borough will attempt to provide reasonable notice to the City when such access is required.
- 3.7 The City agrees to assist the Borough with periodic testing of the E9-1-1 system. This includes receiving test E9-1-1 calls from wireless, VoIP, and wireline service providers.
- 3.8 The City agrees to provide a representative from the FECC to serve on the E9-1-1 system replacement project team.
- 4.0 **PERFORMANCE STANDARDS**: The City will meet the following standards:
  - 4.1 Call taking standards as set forth in NENA Call Answering Standard / Model Recommendation (NENA Document 56-005), with specific attention given to the following sections:
    - 4.1.1 Standard for answering 911 calls: Ninety percent (90%) of all 911 calls arriving at the PSAP shall be answered within ten (10) seconds during the busy hour (the hour of the day with the greatest call volume). Ninety-five percent (95%) of all 911 calls should be answered within twenty (20) seconds.
    - 4.1.2 Abandoned call / disconnects: The Call-Taker will attempt to call back when a 911 call is routed to the PSAP and the call disconnects before the Call-Taker can determine if assistance is needed. The Call-Taker will call the number back once to make the determination. If the phone is busy or there is no answer, additional attempts to contact the caller will not be

- made by the Call-Taker. If the callback attempt goes to voice mail, no message will be left.
- 4.1.3 Silent Calls. In compliance with Public Law 101-336, also known as the Americans with Disabilities Act, all silent calls will be interrogated with a TTY/TDD to determine if the caller is attempting to report an emergency using a special communications device for hearing impaired individuals.
- 4.2 9-1-1 Calls requiring transfer to a Secondary PSAP.
  - 4.2.1 Ninety-five (95) percent of calls requiring transfer to a Secondary PSAP shall be transferred within thirty (30) seconds.
  - 4.2.2 One Hundred (100) percent of calls requiring transfer to a Secondary PSAP shall be transferred within sixty (60) seconds.
  - 4.2.3 When transferring to another PSAP, the Call Taker shall remain on the line until the Call-Taker at the secondary PSAP answers the call. Should the call fail to transfer or be answered, the Call Taker will retain control and handle the call. The PSAP responsible for dispatch of the appropriate resources will then be contacted and given the call information in any manner that is reasonable. This includes contact via telephone, radio, radio intercom or any other means that are reasonable.
- 4.3 Wireless Calls. Call taking standards as set forth in NENA Guidelines for Minimum Response to Wireless 9-1-1 Calls (NENA Document 56-001).
- 4.4 Call processing and dispatch.
  - 4.4.1 Ninety-five percent of emergency call processing and dispatching shall be completed within 60 seconds, and 99 percent of call processing and dispatching shall be completed within 90 seconds (in accordance with NFPA 1221 Standard for the Installation, Maintenance, and Use of Emergency Services Communication Systems)
- 4.5 The City shall create an event in the Computer Aided Dispatch (CAD) system for every 9-1-1 call, even those that do not require an emergency services response.
  - 4.5.1 For a single incident which generates multiple 9-1-1 calls, a single event shall be recorded in the CAD system.
  - 4.5.2 An event shall be created within the CAD system to log attempts to call back abandoned calls.

- 5.0 **ACCESS TO RECORDS**: All records kept by the City in support of this contract shall be the property of the City, but these records shall be made available to the Borough upon reasonable notice and at reasonable times and places. This power to review <u>written</u> records continues for six (6) years after the termination of this contract, whether the parties terminate the contract or it ends by its own terms. <u>Electronic audio records will be preserved for three (3) years.</u>
- 6.0 **TRAINING** The City agrees to train staff members in the following manner.
  - 6.1 All City call takers will be trained and certified in the use of the following Priority Dispatch protocols: Emergency Fire Dispatch (EFD), Emergency Medical Dispatch (EMD) and Emergency Police Dispatch (EPD) within one (1) year of beginning employment.
  - 6.2 The City will ensure that staff members receive Continuing Dispatch Education (CDE) sufficient to recertify through the National Academies of Emergency Dispatch (NAED) biannually on the protocols listed in section 5.1 of this agreement.
  - 6.3 The City will ensure that staff members receive approved required National Incident Management System (NIMS) training. for the following courses:

6.3.1 IS-100: Introduction to Incident Command System

6.3.2 IS-200: ICS for Single Resources and Initial Action Incidents

6.3.3 IS-700: An Introduction to National Incident Management System (NIMS)

6.3.4 IS-800: An Introduction to National Response Framework

- 7.0 **E9-1-1 WORKING GROUP**: The City agrees to provide a representative from the FECC to the Fairbanks North Star Borough E9-1-1 Advisory Committee.
- 8.0 **FAIRBANKS EMEGERGENCY COMMUNICATIONS CENTER MANAGER**: The Borough agrees that the FECC will be managed, operated and supervised by a Center Manager, who is a City of Fairbanks employee subject to the City's personnel policies and other employee regulations.
  - 8.1 Responsibility and Authority of the Center Manager:
    - 8.1.1 The Center Manager shall be the administrative head of the FECC and will be responsible for handling administration and personnel matters within the framework of the City of Fairbanks regulations and personnel policies.

- 8.1.2 A copy of the budget as recommended by the Mayor will be provided to participants no later than <u>November 1 October</u> 31 of each year. The finalized budget as approved by City Council will be provided to participants no later than <u>January December</u> 31 of each year. The City will publish the budget on the City of Fairbanks website each year.
- 8.1.3 The Center Manager will be responsible for managing the Center within the approved annual budget.
- 8.1.4 The Center Manager will work closely with the Borough's Emergency Operations Director (or designee) regarding equipment, training, and other issues for which 9-1-1 funds can be utilized to maintain the best available technology and training.
- 8.1.5 The Center Manager will be responsible for all activities of the 9-1-1 Center, including but not limited to oversight of call-taking, dispatching, records (custodian), recording, staffing, training and security.
- 8.1.6 The Center Manager shall establish and utilize performance standards for employees. The Center Manager shall actively and continually consider and evaluate all means and opportunities toward the enhancement of operational effectiveness of 9-1-1 call-taking for the benefit of the public and emergency response agencies.
- 8.1.7 The Center Manager shall review and evaluate requests from the User Groups for changes to service levels, performance standards, and / or operational procedures. For any requests that will generate a potential cost for change, the Center Manager will prepare a proposal to include, at a minimum, implementation costs, benefits and liabilities, and will provide recommendations of whether to incorporate the requested changes. Such reports and recommendations will be forwarded to the User Groups and the agency requesting the change for final decision on implementation.
- 8.1.8 The Center Manager participates in the User Group meetings. Should it be necessary for the Center Manager to miss a meeting, he/she will have a designee present.
- 8.1.9 The Center Manager will develop appropriate long-range plans, including strategic capital improvements, staffing, technology, and other matters. A comprehensive long-range plan will be developed and updated yearly. This plan will be presented to the User Groups on a yearly basis at a date and time agreed to by the User Group.

### 9.0 CONTRACT REPRESENTATIVES -- NOTICES

- A. The Borough's representative shall be the Emergency Operations Director.
- B. The City's representative shall be the FECC Manager.

C.Any notice required under this agreement shall be in writing and shall be personally delivered, mailed, or faxed, and shall be addressed to the respective contract representative at the address shown below. Either party may change its contract representative or its address for notices by written notice to the other.

**BOROUGH:** Emergency Operations Director

Fairbanks North Star Borough

P.O. Box 71267 Fairbanks, AK 99707

Tel: 459-1481 Fax: 459-1119

**CONTRACTOR:** Manager, Fairbanks Emergency Communications Center

City of Fairbanks 911 Cushman Street Fairbanks, AK 99701

Tel: 450-6507 Fax: 452-1588

**DEPARTMENT OF PUBLIC SAFETY:** Commander, "D" Detachment

Alaska State Troopers 1979 Peger Road Fairbanks, AK 99709 Tel: (907) 451-5100

- 10.0 **DISPATCH CENTER TIME STUDY**: The participants agree to have a Dispatch Center Time Study of FECC completed within year two (2) of this agreement. The cost of the time study shall be allocated to the User Group in accordance with the allocation schedule in Exhibit B.
- 11.0 **ADMISSION OF NEW JURISDICTIONS**: Additional jurisdictions may become participants by written addendum to this Agreement, with the approval of the City and the Borough, with terms and conditions as agreed upon.
  - 11.1 A new time study will be performed within one year of the addition an agency or jurisdiction, when the addition of the agency or jurisdiction results in a significant workload change of the FECC.

- 11.2 The cost of the time study will not be funded by existing jurisdiction(s) receiving services from the FECC.
- 11.3 The vendor selected shall be familiar with public safety operations and shall employ a similar methodology to previously completed time studies.
- 11.4 A variance in the time study methodology, as used in Exhibit A, requires the approval of all jurisdictions that fund fifteen percent or more of the cost of FECC.
- <u>12.0</u> **DURATION OF AGREEMENT WITHDRAWAL**: The initial duration of this Agreement shall be for a period of five (5) years beginning on July 1, 2012 and continuing through June 30, 2017, and thereafter shall be automatically extended for consecutive two (2) year periods unless terminated by the parties.
- 42.013.0 WITHDRAWAL: In the event that any party desires to withdraw from the Agreement, said party must give at least twelve (12) months advance written notice to the other parties, and the withdrawal shall take effect only as of the beginning of the succeeding fiscal year of the Borough, unless otherwise agreed between the parties.
- 13.014.0 **CONTRACT COMPLIANCE:** The participants will meet quarterly to review reports related to performance standards.
  - 43.114.1 If the City fails to meet the performance requirements set forth in Section 4.0 of this agreement, it shall provide the Borough with a written improvement plan upon request describing how it intends to comply during the next reporting period.
  - to the Borough. The annual report will discuss the following: activities performed under this agreement during the previous calendar year with a detailed description of the City's success with achieving the performance standards described in Section 4.0; a summary of issues related to the performance and operation of Borough-owned call answering equipment and software; a summary of issues related to E9-1-1 data including street addressing, geo-spatial data and error reporting.
  - The City will report to the Borough by July 1, 2013, on the status of the plans to develop the alternate center described in Section 1.9.
- 44.015.0 **COMPENSATION**: The Borough will compensate the City for the services provided under this agreement as stated on the attached cost allocation table, Attachment "A."
  - 14.115.1 The Borough agrees that the City may use an indirect rate of eleven percent of direct costs, when calculating the total cost to operate the FECC.
  - 9 9-1-1 Call Taking Services Agreement

- 44.215.2 On July 1<sup>st</sup>, the Borough agrees to adjust the annual level of compensation to the City for services performed under this agreement by the annual percent change published by the Bureau of Labor Statistics Consumer Price Index, Anchorage Area in effect as of December 31<sup>st</sup> of the previous year.
- 14.315.3 In the event of a significant workload change to the services provided in this agreement, either party may request to renegotiate the level of compensation due. The requesting party shall provide notice to the other on or before December 1st.
- 14.415.4 The City will annually provide to the Borough, a cost allocation table (superceding version of Attachment "A") showing each agency's share of the overall cost to operate FECC.
- with E911 surcharge revenue, the use of which is subject to limitations in state law. The surcharge revenue may not be used for any capital or operational costs for emergency responses that occur after the call is dispatched to the emergency responder. The surcharge revenue may not be used for constructing buildings, leasing buildings, maintaining buildings, or renovating buildings, except for the modification of an existing building to the extent that is necessary to maintain the security and environmental integrity of the public safety answering point and equipment rooms. The surcharge revenue may be used for the following costs to the extent the costs are directly attributable to the establishment, maintenance, and operation of an enhanced 911 system:
  - 44.5.1 the acquisition, implementation, and maintenance of public safety answering point equipment and 911 service features;
  - 44.5.2 the acquisition, installation, and maintenance of other equipment, including call answering equipment, call transfer equipment, automatic number identification controllers and displays, automatic location identification controllers and displays, station instruments, 911 telecommunications systems, teleprinters, logging recorders, instant playback recorders, telephone devices for the deaf, public safety answering point backup power systems, consoles, automatic call distributors, and hardware and software interfaces for computer-aided dispatch systems;
  - <u>14.5.315.5.3</u> the salaries and associated expenses for 911 call takers for that portion of time spent taking and transferring 911 calls;

- <u>44.5.4</u> training costs for public safety answering point call takers in the proper methods and techniques used in taking and transferring 911 calls;
- 44.5.5 expenses required to develop and maintain all information necessary to properly inform call takers as to location address, type of emergency, and other information directly relevant to the 911 call-taking and transferring function, including automatic location identification and automatic number identification databases.
- 14.5.615.5.6 any other use or purpose allowed by state law.
- 45.016.0 **BILLING**: Billing for 9-1-1 Call Taking services will be executed once yearly for the period covering July 1 through June 30 of the following year, to be paid within 60 days of billing.
- 16.017.0 INDEMNIFICATION AND HOLD HARMLESS: Subject to a specific appropriation by the City Council for this purpose, the City agrees to indemnify and defend the Borough against any claim arising from any wrongful act or negligence of the City. The City has no duty to defend or indemnify the Borough against any claim or action alleging, arising from, or based on a wrongful or negligent act by the Borough. The duty of the City to indemnify and defend the Borough extends to:
  - 1. claims for death, or for damage to persons or property,
  - 2. claims for economic loss, and
  - 3. claims for costs expenses, and attorney's fees.

The parties to this agreement recognize and agree that the City has no appropriation currently available to it to indemnify the Borough under this provision and that enactment of an appropriation in the future to fund a payment under this provision remains in the sole discretion of the City Council and the City Council's failure to make such an appropriation creates no further liability or obligation of the City.

Subject to a specific appropriation by the Assembly for this purpose, the Borough agrees to indemnify the City against any claim arising from any wrongful act or negligence of the Borough. The Borough has no duty to defend or indemnify the City against any claim or action alleging any wrongful or negligent act by the City. The duty of the Borough to indemnify and defend the City extends to:

- 1. claims for death, or for damage to persons or property
- 2. claims for economic loss and
- 3. claims for cost expenses, and attorney's fees.

The parties to this agreement recognize and agree that the Borough has no appropriation currently available to it to indemnify the City under this provision and that enactment of an appropriation in the future to fund a payment under this provision remains in the sole discretion of the Assembly and the Assembly's failure to make such an appropriation creates no further liability or obligation of the Borough.

The obligation to indemnify for acts occurring during the term of this contract shall be continuing in nature and extend beyond the term of this agreement. The doctrine of equitable tolling extends the time within which an action for breach of this provision may be filed.

Nothing in this agreement shall be construed as a waiver of immunity granted to the parties under law.

| competent jurisdiction to be invalid, i shall be void and of no effect, and Agreement as a whole, invalid. Thos | ny part of the Agreement be determined by a court of llegal or against public policy, said offending section shall not render any other section herein, nor this se rights and obligations under this Agreement, which Il remain in effect after termination, suspension or |
|-----------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| behalf of each participating jurisdiction to an appropriate motion, resolution                                  | ment or amendments hereto, shall be executed on<br>on by its duly authorized representative and pursuant<br>or ordinance of each participating jurisdiction. This<br>reto, shall be deemed adopted upon the date of<br>presentative.                                        |
| 19.020.0 <b>SIGNATURES</b> : Each part constitute valid execution.                                              | ry to this agreement shall sign a signature page to                                                                                                                                                                                                                         |
|                                                                                                                 | his document encompasses the entire Agreement of<br>nendment, addendum, or addition to this Agreement<br>ng and signed by all members.                                                                                                                                      |
| Fairbanks North Star Borough                                                                                    | City of Fairbanks                                                                                                                                                                                                                                                           |
| Luke Hopkins, Mayor                                                                                             | Jerry Cleworth, Mayor                                                                                                                                                                                                                                                       |
| Attest:                                                                                                         |                                                                                                                                                                                                                                                                             |
| Mona Lisa Drexler, Borough Clerk                                                                                | Janey Hovenden, City Clerk                                                                                                                                                                                                                                                  |

9-1-1 Call Taking Services Agreement

| Alaska State Troopers                    |
|------------------------------------------|
|                                          |
| Burke Barrick, Commander, "D" Detachment |

# City of Fairbanks Permanent Fund Review Board (Quarterly Meeting Minutes) November 2, 2011

The Permanent Fund Review Board (PFRB) convened at 1:30 p.m. on the above date, to conduct a quarterly meeting with the following review board members in attendance.

Board Members Present: Jeff Johnson

Tom Freeman (Attended by telephone) Council Member Bernard Gatewood

Patty Mongold

Board Members Absent: Darren Franz

Also Present: Mayor Jerry Cleworth

Pat Cole, Chief of Staff

Jim Soileau, Chief Financial Officer

Carmen Randle, Controller

Bert Wagnon, Senior Vice President, Investments - APCM

Brandy Niclai, Senior Investment Analyst - APCM Jason Roth, Senior Vice President, Investments

The Board approved the minutes from the July 20, 2011 meeting.

Jim Soileau reviewed the account's performance through September 30, 2011. The balance of the Permanent Fund portfolio at September 30, 2011 was \$94,857,329. During 2011, the City deposited \$396,900 in lease payments, \$28,361 in payments on notes receivable and \$100,000 from the State of Alaska supplemental shared revenue funds. As allowed by City Charter, the City withdrew \$3,000,000 for operations and capital on June 24, 2011. The dividend and interest earnings through September 2011 were \$2,206,374. Permanent Fund expenses through September 2011 were \$126,538. The account's earnings from January 1 through September 30, 2011 were \$2,681,376 net of expenses.

Jim Soileau reviewed the proposed 2011 drawdown schedule. Jim advised the board and managers that he plans to draw the remaining balance of \$1,480,072 no later than November 30, 2011. (See attachment – Permanent Fund draw down schedule)

Bert Wagnon reviewed asset allocations as of September 30, 2011 including the current percentage, current targets and ranges. For the third quarter, the account returned -6.48% versus a blended benchmark return of -4.57%. For the past twelve months, the account returned 1.19% versus a blended benchmark return of 2.92%. The 50 bps hurtle

on an annual basis was 3.42%. (See attached – APCM Investment Review for the period ending September 30, 2011)

Brandy Niclai presented the allocation and selection effects on the portfolio and Bert Wagnon followed up with a review of the compliance reports. (See attached – APCM Investment Review for the period ending September 30, 2011)

Bert updated the fund's value as being approximately \$100,000,000 at October 31, 2011.

Bert and Jason discussed interest rate risk, duration and APCM's suggestion to implement a temporary change to the fixed-income portfolio. The Board did not move on the recommendation. (See attached memorandum: subject Fixed-Income Portfolio)

The board requested APCM present a formal report to the City Council on December 12<sup>th</sup>, 2011.

The Board set the next quarterly meeting for Wednesday February 1, 2012 at 1:30 P.M.

The meeting adjourned at approximately 2:45 P.M.

Minutes approved February 1, 2012.

Minutes prepared by Jim Soileau

# City of Fairbanks Permanent Fund Review Board (Quarterly Meeting Minutes) July 20, 2011

The Permanent Fund Review Board (PFRB) convened at 1:30 p.m. on the above date, to conduct a quarterly meeting with the following review board members in attendance.

Board Members Present: Jeff Johnson

Tom Freeman

Council Member Bernard Gatewood

Patty Mongold Darren Franz

Board Members Absent: None

Also Present: Mayor Jerry Cleworth

Pat Cole, Chief of Staff

Jim Soileau, Chief Financial Officer

Carmen Randle, Controller

Bert Wagnon, Senior Vice President, Investments - APCM

Brandy Niclai, Senior Investment Analyst - APCM

The Board approved the minutes from the April 27, 2011 meeting.

Jim Soileau reviewed the account's performance through June 30, 2011. The balance of the Permanent Fund portfolio at June 30, 2011 was \$101,355,591. During 2011, the City deposited \$396,900 in lease payments and \$14,937 in payments on notes receivable. As allowed by City Charter, the City withdrew \$3,000,000 for operations and capital on June 24, 2011. The dividend and interest earnings through June 2011 were \$1,475,424. Permanent Fund expenses through June 2011 were \$84,820. The account's earnings from January 1 through June 30, 2011 were \$3,930,310 net of expenses.

Jim Soileau reviewed the proposed 2011 drawdown schedule. Jim advised the board and managers that he plans to draw the remaining balance of \$1,480,072 on November 30, 2011. (See attachment – Permanent Fund draw down schedule)

Bert Wagnon reviewed asset allocations as of June 30, 2011 including the current percentage, current targets and ranges. For the second quarter, the account returned 1.05% versus a blended benchmark return of 1.89%. For the past twelve months, the account returned 16.67% versus a blended benchmark return of 15.63%. The 50 bps hurtle on an annual basis was 16.13%. (See attached – APCM Investment Review for the period ending June 30, 2011)

Brandy Niclai presented the allocation and selection effects on the portfolio and Bert Wagnon followed up with a review of the compliance reports. (See attached – APCM Investment Review for the period ending June 30, 2011)

Bert addressed the impact on the portfolio should the US government fail to raise the debt ceiling and the possible impact of a ratings down grade to US government debt. (See attachment). APCM recommended no change to the City's existing investment policy.

The board requested APCM present recommended changes, if any, to the board at the November 2, 2011 quarterly meeting. The board also requested APCM present a formal report to the City Council in November or December. The meeting date is to be determined.

The Board set the next quarterly meeting for Wednesday November 2, 2011 at 1:30 P.M.

The meeting adjourned at approximately 2:30 P.M.

Minutes approved November 2, 2011.

Minutes prepared by Jim Soileau

| Г        | A                                                        | 8                                        | С                                        | D                       | Ε             | - F            | G                 |
|----------|----------------------------------------------------------|------------------------------------------|------------------------------------------|-------------------------|---------------|----------------|-------------------|
| 1        | City of Fairbanks - Permane                              | nt Fund Hist                             |                                          |                         |               |                |                   |
| 2        | 2011 Permanent Fund Appro                                |                                          |                                          |                         |               |                |                   |
| 3        | ·- ·                                                     |                                          |                                          |                         |               |                |                   |
| 4        | January 19, 2011                                         |                                          |                                          |                         |               |                |                   |
| 5<br>6   |                                                          |                                          | ······                                   |                         |               |                |                   |
| 7        |                                                          |                                          |                                          |                         |               |                | <u> </u>          |
| 8        |                                                          | Audited                                  | Audited                                  | Audited                 | Audited       | Audited        |                   |
| 9        |                                                          | 2006                                     | 2007                                     | 2008                    | 2009          | 2010           | Average           |
| 10       | Marketable securities Cash and investments               | \$ 678,213                               | \$ 1,890,926                             | \$ 774,607              | \$ 559,720    | \$ 1,225,492   | \$ 1,025,792      |
|          | Fixed income securities                                  | 44,589,188                               | 47,311,194                               | 41,247,119              |               | 50,535,399     | 48,698,104        |
| 13       | Equity securities                                        | 60,898,389                               | 59,906,336                               | 43,181,888              |               | 47,837,719     | 48,586,435        |
|          | Due from general fund                                    | -                                        | 383,892                                  | •                       | -             | -              | 76,778            |
|          | Due from enterprise fund Interest receivable             | 339,981                                  | 388,359                                  | 364,888                 | 463,600       | 425,369        | 396,439           |
| 17       | Other receivables                                        | 339,901                                  | - 300,339                                | 304,000                 | 403,000       | 723,305        | 330,433           |
| 18       |                                                          |                                          |                                          |                         |               |                |                   |
| 19       | Total marketable securities                              | \$ 106,505,771                           | \$ 109,880,707                           | \$ 85,568,502           | \$ 91,938,784 | \$ 100,023,979 | \$ 98,783,548     |
| 20<br>21 | Nonmarketable securities                                 |                                          |                                          |                         | -             |                |                   |
|          | Tract G-3, Replat of Tract G, ASLS 80-64                 | \$ 168,315                               | \$ 163,998                               | \$ 158,793              | \$ 153,319    | \$ 147,353     | \$ 158,356        |
| 23       | Tract G-2A South Davis Park Subdivision                  | 149,079                                  | 144,964                                  | 140,334                 |               | 130,157        | 140,000           |
|          | Weeks Field - Note Receivable                            | -                                        | -                                        | -                       |               | 781,500        | 312,600           |
|          | Weeks Field - Interest Receivable  ACS - Note Receivable | 429,930                                  | 220,380                                  | -                       | 19,734        | 69,152         | 17,777<br>130,062 |
| 26<br>27 | Gavora - Note Receivable                                 | 163,789                                  | 220,380                                  | -                       | -             | -              | 32,758            |
| 28       | Carola MocModivable                                      | 100,100                                  |                                          |                         |               |                | 02,700            |
| 29       |                                                          | \$ 911,113                               | \$ 529,342                               | \$ 299,127              | \$ 1,090,017  | \$ 1,128,162   | \$ 791,553        |
| 30       | 8 1 - 4 1924 - · ·                                       | 04.500                                   | 40.000                                   | 45 400                  | 10.005        | 47.470         | 47.054            |
| 31       | Liabilities                                              | 21,532                                   | 19,002                                   | 15,486                  | 16,265        | 17,472         | \$ 17,951         |
| 33       | Total Permanent Fund Value                               | \$ 107,395,352                           | \$ 110,391,047                           | \$ 85,852,143           | \$ 93,012,536 | \$ 101,134,669 | \$ 99,557,150     |
| 34       |                                                          |                                          |                                          |                         |               |                |                   |
| 35       |                                                          |                                          |                                          |                         |               |                |                   |
| 36<br>37 | 2011 PILOT Replacement to General Fun                    | d (four percent o                        | f five-year avera                        | ge)                     |               |                | \$ 3,982,286      |
|          | 2011 Transfer from Permanent Fund for                    | ∣<br>Capital (one half ∈                 | of one percent o                         | i<br>f five-vear averac |               |                | \$ 497,786        |
| 39       |                                                          | (5115.115.115.115.115.115.115.115.115.11 |                                          | ,                       | <u></u>       |                |                   |
| 40       |                                                          |                                          |                                          |                         |               | 2011 Total     | 4,480,072         |
| 41       |                                                          |                                          | 2011 Drawdown                            |                         |               |                |                   |
| 42       |                                                          | Date                                     | Operating<br>Draw                        | Capital<br>Draw         | Total         |                |                   |
| 43       |                                                          | 30-Jun                                   | 2,502,214                                | 497,786                 |               |                |                   |
| 44       |                                                          | 30-Nov                                   | 1,480,072                                |                         | 1,480,072     |                |                   |
| 45       |                                                          | H. ALLE                                  | 3.60                                     |                         |               |                |                   |
| 46       |                                                          |                                          |                                          |                         |               |                |                   |
| 47       |                                                          | Total                                    | 3,982,286                                | 497,786                 | 4,480,072     |                |                   |
| 48<br>49 |                                                          |                                          |                                          |                         |               |                |                   |
| 50       |                                                          |                                          |                                          |                         |               |                |                   |
| 51       |                                                          |                                          |                                          |                         |               |                |                   |
| 52       |                                                          |                                          |                                          |                         |               |                |                   |
| 53<br>54 |                                                          |                                          |                                          |                         |               | -              |                   |
| 55       |                                                          |                                          |                                          |                         | 1             |                |                   |
| 56       |                                                          |                                          |                                          |                         |               |                | 1                 |
| 57       |                                                          |                                          |                                          |                         |               |                |                   |
| 58       |                                                          |                                          |                                          |                         | <del> </del>  |                |                   |
| 59<br>60 |                                                          |                                          |                                          |                         |               |                |                   |
| 61       |                                                          |                                          |                                          |                         |               |                |                   |
| 62       |                                                          |                                          |                                          |                         |               |                |                   |
| 63       |                                                          |                                          | 1-11-1-1-1-1-1-1-1-1-1-1-1-1-1-1-1-1-1-1 |                         | -             |                |                   |
| 64       | U:\Permanent Fund\Appropriation Calculations\[2011]      | Permitund Actual App                     | ropriation.xlsx]2011 A                   | ctual                   | <u> </u>      | l              |                   |

November 2, 2011

To: City of Fairbanks Permanent Fund Advisory Committee

From: Bert Wagnon, Alaska Permanent Capital Management Company

Subject: Fixed-Income Portfolio

At the July meeting, the Committee requested that any recommended changes to the Permanent Fund investment policy be submitted prior to the November 2<sup>nd</sup> meeting. APCM has one recommendation for the Committee's consideration, that of changing the fixed-income benchmark to one of a significantly less duration.

Interest rates have fallen to very low levels. As of September 30<sup>th</sup>, the yield on the fixed income portion of the portfolio was 2.54%. The yield of Barclays Aggregate was 2.25%. The respective durations are 4.80 years for the Permanent Fund and 4.91 years for the Aggregate Index. An inverse relationship exists between a change in interest rates and the price of a fixed-income security. With an increase in interest rates, APCM's concern is that with interest rates at such low levels, the fixed-income portion of the portfolio is exposed to considerable price erosion.

In order to evaluate the impact of a change in interest rates on the portfolio, Exhibit A sets forth the return of the portfolio for various shifts in interest rates, both positive and negative and covers only a 12 month horizon. For example an instantaneous increase or decrease of 200 basis points would result in a 9.2% decline or 10.4% increase in price return. Note we have marked-out the -300 basis point interest rate shift, as that results in a negative yield for the portfolio. While mathematically possible, it is difficult to rationalize why one would lend money at -46 basis points with an overall duration of 4.8 years. In fact if one looks at a -250 basis point shift, it begs the same question as the yield to maturity is 4 basis points.

Interest rates are at historic lows and while in theory across the entire yield curve they can drop to zero we do not believe that is rational. And, while irrational things do occur in the financial markets, we do not think that negative real yields on all United States Treasury securities inside of 10 years will exist for an extended period.

APCM recommends the Committee implement a temporary change for the fixed-income portfolio from the Barclays Aggregate to the Barclays 1-3 Government/Credit Index. Furthermore APCM recommends no changes to the authorized fixed-income investments, which will allow most of the existing holdings to remain within the portfolio, while the duration would be reduced primarily using US Treasury and Agency securities.

Should the Committee adopt the recommendation, on an index basis, the duration would drop from 4.9 years to 1.9 years. The yield on an index basis would drop from 2.25% to 0.72%. The actual portfolio yield will be higher as APCM would continue to hold existing credit holdings at

the expense of government securities. A simulation was run on the portfolio whereby longer maturity US Treasury, Agency and some long corporate were sold, bringing the duration down to 2.29 years from 4.80 years. The yield of the portfolio fell from 2.54% to 2.06% or a total of 48 basis points. A duration of 2.29 years is 120% of the Barclays 1-3 Year Government/Credit Index which would be within the parameters of the investment policy, if the change in the fixed-income benchmark were approved.

A logical question would be why should the Committee deal with this and not the manager? The current investment policy limits duration to 80-120 percent of the benchmark index. The minimum duration under existing policy would be 3.93 years.

All data presented is in regards to the fixed-income portfolio benchmarked against the Barclays Aggregate Index. The U.S. Treasury Inflation Indexed (TIPS) portion of the portfolio benchmark has a duration of 4.6 years. The International bond component has a duration of 6.8 years. At the present time, we are holding a 1% position in TIPS against a 10% target and a 2.7% in international bonds against a 5% target. Policy does allow us to a zero weighting in both of these categories, however, overall fixed-income cannot fall below 50% of the portfolio.

Thank you for your time and consideration. We remain ready to work with whatever decision the committee makes.

## Parallel Simulation Market Value

Portfolio: FAIRBANK (019) Pricing Date: 10/04/2011

Currency: USD

Valuation Basis: Market Value Type: Maturity Matched Horizon Months: 12 Reinvestment Rate: .043

| Yleld Chg<br>(bps) | Total<br>Return | Income<br>Return | Price<br>Return | Ending<br>YTW | Ending<br>Avg Life | Ending<br>Eff Dur | Ending<br>Conv | Mkt Val<br>(USD 000) |
|--------------------|-----------------|------------------|-----------------|---------------|--------------------|-------------------|----------------|----------------------|
| -300               | 17.93 <b>9</b>  | 1,220            | 16,719          | -0.459        |                    | 5.918             | 0.503          | 56,13 <b>8</b>       |
| -250               | 14.812          | 1.398            | 13.414          | 0.041         |                    | 5,638             | 0.444          | 54,649               |
| -200               | 11.973          | 1,574            | 10.399          | 0.541         |                    | 5.336             | 0.387          | 53,298               |
| -150               | 9,333           | 1,756            | 7,577           | 1.041         |                    | 5.113             | 0.324          | 52,041               |
| -100               | 6.877           | 1.942            | 4.935           | 1 541         |                    | 4.954             | 0,253          | 50,872               |
| -50                | 4.536           | 2 124            | 2.412           | 2.041         |                    | 4.851             | 0.198          | 49,758               |
| 0                  | 2.286           | 2,286            | 0.000           | 2,541         | 6.597              | 4.803             | 0.132          | 48,687               |
| 50                 | 0.076           | 2.437            | -2.360          | 3.041         |                    | 4.787             | 0.113          | 47,635               |
| 100                | -2.107          | 2.564            | -4.671          | 3.541         |                    | 4.799             | 0.102          | 46,596               |
| 150                | -4 267          | 2.668            | -6.935          | 4.041         |                    | 4.807             | 0.109          | 45,56 <b>8</b>       |
| 200                | -6 396          | 2.753            | -9.149          | 4.541         |                    | 4.799             | 0.130          | 44,554               |
| <b>25</b> 0        | -8.483          | 2.825            | -11.307         | 5.041         |                    | 4.764             | 0.156          | 43,561               |
| 300                | -10.503         | 2.887            | -13:390         | 5.541         |                    | 4.722             | 0.174          | 42,600               |

Fairbanks, Alaska, Code of Ordinances >> PART II - CODE OF ORDINANCES >> Chapter 2 - ADMINISTRATION >> ARTICLE III. - BOARDS AND COMMISSIONS >> DIVISION 4. - PERMANENT FUND REVIEW BOARD >>

## DIVISION 4. - PERMANENT FUND REVIEW BOARD [15]

Sec. 2-256. - Creation; composition; appointment of members; qualifications; duties.

Sec. 2-257, - Compensation; indemnification.

Sec. 2-258. - Removal of members.

Sec. 2-259. - Meetings; quorum; rules of procedures; records.

Sec. 2-260. - Permanent fund investment policy, procedure and governance.

Sec. 2-261. - Permanent fund asset allocation plan and performance measurement targets. The target for equities is 40% of the portfolio with an allowable range of 30% to 50%. The target for fixed income is 60% of the portfolio with an allowable range of 50% to 70%.

Secs. 2-262—2-280. - Reserved.

## Sec. 2-256. - Creation; composition; appointment of members; qualifications; duties.

- (a) In accordance with Charter section 8.8(b), there is created a permanent fund review board which shall consist of five members, including one member of the Fairbanks City Council, appointed by the mayor and confirmed by the city council. The terms shall be staggered, and the mayor shall designate each of the initial three members to the terms of one year, two years and three years.
- (b) Members of the board shall possess some background in any one or several fields in accounting, banking, financial investment advisement, securities regulation, public finance, or other similar professional fields regulated by the State of Alaska or other professional or national organizations. Failure to attend regular meetings of the board, unless excused for cause by the chairman, shall create an immediate vacancy in the office.
- (c) Members of the board shall advise and make recommendations to the city council concerning investment policy, strategy, and asset selection and allocation of the **permanent fund**. The board may use the services of a professional investment advisor/manager in rendering its advice and recommendations to the city council.

(Code 1960, § 2.414; Ord. No. 5817, § 1. 8-28-2010)

#### Sec. 2-257. - Compensation; indemnification.

Members of the **permanent fund** review board shall serve without compensation and shall be held harmless against and indemnified for any claims and/or judgments arising from any actions, decisions, directions, advice or other conduct while serving as members of the board.

(Code 1960, § 2.415)

#### Sec. 2-258. - Removal of members.

Members of the **permanent fund** review board may be removed by the mayor or the city council at any time and without cause.

(Code 1960, § 2.416)

## Sec. 2-259. - Meetings; quorum; rules of procedures; records.

- The permanent fund review board shall establish rules of procedure; provided there shall be a regular meeting of the board once every quarter, which shall be open to the public under the provisions and terms of AS 44.62.310—44.62.312. The chairman is authorized to call special meetings, or a majority of the members may require that a special meeting be called.
- (b) A majority of the board shall constitute a quorum for the transaction of business, and a majority vote shall be necessary to carry any question.

(c) Permanent records, or minutes, shall record the vote of every member on each question. Every decision, action or finding, shall promptly be filed in the office of the city clerk and shall be open to inspection by any person.

(Code 1960, § 2.417)

#### Sec. 2-260. - Permanent fund investment policy, procedure and governance.

- Purpose of fund. The purpose of the permanent fund is to maximize income for capital and operating expenses of the city and preserve in trust assets of the city for present and future generations of city residents. The principal goal shall be to preserve principal and maintain purchasing power.
- purchasing power.

  (b) Investment policy. The investment policy of the city is to allow only the following investment vehicles
  - Obligations of or obligations insured or guaranteed by the United States or agencies or instrumentalities of the United States;
  - Bonds or other taxable yield U.S. dollar denominated debt instruments of this state, its agencies, municipalities, any other state, or corporation which at the time of investment have an investment grade rating of a nationally recognized rating agency; if the rating of a bond becomes less than investment grade and has a matunity greater than one year, it must be sold in an orderly manner within 90 days of down grading;
  - (3) Bank certificates of deposit which are insured or secured as to the payment of principal and interest:
  - (4) Corporate obligations of investment grade quality as recognized by a nationally recognized rating organization. If, after purchase, these obligations are downgraded below investment grade, they shall be sold in an orderly manner within 90 days of down grading. In no circumstance shall any bond be purchased after January 1, 2009 with a yield to maturity that exceeds 600 basis points above a comparable duration treasury note/bond at the date of purchase.
  - Short term investment **funds** (STIF) which are limited to investments set forth in subsections (b)(1)—(4) of this section or the Alaska Municipal League Investment Pool as set forth in state statute; and
  - (6) Domestic equities, which taken as a whole, attempt to replicate the Standard & Poor's 500 Index, including both mutual **funds** and exchange traded **funds** (ETF's).
  - (7) International equities, which taken as a whole, attempt to replicate the Morgan Stanley Europe, Australasia, Far East (EAFE) Index, including both mutual **funds** and exchange traded **funds** (ETF's).
  - (8) Equities, which taken as a whole, attempt to replicate the universe of domestic real-estate investment trusts, including both mutual funds and exchange traded funds (ETF's).
  - (9) Domestic equities, which taken as a whole, attempt to replicate the S&P 400 MidCap Index, including both mutual **funds** and exchange traded **funds** (ETF's).
  - (10) Commodities, which taken as a whole, attempt to replicate a broad based commodity index, such as the Dow-Jones UBS Commodity Index, including mutual **funds**, exchange traded **funds** (ETF's) and exchange traded notes (ETN's).
  - (11) Emerging markets equity index funds, which taken as a whole, attempt to replicate the MSCI Emerging Market Index, including both mutual funds and (ETF's).
  - (12) International Bond index funds, which taken as a whole, attempt to replicate Barclays Capital Global Treasury ex-U.S. Capped Index, including both mutual funds and ETF's.
  - (13) U.S. Treasury Inflation Protected Securities (TIPS), and/or mutual **funds** or ETF's which attempt to replicate the Barclays Capital U.S. Treasury Inflation Protected Securities Index.
  - (c) Limitations. The following investment practices are prohibited and shall constitute limitations to fund investments:
    - Options and futures may not be purchased or sold; complex derivatives and complex structured notes which provide for uncertain payment dates and amounts are prohibited without the express, written consent of the city council, as are practices which involve the use of leveraging through reverse repurchase agreements;
    - Investments in U.S. dollar denominated obligations of corporations shall be limited to a percentage level as provided for by the city council from time to time. Investment grade to be defined by at least one nationally recognized rating service. The investment in the lowest level of investment grade securities is to be limited to no more than ten percent of the marketable debt securities;
    - (3) No investment shall be made in any one individual security or issuer in excess of five percent of the total investment portfolio, measured by market value, except for obligations of the U.S. government and its agencies.

(4)

- No investments, cumulatively, shall be made in any one industry in excess of 25 percent of the total investment portfolio except for obligations of the U.S. and its agencies without quarterly disclosure to the Review Board for consideration.
- (5) Effective January 1, 2009, no commercial residential mortgaged backed securities (MBS, etc. but not to exclude securities issued by a U.S. government agency) and no further commercial mortgage backed securities (CMBS, etc) may be purchased.
- (d) Transactional records. The board shall maintain on file within the offices of the city, monthly reports which indicate the following:
  - (1) All transactions affecting the investment account, to include purchases and sales of securities, transfers of cash into and out of the account, interest or dividends received by the account; and
  - (2) A listing of all assets held in the investment account, including identification of the security, original purchase price, and current market price.
- (e) Fund performance evaluation. The city council and the board may have an objective performance evaluation of the investment program every year. The board may retain a performance measurement consultant whose contractual purpose will be to provide objective measurement of the performance of investment managers and the portfolio against appropriate indices, universes and/or benchmarks as recommended by the consultant and adopted by the city council and the board. Portfolio performance may be reviewed by the consultant at least semiannually with the city council and the board. Such consultant may not manage in any capacity any portion of the portfolio.
- (f) Custodian bank. The city council and the board shall retain a bank custodian to hold all investment cash and securities in the name of the city's permanent fund. The custodian shall render monthly reports to the city council and the board regarding assets held at both book and market values, and individual transactions which have taken place. The bank shall have adequate fidelity insurance. A written contract will be entered into between the city and the custodian bank.
- Investment managers. The city council and the board shall retain one or more professional investment managers to design portfolios and invest funds in accordance with the written investment policies adopted by the city council. The investment managers must be registered financial advisers with both the United States Securities and Exchange Commission and the state and may not serve in any multiple role as investment manager or securities broker custodian. They must agree to serve as a fiduciary to the fund and carry professional liability insurance in the minimum amount of \$5,000,000.00. A written contract must be entered into between the fund and the investment managers.
- (h) Fiduciary status; conflict of interest. The board shall be considered to have the responsibility of a fiduciary to the **fund** and shall be indemnified by the city in any action brought against them collectively or individually while acting in this capacity. No board member may act on behalf of the board in any manner involving the investments of the portfolio or its **management** pursuant to this policy, except as specifically authorized by the city council in writing.
- (i) Prudent investor rule. The city council, the board, the staff, the investment managers and the bank custodians shall exercise the judgment and care under the circumstances then prevailing which an investor of ordinary prudence, discretion and intelligence exercises in the management of large investments entrusted to it, not in regard to speculation, but in regard to the long-term investment of funds considering the probable safety of capital as well as probable income.
- Balance available for appropriation. The city council may only appropriate from the permanent fund as follows: In any fiscal year, an amount not to exceed four percent of the five-year average fund market value, to be computed using the five prior years' year end audited market value, for the city operations, and an additional 0.5 percent solely for capital needs.

(Code 1960, § 2.418; Ord. No. 5374, § 1, 11-28-1998; Ord. No. 5494, § 1, 7-22-2002; Ord. No. 5583, § 1, 11-22-2004; Ord. No. 5595, § 1, 3-7-2005; Ord. No. 5658, § 1, 7-24-2006; Ord. No. 5764, 1-1-2009; Ord. No. 5766, 3-14-2009; Ord. No. 5791, § 1, 10-26-2009; Ord. No. 5801, § 1, 4-10-2010; Ord. No. 5808, § 1, 6-12-2010)

Sec. 2-261. - Permanent fund asset allocation plan and performance measurement targets. The target for equities is 40% of the portfolio with an allowable range of 30% to 50%. The target for fixed income is 60% of the portfolio with an allowable range of 50% to 70%.

(a) Within the overall guidelines for equities and fixed income investments, the asset allocation targets and ranges are as follows:

| targets and ranges are as follows: | Target % Weighting | Range % |
|------------------------------------|--------------------|---------|
| Asset Class                        | 40                 | 30-50   |
| Equities—Overall                   | 22                 | 20-50   |
| Large Cap Equity                   |                    |         |

| Mid Cap Equity                               | 2  | 0–10  |
|----------------------------------------------|----|-------|
| Small Cap Equity                             | 1  | 0–10  |
| International Equity                         | 8  | 0-15  |
| Emerging Markets Equity                      | 2  | 0-5   |
| Real Estate Equity                           | 5  | 0–10  |
| Fixed Income - Overall                       | 60 | 50-70 |
| US Bonds meeting Ordinance Criteria          | 45 | 40-70 |
| International Bonds                          | 5  | 0–10  |
| U.S. Treasury Inflation Protected Securities | 10 | 0-15  |
| Commodities                                  | 0  | 0–10  |

- (b) The performance of the investment advisors for the overall portfolio will be measured against the weighted blended target allocation plus 50 basis points (0.5%). Components of the portfolio will be measured as follows:
  - (1) Performance measurement of the Domestic Equity allocation will be measured against the Target Weighting, using the Standard & Poor's 500 as the benchmark.
  - (2) Performance measurement for the Mid/Small Cap Equity allocation will be measured against the Target Weighting, using the Standard & Poor's 400 MidCap Index as the benchmark.
  - (3) Performance measurement for the International Equity allocation will be measured against the target weighting using the Morgan Stanley Europe, Australasia, Far East (EAFE) Index for the benchmark.
  - (4) Performance measurement for the real estate allocation will be measured against the target weighting using the Standard & Poor's REIT Index for the benchmark.
  - (5) Performance measurement for the U.S. Bond allocation will be measured against the target weighting using the Barclays Capital U.S. Aggregate Bond Index for the benchmark.

    Duration should be maintained between 80 percent and 120 percent of the duration of the benchmark.
  - (6) Performance measurement of the commodity allocation will be measured against the target weighting, using a broad based index such as the Dow-Jones UBS Commodity Index, selected by the **Permanent Fund** Review Board.
  - (7) Performance measurement for the emerging markets equity allocation will be measured against the target weighting using the MSCI Emerging Market Index.
  - (8) Performance measurement for the international bond allocation will be measured against the target weighting using the Barclays Capital Global Treasury ex. U.S. Capped Index.
  - (9) Performance measurement for the U.S. Treasury Inflation Protected Securities (TIPS) allocation will be measured against the target weighting using the Barclays Capital U.S. Treasury Inflation Protected Securities Index.

(Ord. No. 5658, § 1, 7-24-2006; Ord. No. 5764, 1-1-2009; Ord. No. 5766, 3-14-2009; Ord. No. 5801. § 1, 4-10-2010; Ord. No. 5808, § 1, 6-12-2010)

Secs. 2-262—2-280. - Reserved.

| FOOTNO | )TE(S): |
|--------|---------|
|--------|---------|

(15) Charter reference— Permanent fund, § 8.8. (Back)

# INVESTMENT REVIEW

# FAIRBANKS PERMANENT FUND

for period ending September 30, 2011



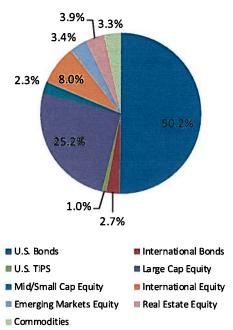
## Agenda

- Portfolio Review & Performance
- Compliance Report
- > Appendix
  - Economy & Financial Markets
  - Portfolio Appraisal
  - Performance History Detail



#### Asset Allocation for Fairbanks Permanent Fund

as of September 30, 2011

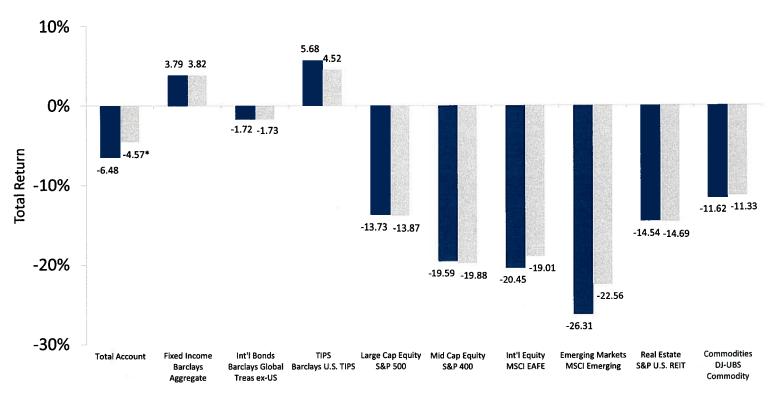


| Asset Class             | Portfolio<br>Weight | Strategic<br>Bench | Range  | Market Value |
|-------------------------|---------------------|--------------------|--------|--------------|
| Fixed Income            | 53.8%               | 60%                | 50-70% | \$51,069,325 |
| U.S. Bonds              | 50.2%               | 45                 | 40-70  | \$47,607,881 |
| International Bonds     | 2.7%                | 5                  | 0-10   | \$2,553,773  |
| U.S. TIPS               | 1.0%                | 10                 | 0-15   | \$907,670    |
| Equities                | 42.8%               | 40                 | 30-50  | \$40,611,722 |
| Large Cap Equity        | 25.2%               | 22                 | 20-50  | \$23,948,839 |
| Mid/Small Cap Equity    | 2.3%                | 3                  | 0-10   | \$2,151,354  |
| International Equity    | 8.0%                | 8                  | 0-15   | \$7,569,138  |
| Emerging Markets Equity | 3.4%                | 2                  | 0-5    | \$3,242,615  |
| Real Estate Equity      | 3.9%                | 5                  | 0-10   | \$3,699,775  |
| Commodities             | 3.3%                | 0                  | 0-10   | \$3,175,412  |
| Total                   |                     |                    |        | \$94,856,458 |



#### **Account Performance**

Third Quarter 2011





\* 50 bps Hurdle -4.45% Performance is gross of fees.



- ➤ Q3 portfolio return of -6.48% vs. blended benchmark return of -4.57%. The shortfall was the result of an underweight allocation to TIPS and an overweight allocation to U.S. large cap and emerging market equity.
- ➤ Actively managed fixed income Q3 return of +3.79% approximated the Barclays Aggregate return of +3.82%.
- Commodity exposure provided a negative allocation effect, but at a considerably smaller level than the TIPS underweight or equity overweight.



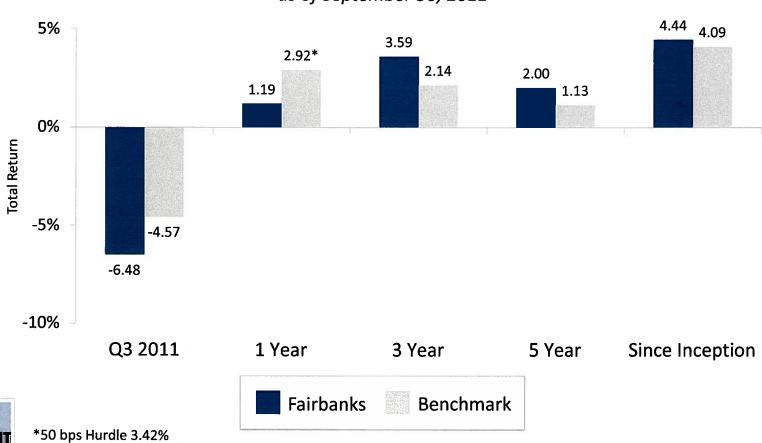
|                        | July 11 | August 11 | September 11 | Q3 2011 |
|------------------------|---------|-----------|--------------|---------|
| Allocation Effect      | July 11 | August II | September 11 | Q3 2011 |
| Aggregate Bonds        | -0.006  | 0.019     | 0.100        | 0.113   |
| Domestic Large Cap     | -0.115  | -0.158    | -0.143       | -0.416  |
| Domestic Mid Cap       | -0.005  | 0.023     | 0.041        | 0.060   |
| Domestic Small Cap     | 0.000   | 0.000     | 0.000        | 0.000   |
| International Equity   | -0.008  | -0.050    | -0.036       | -0.095  |
| Emerging Market Equity | -0.024  | -0.165    | -0.224       | -0.413  |
| Real Estate            | -0.007  | 0.025     | 0.059        | 0.077   |
| TIPS                   | -0.236  | -0.212    | -0.286       | -0.733  |
| International Bonds    | -0.024  | -0.076    | 0.029        | -0.072  |
| Commodities            | 0.084   | 0.103     | -0.429       | -0.242  |
| Total                  | -0.341  | -0.492    | -0.889       | -1.722  |
| Selection Effect       |         |           | 10           |         |
| Aggregate Bonds        | -0.084  | -0.018    | 0.090        | -0.012  |
| Domestic Large Cap     | -0.003  | 0.037     | 0.000        | 0.034   |
| Domestic Mid Cap       | 0.008   | 0.003     | 0.000        | 0.010   |
| Domestic Small Cap     | 0.000   | 0.000     | 0.000        | 0.000   |
| International Equity   | -0.067  | 0.082     | -0.155       | -0.140  |
| Emerging Market Equity | -0.008  | -0.006    | -0.154       | -0.169  |
| Real Estate            | -0.002  | 0.004     | 0.005        | 0.007   |
| TIPS                   | 0.005   | 0.029     | -0.006       | 0.028   |
| International Bonds    | 0.001   | -0.009    | 0.008        | 0.000   |
| Commodities            | 0.038   | -0.011    | -0.034       | -0.008  |
| Total                  | -0.113  | 0.110     | -0.246       | -0.249  |
| Total Attribution      | -0.45   | -0.38     | -1.14        |         |
| Bench Return           | 0.58    | -1.79     | -3.39        | -4.57   |
| Account Return         | 0.13    | -2.17     | -4.53        | -6.48   |
| Difference             | -0.45   | -0.38     | -1.14        | -1.91   |



Portfolio Return = Allocation Effect + Selection Effect (Weight Port Sector - Weight Bench) (Return Sector Bench - Return Port Bench) + (Weight Port Sector )(Return Port Sector - Return Sector Bench) 5



as of September 30, 2011





Performance is gross of fees and annualized for periods greater than one year. Inception Performance begins January 31, 1998.



April 21, 2010

To: Permanent Fund Review Board

From: City of Fairbanks, Finance Department and APCM

Subject: Compliance

During this year's audit of the Permanent Fund the question was raised as to exactly how does the Finance Department know the Fund was in compliance with the various restrictions contained in the authorizing ordinances and resolutions. While the auditor's questions were answered it became apparent that a more formalized compliance system would make this question mute.

Nine specific compliance questions have been identified and it is recommended that a compliance appendix be included at each quarterly meeting illustrating that the Fund meets all of the respective criteria. The identified nine items are as follows:

- Equity and Fixed-income limitations as wells range limitations within the two categories.
- 2. Corporate debt limitation of 30% of total portfolio market value.
- Limitation on the purchase of any bond in excess of 600 basis points above a comparable duration US treasury.
- 4. Limitation on the purchase of any CMBS after January 1, 2009.
- 5. Ratings and downgrade limitations on corporate securities.
- 6. Five percent limitation on any one security (total portfolio).
- 7. Ten percent limitation on Baa rated securities (fixed income portfolio).
- 8. Duration constraint of between 80-120 percent of the Barclays Aggregate.
- 9. Twenty-Five percent industry limitation (total portfolio).

In the attached packet each of the nine limitations are addressed by either a specific report or calculation based upon an enclosed report to illustrate compliance. Should the Board approve of the format; the Compliance Report will become a regular appendix presented at each quarterly meeting.

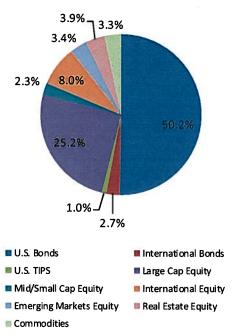


- ➤ Equity and fixed-income limitations as well as range limitations within the two categories
  - Copy of quarterly chart illustrating targets and ranges versus actual
  - Portfolio Appraisal report (Appendix)



#### Asset Allocation for Fairbanks Permanent Fund

as of September 30, 2011



| Asset Class                    | Portfolio<br>Weight | Strategic<br>Bench | Range  | Market Value |
|--------------------------------|---------------------|--------------------|--------|--------------|
| Fixed Income                   | 53.8%               | 60%                | 50-70% | \$51,069,325 |
| U.S. Bonds                     | 50.2%               | 45                 | 40-70  | \$47,607,881 |
| International Bonds            | 2.7%                | 5                  | 0-10   | \$2,553,773  |
| U.S. TIPS                      | 1.0%                | 10                 | 0-15   | \$907,670    |
| Equities                       | 42.8%               | 40                 | 30-50  | \$40,611,722 |
| Large Cap Equity               | 25.2%               | 22                 | 20-50  | \$23,948,839 |
| Mid/Small Cap Equity           | 2.3%                | 3                  | 0-10   | \$2,151,354  |
| International Equity           | 8.0%                | 8                  | 0-15   | \$7,569,138  |
| <b>Emerging Markets Equity</b> | 3.4%                | 2                  | 0-5    | \$3,242,615  |
| Real Estate Equity             | 3.9%                | 5                  | 0-10   | \$3,699,775  |
| Commodities                    | 3.3%                | 0                  | 0-10   | \$3,175,412  |
| Total                          | 3                   | *                  |        | \$94.856.458 |



- Corporate debt limitations of 30% of the total portfolio market value
  - See attached Portfolio Appraisal report



# Portfolio Appraisal – as of September 30, 2011

|              |                                               |         |              |        |           |        |        |          | Yleld    |
|--------------|-----------------------------------------------|---------|--------------|--------|-----------|--------|--------|----------|----------|
|              |                                               | Average | Total        |        | Market    | Pct.   | Annual | Accrued  | to       |
| Quantity     | Security                                      | Cost    | Average Cost | Price  | Value     | Assets | Income | Interest | Maturity |
| CORPORATE BO | DNDS                                          |         |              |        |           |        |        |          |          |
| 500.000      |                                               | 107.40  | 537,025      | 102.55 | 512,730   | 0.54   | 23,750 | 8,972    | 0.66     |
| •            | 4.750% Due 05-15-12                           |         | ,            |        |           |        |        |          |          |
| 200,000      | ASTRAZENECA PLC                               | 99.81   | 199,618      | 104.63 | 209,270   | 0.22   | 10,800 | 480      | 0.54     |
|              | 5.400% Due 09-15-12                           |         |              |        |           |        |        |          |          |
| 500,000      | JOHN DEERE CAPITAL CORP                       | 99.75   | 498,750      | 104.50 | 522,480   | 0.55   | 26,250 | 13,125   | 0.74     |
|              | 5.250% Due 10-01-12                           |         |              |        |           |        |        |          |          |
| 500,000      | UNITED PARCEL SVC INC                         | 100.22  | 501,110      | 105.03 | 525,150   | 0.55   | 22,500 | 4,750    | 0.58     |
|              | 4.500% Due 01-15-13                           |         |              |        |           |        |        |          |          |
| 500,000      |                                               | 99.87   | 499,335      | 99.32  | 496,615   | 0.52   | 12,500 | 2,361    | 3.03     |
|              | 2.500% Due 01-23-13                           |         |              |        |           |        |        |          |          |
| 500,000      | AMERICAN INTL GROUP INC SENIOR NT             | 95.12   | 475,580      | 99.76  | 498,795   | 0.53   | 21,250 | 8,028    | 4.40     |
|              | 4.250% Due 05-15-13                           |         |              |        |           |        |        |          |          |
| 500,000      |                                               | 99.68   | 498,425      | 104.98 | 524,925   | 0.55   | 17,500 | 3,694    | 0.70     |
|              | 3.500% Due 07-15-13                           |         | ***          |        |           |        | 20.525 | 4 364    | 1 20     |
| 500,000      | BARRICK GOLD FINANCE CO.                      | 99.98   | 499,890      | 109.31 | 546,535   | 0.58   | 30,625 | 1,361    | 1.30     |
| 250 000      | 6.125% Due 09-15-13                           | 100.00  | 270.020      | 107.67 | 260 192   | 0.28   | 12 125 | 5,250    | 1.53     |
| 250,000      | BP CAPITAL MARKETS PLC                        | 108.02  | 270,039      | 107.67 | 269,182   | 0.28   | 13,125 | 3,230    | 1.55     |
| 500,000      | 5.250% Due 11-07-13<br>CREDIT SUISSE NEW YDRK | 99.90   | 499,485      | 105.71 | 528,570   | 0.56   | 27,500 | 11,458   | 3.18     |
| 500,000      | 5,500% Due 05-01-14                           | 33.30   | 499,400      | 105.71 | 320,370   | 0.50   | 27,300 | 11,436   | 3.10     |
| 500,000      | BANK DF NY MELLON                             | 100.91  | 504,550      | 107.90 | 539,480   | 0.57   | 21,500 | 8,122    | 1.23     |
| 300,000      | 4,300% Due 05-15-14                           | 100.51  | 304,330      | 107.50 | 333,400   | 0.57   | 21,500 | 0,122    | 2.25     |
| 450,000      |                                               | 104.98  | 472,396      | 107.32 | 482,935   | 0.51   | 18,900 | 7,140    | 1.35     |
| 150,000      | 4.200% Due 05-15-14                           | 204150  | 112,550      | 107.32 | 102,500   | 0.01   | 10,500 | ,,       | 2.00     |
| 500,000      | CITIGROUP INC                                 | 100.17  | 500,870      | 103.89 | 519,475   | 0.55   | 27,500 | 12,681   | 4.12     |
| ,            | 5.500% Due 10-15-14                           |         | ,            |        | <b>,</b>  |        |        | •        |          |
| 500,000      | DOMINION RESDURCES INC.                       | 106.38  | 531,910      | 109.87 | 549,375   | 0.58   | 25,000 | 8,333    | 1.78     |
| ,            | 5.000% Due 12-01-14                           |         | - ,          |        | •         |        | •      |          |          |
| 500,000      | JP MORGAN CHASE & CO                          | 98.36   | 491,795      | 105.92 | 529,610   | 0.56   | 23,750 | 1,979    | 2.92     |
|              | 4.750% Due 03-01-15                           |         |              |        |           |        |        |          |          |
| 500,000      | MORGAN STANLEY                                | 99.88   | 499,380      | 99.53  | 497,640   | 0.52   | 30,000 | 12,750   | 6.15     |
|              | 6.000% Due 04-28-15                           |         |              |        |           |        |        |          |          |
| 500,000      | BANK OF MONTREAL                              | 100.59  | 502,930      | 105.54 | 527,710   | 0.56   | 14,250 | 4,433    | 1.31     |
|              | 2.850% Due 06-09-15                           |         |              |        |           |        |        |          |          |
| 250,000      | HSBC FINANCE CDRP                             | 106.89  | 267,235      | 104.38 | 260,942   | 0.28   | 13,750 | 2,750    | 4.37     |
|              | 5.500% Due 01-19-16                           |         |              |        |           |        |        |          |          |
| 350,000      | UNITED HEALTH GROUP INC                       | 114.09  | 399,322      | 113.97 | 398,902   | 0.42   | 18,812 | 836      | 2.08     |
|              | 5.375% Due 03-15-16                           |         |              |        |           |        |        |          |          |
| 500,000      | JOHNSON & JOHNSON                             | 104,26  | 521,320      | 103.21 | 516,050   | 0.54   | 10,750 | 3,912    | 1.43     |
|              | 2.150% Due 05-15-16                           |         |              |        |           |        |        |          | 4 7-     |
| 1,250,000    |                                               | 99.93   | 1,249,162    | 99.65  | 1,245,687 | 1.31   | 20,312 | 959      | 1.70     |
|              | 1.625% Due 09-14-16                           |         |              |        |           |        |        |          |          |



# Portfolio Appraisal – as of September 30, 2011

|          |                                                                            | Average      | Total        |        | Market                | Pct.                 | Annual | Accrued  | Yleld<br>to |
|----------|----------------------------------------------------------------------------|--------------|--------------|--------|-----------------------|----------------------|--------|----------|-------------|
| Quantity | Security                                                                   | Average Cost | Average Cost | Price  | Value                 | Assets               | Income | Interest | Maturity    |
| 500,000  | BANK AMER CORP                                                             | 99.93        | 499,670      | 96.10  | 480,495               | 0.51                 | 28,125 | 13,047   | 6.55        |
| 675,000  |                                                                            | 104.71       | 706,819      | 116.12 | 783,837               | 0.83                 | 37,969 | 17,508   | 2.23        |
| 500,000  | 5.625% Due 10-15-16<br>INTERNATIONAL BUSINESS MACHS<br>5.700% Due 09-14-17 | 106.27       | 531,328      | 118.97 | 594,875               | 0.63                 | 28,500 | 1,346    | 2.27        |
| 575,000  | EXELON GENERATION CO LLC<br>6.200% Due 10-01-17                            | 102.67       | 590,369      | 112.76 | 648,358               | 0.68                 | 35,650 | 17,825   | 3.80        |
| 500,000  | WELLS FARGO & CO<br>5.625% Due 12-11-17                                    | 99.58        | 497,920      | 113.09 | 565,470               | 0.60                 | 28,125 | 8,594    | 3.27        |
| 500,000  |                                                                            | 99.57        | 497,860      | 112.67 | 563,345               | 0.59                 | 28,750 | 4,792    | 3.50        |
| 500,000  | MCDONALDS CORP M/T/N<br>5.350% Due 03-01-18                                | 105.75       | 528,740      | 119.26 | 596,315               | 0.63                 | 26,750 | 2,229    | 2.12        |
| 500,000  | GENERAL ELECTRIC CAP CORP.<br>5.625% Due 05-01-18                          | 89.86        | 449,305      | 109.32 | 546,595               | 0.58                 | 28,125 | 11,719   | 4.00        |
| 500,000  | GLAXOSMITHKLINE CAP INC<br>5.650% Due 05-15-18                             | 104.59       | 522,950      | 120.92 | 604,625               | 0.64                 | 28,250 | 10,672   | 2.23        |
| 500,000  | CATERPILLAR FINANCIAL 7.150% Due 02-15-19                                  | 99.16        | 495,805      | 128.53 | 642,675               | 0.68                 | 35,750 | 4,568    | 2.83        |
| 500,000  | GOLDMAN SACHS GROUP INC.<br>7.500% Due 02-15-19                            | 99.78        | 498,905      | 111.59 | 557,960               | 0.59                 | 37,500 | 4,792    | 5.56        |
| 500,000  | PROCTER & GAMBLE CO.<br>4.700% Due 02-15-19                                | 99.82        | 499,120      | 117.29 | 586,440               | 0.62                 | 23,500 | 3,003    | 2.15        |
| 500,000  | MICROSOFT CORP<br>4.200% Due 06-01-19                                      | 99.73        | 498,650      | 110.83 | 554,170               | 0.58                 | 21,000 | 7,000    | 2.63        |
| 536,000  | CARGILL INC. (144a)<br>4.307% Due 05-14-21                                 | 93.12        | 499,101      | 108.42 | 581,131               | 0.61                 | 23,086 | 8,657    | 3.28        |
| 500,000  | BELLSOUTH CORP<br>6.000% Due 11-15-34                                      | 97.52        | 487,595      | 108.84 | 544,180               | 0.57                 | 30,000 | 11,333   | 5.33        |
| 500,000  | SOUTHERN CALEDISON CORP BOND<br>5.950% Due 02-01-38                        | 99.54        | 497,700      | 130.58 | 652,890               | 0.69                 | 29,750 | 4,958    | 4.05        |
|          | Accrued Interest                                                           |              | 18,721,966   |        | 255,418<br>20,460,840 | <u>0.27</u><br>21.57 |        | 255,418  |             |



- Limitation on the purchase of any bond in excess of 600 basis points above a comparable duration U.S. Treasury
- ➤ Limitation on the purchase of any CMBS after January 1, 2009
  - See attached Purchase and Sale report



## Purchase and Sale - from 6/30/2011 to 9/30/2011

| PURCHASES FAIRBANKS PERMANENT | Trade<br>Date | Settle<br>Date |              |                                                  | Unit   |              | -    |          |                      | T    |
|-------------------------------|---------------|----------------|--------------|--------------------------------------------------|--------|--------------|------|----------|----------------------|------|
| PURCHASES                     | Date          | Date           |              |                                                  | Oill   |              | On   | Spread   |                      | Type |
|                               |               | Date           | Quantity     | Security                                         | Price  | Amount       | Cost | Over TSY | Sector               | Code |
|                               |               |                |              |                                                  |        |              |      |          |                      |      |
|                               | 06-30-11      | 06-30-11       | 1.024.7210   | VANGUARD INST'L S&P500 IN                        | 119.62 | 122.577.14   | ?    |          | Domestic Large Cap E | mfus |
| FAIRBANKS PERMANENT           | 07-19-11      |                |              | US Treasury Note<br>3.500% Due 02-15-39          | 88.11  | 1,101,318.36 | 4.24 |          | US Treasury Notes    | tnus |
| FAIRBANKS PERMANENT           | 07-21-11      | 08-11-11       | 1,000,000.00 | FNCL TBA 6.00%<br>6.000% Due 08-01-41            | 109.64 | 1,096,406.25 | ?    | 180      | FNMA & FHMLC Mortgag | fmus |
| FAIRBANKS PERMANENT           | 07-21-11      | 08-11-11       | 1,000,000.00 | FGLMC TBA 5.5%<br>5.500% Due 08-01-35            | 108.01 | 1,080,078.13 | ?    | 190      | FNMA & FHMLC Mortgag | fmus |
| FAIRBANKS PERMANENT           | 08-15-11      | 08-18-11       | 28,063.0000  | VANGUARD MSCI EAFE ETF                           | 34.05  | 955,469.38   | ?    |          | International Equity | ifus |
| FAIRBANKS PERMANENT           | 08-15-11      | 08-16-11       | 8,645.6640   | VANGUARD INST'L S&P500 IN                        | 110.46 | 955,000.00   | ?    |          | Domestic Large Cap E | mfus |
| FAIRBANKS PERMANENT           | 09-07-11      | 09-14-11       | 1,250,000    | TORONTO-DOMINION BANK (14<br>1.625% Due 09-14-16 | 99.93  | 1,249,162.50 | 1.64 |          | Corporate Bonds      | cbus |
| FAIRBANKS PERMANENT           | 09-09-11      | 09-14-11       | 175,000      | CONOCOPHILLIPS CDA FDG FD<br>5.625% Due 10-15-16 | 117.91 | 206,344.25   | 1.91 | 106      | Corporate Bonds      | cbus |
| FAIRBANKS PERMANENT           | 09-09-11      | 09-14-11       | 75,000       | EXELON GENERATION CO LLC<br>6.200% Due 10-01-17  | 114.97 | 86,224.50    | 3.44 | 230      | Corporate Bonds      | cbus |
| FAIRBANKS PERMANENT           | 09-09-11      | 09-14-11       | 250,000      | HSBC FINANCE CORP<br>5.500% Due 01-19-16         | 106.89 | 267,235.00   | 3.76 | 314      | Corporate Bonds      | cbus |
| FAIRBANKS PERMANENT           | 09-22-11      | 09-27-11       | 500,000      | JOHNSON & JOHNSON<br>2.150% Due 05-15-16         | 104.26 | 521,320.00   | 1.20 | 52       | Corporate Bonds      | cbus |
| FAIRBANKS PERMANENT           | 09-27-11      | 09-30-11       | 350,000      | UNITED HEALTH GROUP INC<br>5.375% Due 03-15-16   | 114.09 | 399,322.00   | 2.05 | 122      | Corporate Bonds      | cbus |
| FAIRBANKS PERMANENT           | 09-30-11      | 09-30-11       | 1,279.2390   | VANGUARD INST'L S&P500 IN                        | 106.14 | 135,778.39   | ?    |          | Domestic Large Cap E | mfus |
|                               |               |                |              |                                                  |        | 8,176,235.90 | 1.55 |          |                      |      |
|                               |               |                |              |                                                  |        |              | 1.55 |          |                      |      |
| SALES                         |               |                |              |                                                  |        |              |      |          |                      |      |
| FAIRBANKS PERMANENT           | 07-15-11      | 07-20-11       | 10,293.0000  | ISHARES S&P MIDCAP 400                           | 97.16  | 1,000,027.06 | ?    |          | Mid Cap Equity       | dfus |
| FAIRBANKS PERMANENT           | 07-19-11      | 07-20-11       | 1,250,000    | FNMA<br>2.625% Due 11-20-14                      | 105.37 | 1,317,095.00 | 0.98 | 22       | Agencies             | agus |
| FAIRBANKS PERMANENT           | 07-27-11      | 08-01-11       | 525,000      | ASTRAZENECA PLC<br>5.400% Due 09-15-12           | 105.43 | 553,507.50   | 0.54 | 26       | Corporate Bonds      | cbus |
| FAIRBANKS PERMANENT           | 08-15-11      | 08-16-11       | 1,008,389.25 | US TREASURY INFLATION PRO<br>2.000% Due 01-15-14 | 107.59 | 1,084,963.81 | ?    |          | TIPS                 | tius |
| FAIRBANKS PERMANENT           | 08-15-11      | 08-16-11       | 970,245.00   | US TREASURY INFLATION PRO<br>1.750% Due 01-15-28 | 117.39 | 1,138,938.76 | ?    |          | TIPS                 | tius |
| FAIRBANKS PERMANENT           | 08-22-11      | 08-25-11       | 527,258.91   | GOV'T NAT'L MTGE ASSN POO<br>4.500% Due 04-15-38 | 108.41 | 571,581.62   | ?    | 154      | GNMA                 | gmus |
| FAIRBANKS PERMANENT           | 08-25-11      | 08-26-11       | 375,000      | US Treasury Note<br>3.500% Due 02-15-39          | 98.73  | 370,253.90   | 3.57 |          | US Treasury Notes    | tnus |
| FAIRBANKS PERMANENT           | 09-22-11      | 09-27-11       | 500,000      | JOHNSON & JOHNSON<br>5.150% Due 08-15-12         | 104.19 | 520,940.00   | 0.40 | 30       | Corporate Bonds      | cbus |
|                               |               |                |              |                                                  | -      | 6,557,307.65 | 0.46 |          |                      |      |
|                               |               |                |              |                                                  |        | 100          | 0.46 |          |                      |      |
|                               |               |                |              |                                                  |        |              | 0.88 |          |                      |      |



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- Ratings and downgrade limitations on corporate securities
  - See attached Portfolio Holdings (Expanded) report



# Portfolio Holdings (Expanded)

Portfolio: Fairbanks Combined Pricing Date: 09/30/2011

Representative:

Table 1: Excl. Table 2 Hidgs

|                      | Ticker |                           |       |                |      |            |        |            |      |         | Mkt Val | % Held |       | Mod   |         |        |
|----------------------|--------|---------------------------|-------|----------------|------|------------|--------|------------|------|---------|---------|--------|-------|-------|---------|--------|
| Par (000) Identifier | (Home) | Issuer Name               | Sect  | Industry       | Mdys | S&P        | Coupon | Maturity   | Curr | Price   | (000)   | (MV)   | YTW   | Dur   | Eff Dur | Conv   |
| 478 000000CM         | CASH   | CASH & EQUIVALENTS        | CASH  |                | Aaa  | AAA        | 0.070  | 10/31/2011 | USD  | 100.000 | 478     | 0.99   | 0.072 | 0.083 | 0.085   | 0.000  |
| 500 084670AS         | BRKA   | BERKSHIRE HATHAWAY INC    | FIN   | Insr-P&C       | Aa2  | AA+        | 4.750  | 05/15/2012 | USD  | 102.546 | 522     | 1.08   | 0.660 | 0.612 | 0.611   | 0.003  |
| 200 046353AC         | AZN    | ASTRAZENECA PLC           | IND   | Pharmetls      | A1   | AA-        | 5.400  | 09/15/2012 | USD  | 104.635 | 210     | 0.43   | 0.544 | 0.943 | 0.946   | 0.007  |
| 500 24422EQW         | DE     | DEERE JOHN CAP CORP MTN   | IND   | ConstMach      | A2   | Α          | 5.250  | 10/01/2012 | USD  | 104.496 | 536     | 1.10   | 0.741 | 0.963 | 0.965   | 0.007  |
| 1,000 31364FGL       | FNM    | FEDERAL NATL MTG ASSN N   | v AGY | AGY            | AGY  | AA+        | 6.410  | 11/13/2012 | USD  | 106.618 | 1,091   | 2.25   | 0.475 | 1.073 | 1.076   | 0.009  |
| 500 911312AG         | UPS    | UNITED PARCEL SERVICE INC | - IND | Tran Srvc      | Aa3  | AA-        | 4.500  | 01/15/2013 | USD  | 105.030 | 530     | 1.09   | 0.585 | 1.256 | 1.260   | 0.011  |
| 500 06739FGP         | BARC   | BARCLAYS BK PLC           | FIN   | Bank           | Aa3  | AA-        | 2.500  | 01/23/2013 |      | 99.323  | 499     | 1.03   | 3.028 | 1.276 | 1.279   | 0.011  |
| 500 026874AT         | AIG    | AMERICAN INTL GROUP INC   |       | Insr-Life      | Baa1 | Α-         | 4.250  | 05/15/2013 |      | 99.759  | 507     | 1.05   | 4.403 | 1.530 | 1.529   | 0.016  |
| 500 683234ZR         | ONTPV  | ONTARIO PROV CDA          | OGVT  | LocalAuth      | Aa1  | AA-        | 3.500  | 07/15/2013 |      | 104.985 | 529     | 1.09   | 0.695 | 1.736 | 1.735   | 0.020  |
| 500 06849TAA         | ABX    | BARRICK GOLD FINANCECO    | IND   | Metl/Mine      | Baa1 | Α-         | 6.125  | 09/15/2013 |      | 109.307 | 548     | 1.13   | 1.296 | 1.863 | 1.865   | 0.023  |
| 500 3133XSAE         | FHLB   | FEDERAL HOME LOAN BANK    | AGV   | AGY            | AGY  | AA+        | 3.625  | 10/18/2013 | USD  | 106.417 | 540     | 1.11   | 0.476 | 1.962 | 1.963   | 0.025  |
| 250 05565QBF         | BP     | BP CAP MKTS PL C          | IND   | Enrg-Intg      | A2   | Α.         | 5.250  | 11/07/2013 |      | 107.673 | 274     | 0.57   | 1.527 | 1.969 | 1.972   | 0.025  |
| 500 31398AVZ         | FNM    | FEDERAL NATL MTG ASSN     |       | AGY            | AGY  | AA+        | 2.750  | 03/13/2014 |      | 105.387 | 528     | 1.09   | 0.536 | 2.382 | 2.380   | 0.035  |
| 500 22546QAA         | CSGN   | CREDIT SUISSE NEW YORK E  |       | Bank           | Aa1  | A+         | 5.500  | 05/01/2014 |      | 105.714 | 540     | 1.11   | 3.180 | 2.362 | 2.361   | 0.035  |
| 450 91159HGR         | USB    | U S BANCORP MTNS BK ENT   |       | Bank           | Aa3  | A+         | 4.200  | 05/15/2014 |      | 107.319 | 490     | 1.01   | 1.352 | 2.465 | 2.464   | 0.038  |
| 100 0110011011       | 000    | CODMINOCIT MINOCITEM      |       | Dank           | 7140 | ,,,        | 4.200  | 00/10/2014 | COD  | 107.010 | 400     | 1.01   | 1.002 | 2.400 | 2.707   | 0.000  |
| 500 06406HBL         | вк     | BANK NEW YORK MTN BK E    | FIN   | Bank           | Aa2  | AA-        | 4.300  | 05/15/2014 | USD  | 107.896 | 548     | 1.13   | 1.233 | 2.464 | 2.462   | 0.038  |
| 500 3133XLJP         | FHLB   | FEDERAL HOME LN BKS       | AGY   | AGY            | AGY  | AA+        | 5.500  | 08/13/2014 | UŞD  | 113.752 | 572     | 1.18   | 0.654 | 2.682 | 2.682   | 0.044  |
| 500 172967EZ         | С      | CITIGROUP INC             | FIN   | Bank           | А3   | Α          | 5.500  | 10/15/2014 | USD  | 103.895 | 532     | 1.10   | 4.124 | 2.724 | 2.724   | 0.046  |
| 500 209615CA         | D      | CONSOLIDATED NAT GAS C    | (UTIL | <b>⊟ectric</b> | Baa2 | A-         | 5.000  | 12/01/2014 | USD  | 109.875 | 558     | 1.15   | 1.781 | 2.912 | 2.916   | 0.052  |
| 500 46625HCE         | JPM    | JPMORGAN CHASE & CO       | FIN   | Bank           | Aa3  | A+         | 4.750  | 03/01/2015 | USD  | 105.922 | 532     | 1.10   | 2.917 | 3.147 | 3.151   | 0.060  |
| 500 61747YCE         | MS     | MORGAN STANLEY            | FIN   | Bank           | A2   | Α          | 6.000  | 04/28/2015 | USD  | 99.528  | 510     | 1.05   | 6.147 | 3.097 | 3.102   | 0.060  |
| 500 063679BV         | BMO    | BANK OF MONTREAL 144A     | FIN   | Bank           | Aaa  | NR         | 2.850  | 06/09/2015 | USD  | 105.542 | 532     | 1.10   | 1.307 | 3.484 | 3.494   | 0.072  |
| 1,000 36159JBM       |        | GE_CAP_CC_TALF_2009-2-    | ABS   | CARD           | Aaa  | N/A        | 3.690  | 07/15/2015 | USD  | 102.368 | 1,025   | 2.11   | 0.691 | 0.777 | 0.777   | 0.005  |
| 250 40429CFN         | HSBA   | HSBC FINANCE CORP         | FIN   | Fin-Cnsmr      | А3   | Α          | 5.500  | 01/19/2016 | USD  | 104.377 | 264     | 0.54   | 4.371 | 3.779 | 3.799   | 0.087  |
| 350 91324PAQ         | UNH    | UNITEDHEALTH GROUP INC    | FIN   | Insr-Hith      | А3   | <b>A</b> - | 5.375  | 03/15/2016 | USD  | 113.972 | 400     | 0.82   | 2.077 | 4.007 | 4.029   | 0.096  |
| 500 478160AY         | JNJ    | JOHNSON & JOHNSON         | IND   | Pharmetis      | Aaa  | AAA        | 2.150  | 05/15/2016 | USD  | 103.210 | 520     | 1.07   | 1.430 | 4.366 | 4.397   | 0.111  |
| 1,250 891145RB       | TD     | TORONTO DOMINION BK ON    | FIN   | Bank           | Aaa  | N/A        | 1.625  | 09/14/2016 |      | 99.655  | 1,247   | 2.57   | 1.698 | 4.736 | 4.780   | 0.129  |
| 500 060505CS         | BAC    | BANK OF AMERICA CORPOR    |       | Bank           | Baa1 | Α          | 5.625  | 10/14/2016 |      | 96.099  | 493     | 1.02   | 6.546 | 4.190 | 4.223   | 0.109  |
| 675 20825TAA         | COP    | CONOCOPHILLIPS CDA FDG    |       | Enrg-Intg      | A1   | A          | 5.625  | 10/15/2016 | USD  | 116.124 | 801     | 1.65   | 2.226 | 4.363 | 4.398   | 0.117  |
| 115 31371KKG         |        | FNMA POOL - 254195        | PASS  | AGY            | AGY  | AGY        | 5.500  | 02/01/2017 | USD  | 108.653 | 125     | 0.26   | 0.992 | 1.949 | 1.518   | -0.140 |
|                      |        |                           |       |                |      |            |        |            |      |         |         |        |       |       |         |        |



AGENDA PACKET - February 27, 2012

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Currency: USD

# Portfolio Holdings (Expanded)

Portfolio: Fairbanks Combined

Pricing Date: 09/30/2011 Representative:

Table 1: Excl. Table 2 Hidgs

Currency: USD

|     |                  | Ticker |                          |       |                 |      |     |        |            |      |         | Mkt Val | % Held |       | Mod    |         |        |
|-----|------------------|--------|--------------------------|-------|-----------------|------|-----|--------|------------|------|---------|---------|--------|-------|--------|---------|--------|
| Par | (000) Identifier | (Home) | Issuer Name              | Sect  | Industry        | Mdys | S&P | Coupon | Maturity   | Curr | Price   | (000)   | (MV)   | YTW   | Dur    | Eff Dur | Conv   |
|     | 107 31294KHM     |        | FHLMC GOLD POOL - E01136 | PASS  | AGY             | AGY  | AGY | 5.500  | 03/01/2017 | UŞD  | 108.400 | 116     | 0.24   | 1.143 | 1.925  | 1.483   | -0.147 |
|     | 500 459200GJ     | IBM    | INTERNATIONAL BUSINESS N | IND   | <b>Bectrncs</b> | Aa3  | A+  | 5.700  | 09/14/2017 | USD  | 118.975 | 596     | 1.23   | 2.275 | 5.145  | 5.207   | 0.159  |
|     | 575 30161MAE     | EXC    | EXELON GENERATION CO LL  | UTIL  | ⊟ectric         | A3   | BBB | 6.200  | 10/01/2017 | USD  | 112.758 | 666     | 1.37   | 3.803 | 4.934  | 4.992   | 0.152  |
|     | 500 3137EABA     | FRE    | FEDERAL HOME LN MTG COF  | AGY   | AGY             | AGY  | AA+ | 5.125  | 11/17/2017 | USD  | 120.332 | 611     | 1.26   | 1.627 | 5.295  | 5.365   | 0.170  |
|     | 500 949746NX     | WFC    | WELLS FARGO & CO NEW     | FN    | Bank            | A2   | AA- | 5.625  | 12/11/2017 | USD  | 113.094 | 574     | 1.18   | 3.273 | 5.216  | 5.284   | 0.167  |
|     | 809 912828HN     | TSY    | UNITED STATES TREAS NTS  | TSY   | Infl Indx       | TSY  | TSY | 1.625  | 01/15/2018 | USD  | 113.453 | 920     | 1.90   | 1.506 | 5.964  | 5.964   | 0.198  |
|     | 500 92976WBH     | WFC    | WACHOVIA CORP GLOBAL     | FIN   | Bank            | A2   | AA- | 5.750  | 02/01/2018 | USD  | 112.669 | 568     | 1.17   | 3.502 | 5.326  | 5.401   | 0.173  |
|     | 500 58013MEE     | MCD    | MCDONALDS CORP MEDITER   | ND    | Restrnts        | A2   | Α   | 5.350  | 03/01/2018 | USD  | 119.263 | 598     | 1.23   | 2.124 | 5.529  | 5.605   | 0.184  |
|     | 500 36962G3U     | GE     | GENERAL ELEC CAP CORP M  | 1 FIN | Fin-Divfd       | Aa2  | AA+ | 5.625  | 05/01/2018 | USD  | 109.319 | 558     | 1.15   | 4.001 | 5.420  | 5.496   | 0.182  |
|     | 500 377372AD     | GSK    | GLAXOSMITHKLINE CAP INC  | IND   | Pharmotis       | A1   | A+  | 5.650  | 05/15/2018 | USD  | 120.925 | 615     | 1.27   | 2.234 | 5.566  | 5.645   | 0.190  |
|     | 500 742718DN     | PG     | PROCTER & GAMBLE CO      | IND   | Consumer        | Aa3  | AA- | 4.700  | 02/15/2019 | USD  | 117.288 | 589     | 1.22   | 2.152 | 6.315  | 6.435   | 0.241  |
|     | 500 912828KD     | TSY    | UNITED STATES TREAS NTS  | TSY   | TSY             | TSY  | TSY | 2.750  | 02/15/2019 | USD  | 108.719 | 545     | 1.12   | 1.497 | 6.687  | 6.828   | 0.261  |
|     | 500 38141EA2     | GS     | GOLDMAN SACHS GRP INC N  | FIN   | Bank            | A1   | Α   | 7.500  | 02/15/2019 | USD  | 111.592 | 563     | 1.16   | 5.561 | 5.688  | 5.780   | 0.206  |
|     | 500 14912L4E     | CAT    | CATERPILLAR FINL SVCS MT | IND   | ConstMach       | A2   | Α   | 7.150  | 02/15/2019 | USD  | 128.535 | 647     | 1.33   | 2.834 | 5.939  | 6.040   | 0.220  |
|     | 500 594918AC     | MSFT   | MICROSOFT CORP           | IND   | Info Tech       | Aaa  | AAA | 4.200  | 06/01/2019 | USD  | 110.834 | 561     | 1.16   | 2.630 | 6.531  | 6.663   | 0.258  |
|     | 320 312970E4     |        | FHLMC GOLD POOL - B17355 | PASS  | AGY             | AGY  | AGY | 5.000  | 12/01/2019 | USD  | 107.502 | 346     | 0.71   | 1.398 | 2.098  | 0.918   | -0.438 |
|     | 498 3129702P     |        | FHLMC GOLD POOL - B17982 | PASS  | AGY             | AGY  | AGY | 4.000  | 03/01/2020 | USD  | 106.065 | 530     | 1.09   | 1.165 | 2.161  | 1.062   | -0.570 |
|     | 278 31406MWJ     |        | FNMA POOL - 814349       | PASS  | AGY             | AGY  | AGY | 4.500  | 03/01/2020 | USD  | 106.588 | 298     | 0.61   | 1.313 | 2.127  | 1.036   | -0.466 |
|     | 324 31406T4H     |        | FNMA POOL - 819924       | PASS  | AGY             | AGY  | AGY | 4.500  | 04/01/2020 | USD  | 106.609 | 346     | 0.71   | 1.313 | 2.134  | 0.973   | -0.498 |
|     | 247 31406T4F     |        | FNMA POOL - 819922       | PASS  | AGY             | AGY  | AGY | 5.500  | 04/01/2020 | USD  | 107.992 | 268     | 0.55   | 1.502 | 2.054  | 0.815   | -0.391 |
|     | 536 141781AY     | CARGIL | CARGILL INC 144A         | IND   | Food Proc       | A2   | Α   | 4.307  | 05/14/2021 | USD  | 108.420 | 590     | 1.22   | 3.279 | 7.796  | 8.018   | 0.380  |
|     | 374 31410F5H     |        | FNMA POOL - 888348       | PASS  | AGY             | AGY  | AGY | 5.000  | 05/01/2022 | USD  | 107.342 | 403     | 0.83   | 0.940 | 1.873  | 0.290   | -0.412 |
|     | 677 31418PSV     |        | FNMA POOL - AD2331       | PASS  | AGY             | AGY  | AGY | 4.000  | 03/01/2025 | USD  | 104.976 | 712     | 1.47   | 1.625 | 2.176  | 1.084   | -0.827 |
|     | 444 31418U2F     |        | FNMA POOL - AD7073       | PASS  | AGY             | AGY  | AGY | 4.000  | 06/01/2025 | USD  | 104.720 | 466     | 0.96   | 1.832 | 2.261  | 1.415   | -0.806 |
|     | 48 36202CZ4      |        | GNMA2 POOL - 002563      | PASS  | AGY             | AGY  | AGY | 6.500  | 03/20/2028 | USD  | 114.603 | 55      | 0.11   | 1.894 | 3.173  | 1.509   | -0.493 |
|     | 1,000 912810FG   | TSY    | UNITED STATES TREAS BDS  | TSY   | TSY             | TSY  | TSY | 5.250  | 02/15/2029 |      | 136.578 | 1,372   | 2.83   | 2.616 | 12.303 | 12.881  | 1.028  |
|     | 69 36201MFQ      |        | GNMA POOL - 587075       | PASS  | AGY             | AGY  | AGY | 6.500  | 05/15/2032 | USD  | 119.954 | 84      | 0.17   | 1.141 | 3.700  | 1.079   | -0.729 |
|     | 500 3134A4KX     | FRE    | FEDERAL HOME LN MTG COF  | AGY   | AGY             | AGY  | AA+ | 6.250  | 07/15/2032 | USD  | 145.301 | 733     | 1.51   | 3.239 | 13.152 | 13.728  | 1.241  |
|     | 60 31292HRY      |        | FHLMC GOLD POOL - C01403 | PASS  | AGY             | AGY  | AGY | 6.000  | 09/01/2032 | USD  | 111.081 | 67      | 0.14   | 3.124 | 3.821  | 2.424   | -0.846 |
|     | 144 31296RKB     |        | FHLMC GOLD POOL - A1659  | (PASS | AGY             | AGY  | AGY | 6.000  | 12/01/2033 | USD  | 111.092 | 160     | 0.33   | 3.232 | 3.970  | 2.829   | -0.776 |
| m : |                  |        |                          |       |                 |      |     |        |            |      |         |         |        |       |        |         |        |



# Portfolio Holdings (Expanded)

Portfolio: Fairbanks Combined

Pricing Date: 09/30/2011 Representative:

Table 1: Excl. Table 2 Hldgs

Currency: USD

|                      | Ticker |                         |        |                |      |     |        |            |      |         | Mkt Val | % Held |       | Mod    |         |        |
|----------------------|--------|-------------------------|--------|----------------|------|-----|--------|------------|------|---------|---------|--------|-------|--------|---------|--------|
| Par (000) Identifier | (Home) | Issuer Name             | Sect   | Industry       | Mdys | S&P | Coupon | Maturity   | Curr | Price   | (000)   | (MV)   | YTW   | Dur    | Eff Dur | Conv   |
| 500 079860AK         | Т      | BELLSOUTH CORP          | IND    | Wireline       | A2   | Α-  | 6.000  | 11/15/2034 | USD  | 108.836 | 555     | 1.15   | 5.330 | 12.625 | 13.046  | 1.223  |
| 98 31406UU8          |        | FNMA POOL - 820607      | PASS   | ARM            | AGY  | AGY | 1.988  | 03/01/2035 | USD  | 104.768 | 103     | 0.21   | 1.344 | 6.360  | 0.332   | -0.033 |
| 393 31407BXT         |        | FNMA POOL - 826090      | PASS   | ARM            | AGY  | AGY | 4.631  | 07/01/2035 | USD  | 105.212 | 415     | 0.86   | 0.473 | 2.398  | -0.714  | 0.326  |
| 289 31407RKE         |        | FNMA POOL - 838293      | PASS   | ARM            | AGY  | AGY | 2.295  | 08/01/2035 | USD  | 104.797 | 304     | 0.63   | 1.593 | 6.114  | 0.592   | -0.120 |
| 399 31297SNU         |        | FHLMC GOLD POOL - A3670 | PASS   | AGY            | AGY  | AGY | 4.500  | 08/01/2035 | USD  | 105.617 | 423     | 0.87   | 2.719 | 3.179  | 1.852   | -1.503 |
| 82 31403DH5          |        | FNMA POOL - 745552      | PASS   | ARM            | AGY  | AGY | 2.704  | 02/01/2036 | USD  | 103.745 | 85      | 0.18   | 0.462 | 2.072  | -0.566  | -0.616 |
| 566 36290TSC         |        | GNMA POOL - 617115      | PASS   | AGY            | AGY  | AGY | 5.500  | 06/15/2036 | USD  | 108.893 | 619     | 1.28   | 2.331 | 2.828  | 1.320   | -0.882 |
| 126 3128JRS5         |        | FHLMC POOL - 847740     | PASS   | ARM            | AGY  | AGY | 5.471  | 04/01/2037 | USD  | 107.676 | 136     | 0.28   | 1.635 | 2.890  | 0.734   | 0.315  |
| 456 225458RR         |        | CSFB_2005-C2- A3        | CMBS   | CMBS           | Aaa  | AAA | 4.691  | 04/15/2037 | USD  | 101.576 | 465     | 0.96   | 1.877 | 0.610  | 0.610   | -0.003 |
| 216 31413⊞3          |        | FNMA POOL - 943054      | PASS   | ARM            | AGY  | AGY | 2.405  | 08/01/2037 | USD  | 105.480 | 228     | 0.47   | 1.625 | 6.301  | 0.525   | -0.129 |
| 435 3128QSLD         |        | FHLMC POOL - 1G2124     | PASS   | ARM            | AGY  | AGY | 5.938  | 08/01/2037 | USD  | 108.461 | 473     | 0.98   | 2.434 | 2.678  | 1.884   | 0.093  |
| 907 31414KYJ         |        | FNMA POOL - 968813      | PASS   | AGY            | AGY  | AGY | 6.000  | 01/01/2038 | USD  | 109.913 | 1,001   | 2.06   | 3.073 | 3.445  | 2.576   | -0.760 |
| 500 842400FH         | EIX    | SOUTHERN CALIF EDISON O | CUTIL  | <b>Bectric</b> | A1   | Α   | 5.950  | 02/01/2038 | USD  | 130.578 | 658     | 1.36   | 4.051 | 14.780 | 15.331  | 1.642  |
| 552 3128MJJJ         |        | FHLMC GOLD POOL - G0826 | 4 PASS | AGY            | AGY  | AGY | 6.000  | 04/01/2038 | USD  | 111.790 | 620     | 1.28   | 2.824 | 3.703  | 2.261   | -0.846 |
| 951 3128LBUV         |        | FHLMC GOLD POOL - A7779 | € PASS | AGY            | AGY  | AGY | 5.500  | 05/01/2038 | USD  | 108.366 | 1,035   | 2.13   | 3.024 | 3.384  | 2.383   | -1.025 |
| 563 50180CAB         |        | LB_UBS_CMBS_2006-C7- A  | 2 CMBS | CMBS           | N/A  | AAA | 5.300  | 11/15/2038 | USD  | 100.325 | 566     | 1.17   | 4.344 | 0.384  | 0.384   | 0.008  |
| 837 3128M7E2         |        | FHLMC GOLD POOL - G0525 | PASS   | AGY            | AGY  | AGY | 5.000  | 02/01/2039 | USD  | 107.376 | 902     | 1.86   | 2.200 | 2.664  | 0.932   | -1.309 |
| 2,875 912810QA       | TSY    | UNITED STATES TREAS BDS | TSY    | TSY            | TSY  | TSY | 3.500  | 02/15/2039 | USD  | 111.188 | 3,209   | 6.62   | 2.905 | 18.039 | 19.004  | 2.309  |
| 866 31416PVF         |        | FNMA POOL - AA6013      | PASS   | AGY            | AGY  | AGY | 4.500  | 05/01/2039 | USD  | 106.224 | 924     | 1.90   | 2.892 | 3.955  | 3.366   | -1.262 |
| 500 07383F7W         |        | BEAR_STEARNS_05-PWR8-   | CMBS   | CMBS           | Aaa  | NA  | 4.674  | 06/11/2041 | USD  | 106.251 | 533     | 1.10   | 2.765 | 3.187  | 3.187   | 0.079  |
| 500 07388LAC         |        | BEAR_STEARNS_06-PWR13   | - CMBS | CMBS           | N/A  | AAA | 5.518  | 09/11/2041 | USD  | 102.490 | 515     | 1.06   | 4.289 | 2.026  | 2.026   | 0.032  |
| 1,000 12513EAG       |        | CD_MTG_2005-CD1 A4      | CMBS   | CMBS           | Aaa  | AAA | 5.399  | 07/15/2044 | USD  | 108.502 | 1,089   | 2.25   | 2.787 | 3.367  | 3.382   | 0.070  |
| 468 20047⊞G          |        | COMM_CMBS_2006-C08- A2  | CMBS   | CMBS           | Aaa  | NΑ  | 5.248  | 12/10/2046 | USD  | 100.382 | 472     | 0.97   | 4.895 | 1.242  | 1.242   | 0.012  |
| 500 46630VAD         |        | JP_MORGN_2007-CIBC19- A | ∠ CMBS | CMBS           | Aa2  | A+  | 5.931  | 02/12/2049 | USD  | 105.979 | 532     | 1.10   | 4.502 | 4.639  | 4.663   | 0.131  |
| 451 05952CAB         |        | BA_MTG_CMBS_2007-05- A  | 2 CMBS | CMBS           | N/A  | AAA | 5.434  | 02/10/2051 | USD  | 100.748 | 456     | 0.94   | 4.434 | 0.829  | 0.829   | 0.005  |
| 500 46632HAD         |        | JPMRGN_CMBS_2007-LDP12  | CMBS   | CMBS           | Aaa  | Α-  | 5.882  | 02/15/2051 | USD  | 106.230 | 534     | 1.10   | 4.640 | 4.780  | 4.780   | 0.139  |
| 44,058               |        |                         | 101110 |                | Aa1  | AA+ | 4.703  | 6.503      |      | 109.171 | 48,491  | 100.00 | 2.463 | 4.981  | 4.757   | 0.132  |
|                      |        |                         |        |                |      |     |        |            |      |         |         |        |       |        |         |        |



- Five percent limitations on any one security within the entire portfolio
  - See Portfolio Appraisal report (Appendix)



- ➤ Ten percent limitation on Baa rated securities within the fixed income portfolio
- Duration constraint between 80-120 percent of the Barclays Aggregate Index
  - See attached Duration-Weighted Distribution by Quality report



## **Duration-Weighted Distribution by Quality**

Portfolio: Fairbanks Combined

Pricing Date: 09/30/2011

Benchmark Pricing Date: 09/30/2011

|         | Port Bnchmk   |        |         |         |         |               |        |         |         |         |
|---------|---------------|--------|---------|---------|---------|---------------|--------|---------|---------|---------|
|         |               | % Held |         | Contrib | % Total |               | % Held |         | Contrib | % Total |
| Quality | Mkt Val (000) | (MV)   | Eff Dur | Eff Dur | Eff Dur | Mkt Val (000) | (MV)   | Eff Dur | Eff Dur | Eff Dur |
| Total:  | 48,491        | 100.00 | 4.757   | 4.757   | 100.000 |               | 100.00 | 4.845   | 4.845   | 100.000 |
| CASH    | 478           | 0.99   | 0.085   | 0.001   | 0.018   |               |        |         |         |         |
| TSY     | 6,047         | 12.47  | 14.532  | 1.812   | 38.094  |               |        |         |         |         |
| AGY     | 15,320        | 31.59  | 2.336   | 0.738   | 15.514  |               |        |         |         |         |
| Aaa     | 8,515         | 17.56  | 2.945   | 0.517   | 10.872  |               | 76.40  | 4.240   | 3.240   | 66.804  |
| Aa      | 6,687         | 13.79  | 3.171   | 0.437   | 9.193   |               | 4.70   | 6.020   | 0.280   | 5.773   |
| Α       | 9,165         | 18.90  | 5.886   | 1.112   | 23.384  |               | 10.30  | 6.850   | 0.710   | 14.639  |
| Baa     | 2,278         | 4.70   | 2.962   | 0.139   | 2.925   | 17            | 8.60   | 7.160   | 0.620   | 12.784  |
|         | İ             |        |         |         |         |               |        |         |         |         |

Portfolio Duration as a % of Benchmark:

98%



**Duration** gauges price sensitivity of fixed income securities and represents the expected percentage change in market value when interest rates change by 1%.

AGENDA PACKET - February 27, 2012 Page 350 of 377

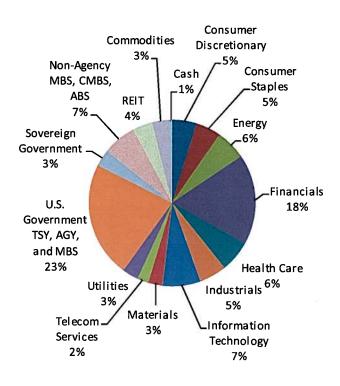
- > Twenty-five percent industry limitation within the entire portfolio
  - See attached GICS Sector Concentration report



#### **GICS Sector Concentration**

#### GICS\* Sector Concentration for Fairbanks Permanent Fund

as of September 30, 2011



| Sector                                     | Market<br>Value  | % of<br>Portfolio |  |
|--------------------------------------------|------------------|-------------------|--|
| Consumer Discretionary                     | <br>4,505,107    | 5%                |  |
| Consumer Discretionary                     |                  |                   |  |
| Consumer Staples                           | 4,610,683        | 5%                |  |
| Energy                                     | 5,631,898        | 6%                |  |
| Financials                                 | 16,747,335       | 18%               |  |
| Health Care                                | 5,681,719        | 6%                |  |
| Industrials                                | 5,059,781        | 5%                |  |
| Information Technology                     | 6,916,002        | 7%                |  |
| Materials                                  | 2,665,022        | 3%                |  |
| Telecommunication Services                 | 2,120,504        | 2%                |  |
| Utilities                                  | 2,906,116        | 3%                |  |
| U.S. Government-Treasury/Agency/Agency MBS | 21,372,433       | 23%               |  |
| Sovereign Government                       | 3,082,393        | 3%                |  |
| Non-Agency MBS, CMBS, ABS                  | 6,189,380        | 7%                |  |
| REIT                                       | 3,699,775        | 4%                |  |
| Commodities                                | 3,175,412        | 3%                |  |
| Cash                                       | 492,898          | 1%                |  |
| Total Portfolio                            | \$<br>94,856,458 | 100%              |  |



**Includes Individual Bond and ETF Holdings** 

<sup>\*</sup> As defined by the Global Industry Classification Standard (GICS) provided by Standard & Poor's/MSCI Barra

# ALASKA PERMANENT

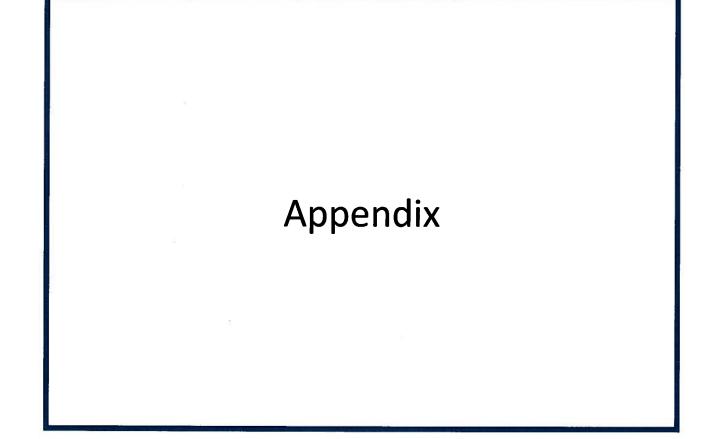
CAPITAL MANAGEMENT COMPANY

IS RELATIONSHIP DRIVEN AND VIEWS ITSELF AS
A LONG-TERM PARTNER WITH ITS CLIENTS

YOUR BUSINESS IS IMPORTANT TO US!

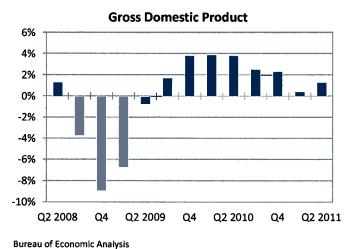
VISIT US AT OUR WEBSITE: APCM.NET



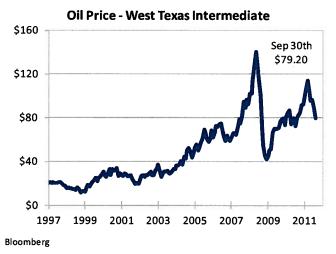


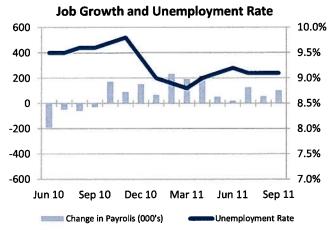


## **Economy & Financial Markets**

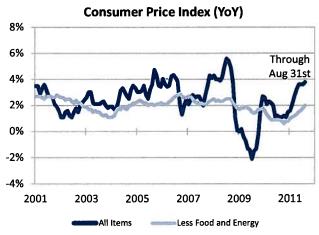








**Bureau of Labor Statistics** 

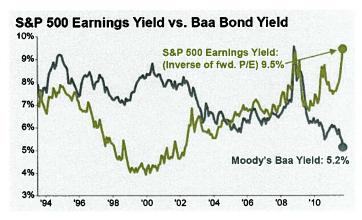


Bureau of Labor Statistics

# **Economy & Financial Markets**

| Total Return (%) as of September 30, 2011    |            |       |         |         |  |  |  |  |
|----------------------------------------------|------------|-------|---------|---------|--|--|--|--|
|                                              | Q3<br>2011 |       | 3 Years | 5 Years |  |  |  |  |
| Domestic Equities                            |            |       |         |         |  |  |  |  |
| Large Cap S&P 500                            | -13.9      | 1.1   | 1.2     | -1.2    |  |  |  |  |
| Mid Cap S&P 400                              | -19.9      | -1.3  | 4.1     | 2.2     |  |  |  |  |
| Small Cap S&P 600                            | -19.8      | 0.2   | 0.8     | 0.3     |  |  |  |  |
| International Equities                       |            |       |         |         |  |  |  |  |
| Developed MSCI EAFE                          | -19.0      | -9.4  | -1.1    | -3.5    |  |  |  |  |
| Emerging MSCI Emerging Markets               | -22.6      | -16.2 | 6.3     | 4.9     |  |  |  |  |
| Other                                        |            |       |         |         |  |  |  |  |
| Commercial Property S&P U.S. REIT            | -14.7      | 1.1   | -1.8    | -2.7    |  |  |  |  |
| Commodities DJ-UBS Commodity                 | -11.3      | 0.0   | -5.7    | -1.1    |  |  |  |  |
| Fixed Income                                 |            |       |         |         |  |  |  |  |
| Total Bond Market Barclays Aggregate         | 3.8        | 5.3   | 8.0     | 6.5     |  |  |  |  |
| 1-3 Yr U.S. Treasury/Agency Barclays 1-3 Gov | 0.5        | 1.2   | 2.7     | 4.0     |  |  |  |  |
| Int'l Treasury Barclays Global Tsy ex-US     | -1.7       | 2.5   | 8.3     | 7.7     |  |  |  |  |

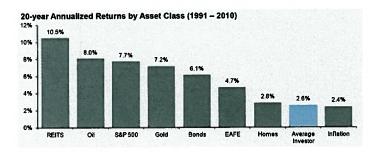
Returns are annualized for periods greater than one year



Sources: Standard & Poor's, Moody's, J.P. Morgan Asset Management Data as of 09/30/2011.



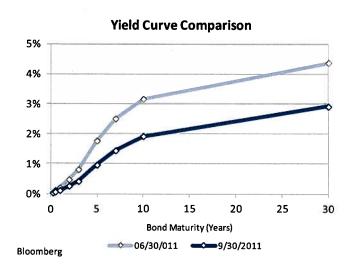
Bloomberg

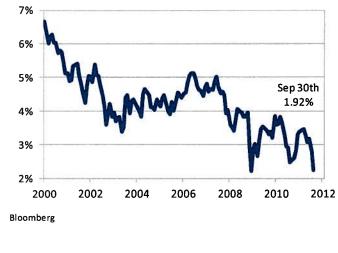


Source: J.P. Morgan Asset Management Average asset allocation investor return is based on an analysis by Dalbar Inc. All returns are annualized (and total return where applicable) and represent the 20-year period ending 6/30/11 to match Dalbar's most recent analysis.

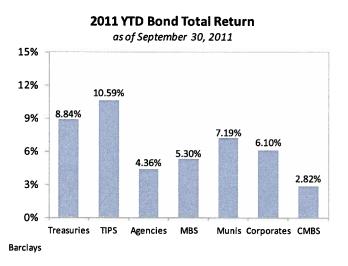


## **Economy & Financial Markets**





**10 Year Treasury Note Yield** 





ALASKA PERMANENT APCM CAPITAL MANAGEMENT

#### **Current Outlook**

#### **Economic Outlook**

The U.S. economy is expanding modestly, but still faces major headwinds from the ongoing deleveraging of consumer and financial balance sheets. The unemployment rate remained at 9.1% last month, and job gains were modest at +103,000. Manufacturing activity has slowed and both the residential and commercial property markets remain sluggish. GDP growth was +1.3% in Q2 and was +0.4% for Q1. Most economists have downgraded their growth forecasts to the +1 to 2% range for 2011 and some fear a double dip.

Worldwide GDP declined -0.5% in 2009 and was +5.1% in 2010. The IMF forecasts (June 2011) world growth of +4.3% this year. This growth will likely be led by the emerging markets – many of which have had economies that continued to grow throughout the financial crisis.

The OECD (September 2011) noted that the "recovery almost came to a halt in the second quarter in many countries." Business and consumer confidence has weakened. They expect quarterly growth in the large G7 economies (excluding Japan) to remain less than 1% in the second half of the year.

#### **Inflation Outlook**

Inflation is up +3.8% year-over-year and the "core" rate is +2.0%. Still, inflationary pressures are likely to be muted given substantial unused capacity in the labor and product markets. However, volatile oil and commodity prices are a threat to the inflation outlook. WTl crude fell \$10 in September and finished the month at \$79 per barrel.

#### **Policy Actions**

The Federal Reserve is worried about slow economic growth and is maintaining a ZIRP (zero interest rate policy) with the federal funds rate pinned close to zero until 2013. The Fed ended its \$600 billion QE2 bond buying program in June. They initiated an "Operation Twist" in September to keep long rates low and announced that maturing MBS would be reinvested back into the mortgage market.

The debt ceiling has been raised and \$2.4 trillion of cuts are expected as a "down payment" for getting our long term deficits and debt under control. A congressional "super committee" is meeting to identify more cuts with a deadline of Thanksgiving. The President has recently proposed a \$447 billion "jobs bill" although he will be lucky to get half of his request.

Overseas, Europe continues to grapple with a banking system that was more levered than the U.S. The ECB and IMF have taken significant steps to shore up confidence and provide liquidity to EU governments struggling with deficit/debt problems. Greece, Ireland and now Portugal have accepted bailouts. Many countries have undertaken "austerity" measures to close their budget gaps, but the market remains skeptical. Major central banks recently "joined together" to offer unlimited 3 month loans to stem the banking crisis in Europe.

#### **Bond Outlook**

Interest rates have declined over the last few months on signs of a weaker economy and a safe haven bid. Corporate spread product and CMBS securities have faltered after strong gains early in the year. We remain short our benchmarks and overweight spread product. Treasuries are unattractive.

#### **Equity Outlook**

The equity markets lost ground in September amid considerable volatility. We generally like domestic large company stocks over smaller names. Globally we favor emerging markets over developed international (EAFE). REITs have performed well, but they are overvalued in our judgment. Very low interest rates and reasonable valuations (the S&P 500 trades at 10x forward earnings) offset uncertainties in the Middle East, Europe, and budget pressures in the U.S. The recent soft patch in economic growth is troubling and will remain a headwind near term.



October 2011

# Alaska Permanent Capital Management Co. PORTFOLIO APPRAISAL

#### FAIRBANKS PERMANENT FUND

September 30, 2011

|                 |                                            |         |              |        |           |        |         |          | Yield    |
|-----------------|--------------------------------------------|---------|--------------|--------|-----------|--------|---------|----------|----------|
|                 |                                            | Average | Total        |        | Market    | Pct.   | Annual  | Accrued  | to       |
| Quantity        | Security                                   | Cost    | Average Cost | Price  | Value     | Assets | Income  | Interest | Maturity |
| U.S. TREASU     | RY                                         |         |              |        |           |        |         |          |          |
|                 | US TREASURY NOTES                          | 97.19   | 485,957      | 108.72 | 543,595   | 0.57   | 13,750  | 1,756    | 1.50     |
| 1 000 000       | 2.750% Due 02-15-19                        | 110.40  | 1 104 150    | 126.50 | 1 265 700 | 1.44   | 52.500  | 6 705    | 2.62     |
| 1,000,000       | U S TREASURY NOTES<br>5.250% Due 02-15-29  | 110.42  | 1,104,150    | 136.58 | 1,365,780 | 1.44   | 52,500  | 6,705    | 2.02     |
| 2,875,000       |                                            | 86.77   | 2,494,533    | 111.19 | 3,196,655 | 3.37   | 100,625 | 12,852   | 2.90     |
|                 | 3.500% Due 02-15-39                        |         |              |        |           |        |         |          |          |
|                 | Accrued Interest                           |         |              | _      | 21,313    | 0.02   |         |          |          |
|                 |                                            |         | 4,084,640    |        | 5,127,343 | 5.41   |         | 21,313   |          |
| U.S. TREASU     | RY INFLATION                               |         |              |        |           |        |         |          |          |
| 808,777         | US TREASURY INFLATION PROTECTED SECURITIES | 101.71  | 822,572      | 111.88 | 904,885   | 0.95   | 13,143  | 2,786    | NA       |
|                 | 1.625% Due 01-15-18<br>Accrued Interest    |         |              |        | 2,786     | 0.00   |         |          |          |
|                 | Accided interest                           |         | 822,572      | -      | 907,670   | 0.96   |         | 2,786    |          |
|                 |                                            |         | 022,572      |        | 507,070   | 0.70   |         | _,       |          |
| <b>AGENCIES</b> |                                            |         |              |        |           |        |         |          |          |
| 1,000,000       |                                            | 104.98  | 1,049,760    | 106.62 | 1,066,180 | 1.12   | 64,100  | 24,572   | 0.47     |
| 500,000         | 6.410% Due 11-13-12                        | 104.20  | 520,981      | 106.42 | 532,085   | 0.56   | 18,125  | 8,207    | 0.48     |
| 300,000         | 3.625% Due 10-18-13                        | 104.20  | 320,961      | 100.42 | 332,063   | 0.30   | 16,123  | 0,207    | 0.46     |
| 500,000         |                                            | 101.05  | 505,261      | 105.39 | 526,935   | 0.56   | 13,750  | 687      | 0.54     |
| •               | 2.750% Due 03-13-14                        |         |              |        | •         |        | •       |          |          |
| 500,000         |                                            | 113.46  | 567,284      | 113.75 | 568,760   | 0.60   | 27,500  | 3,667    | 0.65     |
| 500.000         | 5.500% Due 08-13-14                        |         | 550.553      | 100.22 | (01 ((0   | 0.63   | 25 (25  | 0.520    | 1.62     |
| 300,000         | FHLMC<br>5.125% Due 11-17-17               | 111.91  | 559,567      | 120.33 | 601,660   | 0.63   | 25,625  | 9,538    | 1.63     |
| 500,000         |                                            | 120.42  | 602,104      | 145.30 | 726,505   | 0.77   | 31,250  | 6,597    | 3.24     |
| .,              | 6.250% Due 07-15-32                        |         | ,            |        | •         |        | ,       |          |          |
|                 | Accrued Interest                           |         |              |        | 53,268    | 0.06   |         |          |          |
|                 |                                            |         | 3,804,957    |        | 4,075,393 | 4.30   |         | 53,268   |          |
| FNMA & FHI      | .MC                                        |         |              |        |           |        |         |          |          |
|                 | FNMA POOL # 254195                         | 99.33   | 113,761      | 108.51 | 124,277   | 0.13   | 6,299   | 525      | 0.07     |
| •               | 5.500% Due 02-01-17                        |         | ,            |        | ,         |        | •       |          |          |
| 106,427         | FGLMC POOL E01136                          | 99.55   | 105,945      | 107.42 | 114,330   | 0.12   | 5,854   | 488      | 0.97     |
| 220 205         | 5.500% Due 03-01-17<br>FGLMC POOL B17355   | 101.34  | 224 507      | 100 12 | 246 262   | 0.37   | 16,015  | 1,335    | 0.86     |
| 320,303         | 5.000% Due 12-01-19                        | 101.54  | 324,597      | 108.13 | 346,362   | 0.57   | 10,013  | 1,333    | 0.00     |
| 498,157         |                                            | 97.59   | 486,170      | 106.18 | 528,943   | 0.56   | 19,926  | 1,661    | 1.16     |
| •               | 4.000% Due 03-01-20                        |         | •            |        | ,         |        | •       | -        |          |
| -4- NI- C41     | shage of a 12/21/09                        |         |              |        |           |        |         |          |          |

<sup>\*\*</sup>CMBS Note - No further purchases after 12/31/08

#### Alaska Permanent Capital Management Co.

#### PORTFOLIO APPRAISAL

#### FAIRBANKS PERMANENT FUND

September 30, 2011

| Quantity | Security                                                          | Average<br>Cost | Total<br>Average Cost | Price  | Market<br>Value | Pct. Assets | Annual<br>Income | Accrued<br>Interest | Yield<br>to<br>Maturity |
|----------|-------------------------------------------------------------------|-----------------|-----------------------|--------|-----------------|-------------|------------------|---------------------|-------------------------|
| 278,241  | FNMA POOL 814349                                                  | 98.62           | 274,404               | 107.13 | 298,093         | 0.31        | 12,521           | 1,043               | 1.18                    |
| 247,241  | 4.500% Due 03-01-20<br>FNMA POOL 819922                           | 102.41          | 253,209               | 108.70 | 268,743         | 0.28        | 13,598           | 1,133               | 1.38                    |
| 323,814  | 5.500% Due 04-01-20<br>FNMA POOL 819924                           | 99.55           | 322,372               | 107.13 | 346,918         | 0.37        | 14,572           | 1,214               | 1.18                    |
| 374,134  | 4.500% Due 04-01-20<br>FNCI 5.00% POOL 888348                     | 103.55          | 387,404               | 107.76 | 403,167         | 0.43        | 18,707           | 1,559               | 1.49                    |
| 676,611  | 5.000% Due 05-01-22<br>FNMA 4.00% POOL AD2331                     | 10.33           | 69,924                | 105.60 | 714,521         | 0.75        | 27,064           | 2,255               | 1.77                    |
| 444,342  | 4.000% Due 03-01-25<br>FNCI 4% POOL AD7073<br>4.000% Due 06-01-25 | 103.15          | 458,332               | 105.60 | 469,239         | 0.49        | 17,774           | 1,481               | 1.77                    |
| 48,371   | GNMA POOL 2563<br>6.500% Due 03-20-28                             | 100.44          | 48,583                | 115.12 | 55,687          | 0.06        | 3,144            | 262                 | 0.49                    |
| 60,131   | FGLMC POOL C01403<br>6.000% Due 09-01-32                          | 101.81          | 61,221                | 110.93 | 66,702          | 0.07        | 3,608            | 301                 | 1.74                    |
| 143,516  | FGLMC POOL A16590<br>6.000% Due 12-01-33                          | 103.27          | 148,203               | 110.87 | 159,111         | 0.17        | 8,611            | 718                 | 1.79                    |
| 97,952   | FRN - FNMA POOL 820607<br>1.988% Due 03-01-35                     | 100.53          | 98,476                | 104.77 | 102,623         | 0.11        | 1,947            | 162                 | 1.00                    |
| 393,336  | FNMA POOL 826090<br>4.737% Due 07-01-35                           | 99.47           | 391,246               | 105.29 | 414,143         | 0.44        | 18,632           | 1,553               | 1.18                    |
| 398,879  | FHLMC # A36703<br>4.500% Due 08-01-35                             | 95.69           | 381,678               | 106.40 | 424,392         | 0.45        | 17,950           | 1,496               | 2.31                    |
| 289,121  | FRN - FNMA POOL # 838293<br>2.295% Due 08-01-35                   | 99.67           | 288,162               | 104.80 | 302,991         | 0.32        | 6,635            | 553                 | 1.27                    |
| 81,674   | FNMA ARM POOL 745552<br>2.704% Due 02-01-36                       | 99.27           | 81,075                | 104.10 | 85,026          | 0.09        | 2,208            | 184                 | 1.38                    |
| 126,008  | FRN - FHLMC # 847740<br>5.471% Due 04-01-37                       | 98.88           | 124,600               | 107.68 | 135,680         | 0.14        | 6,894            | 574                 | 2.11                    |
| ,        | FRN - FHLMC # 1G2124<br>5.938% Due 08-01-37                       | 99.81           | 433,839               | 108.46 | 471,430         | 0.50        | 25,810           | 2,151               | 2.82                    |
| ŕ        | FRN - FNMA POOL 943054<br>2.405% Due 08-01-37                     | 100.94          | 217,673               | 105.48 | 227,469         | 0.24        | 5,186            | 432                 | 1.25                    |
| ,,,,,    | FNCL 6.00% POOL 968813<br>6.000% Due 01-01-38                     | 109.64          | 994,043               | 109.91 | 996,513         | 1.05        | 54,398           | 4,533               | 2.17                    |
| ,        | FHLMC # G08264<br>6.000% Due 04-01-38                             | 100.76          | 556,154               | 109.76 | 605,821         | 0.64        | 33,118           | 2,760               | 2.26                    |
| ,        | FGLMC 5.5% POOL A77796<br>5.500% Due 05-01-38                     | 108.01          | 1,027,380             | 108.37 | 1,030,787       | 1.09        | 52,317           | 4,360               | 2.28                    |
| 837,243  | FHLMC 5% POOL G05253<br>5.000% Due 02-01-39                       | 107.02          | 896,047               | 107.38 | 898,999         | 0.95        | 41,862           | 3,489               | 2.13                    |

<sup>\*\*</sup>CMBS Note - No further purchases after 12/31/08

# Alaska Permanent Capital Management Co. PORTFOLIO APPRAISAL FAIRBANKS PERMANENT FUND

| Quantity   | A-Security                                                   |        | Total<br>Average Cost | Price  | Market<br>Value | Pct. Assets | Annual<br>Income | Accrued<br>Interest | Yield<br>to<br>Maturity |
|------------|--------------------------------------------------------------|--------|-----------------------|--------|-----------------|-------------|------------------|---------------------|-------------------------|
| 866,475    | FNCL 4.5 POOL AA6013<br>4.500% Due 05-01-39                  | 103.59 | 897,580               | 106.22 | 920,404         | 0.97        | 38,991           | 3,249               | 2.39                    |
|            | Accrued Interest                                             |        |                       | _      | 39,470          | 0.04        |                  |                     |                         |
|            |                                                              |        | 9,442,075             |        | 10,551,838      | 11.12       |                  | 39,470              |                         |
| GNMA       |                                                              |        |                       |        |                 |             |                  |                     |                         |
| 69,359     | GOV'T NAT'L MTG ASSN POOL# 587075<br>6.500% Due 05-15-32     | 101.25 | 70,226                | 115.64 | 80,209          | 0.08        | 4,508            | 376                 | 0.65                    |
| 566,449    | GOV'T NAT'L MTGE ASSN POOL # 617115<br>5.500% Due 06-15-36   | 97.77  | 553,793               | 110.69 | 627,008         | 0.66        | 31,155           | 2,596               | 0.82                    |
|            | Accrued Interest                                             |        |                       |        | 2,972           | 0.00        |                  |                     |                         |
|            |                                                              |        | 624,019               | _      | 710,189         | 0.75        |                  | 2,972               |                         |
| ASSET-BACK | ED SECURITIES                                                |        |                       |        |                 | 40          |                  |                     |                         |
| 1,000,000  | GE CAPITAL CREDIT CARD MASTER NOTE TRUST 3.690% Due 07-15-15 | 103.37 | 1,033,750             | 102.37 | 1,023,678       | 1.08        | 36,900           | 1,640               | 0.69                    |
|            | Accrued Interest                                             |        |                       |        | 1,640           | 0.00        |                  |                     |                         |
|            |                                                              |        | 1,033,750             |        | 1,025,318       | 1.08        |                  | 1,640               |                         |
| COMMERCIA  | AL MORTGAGE-BACKED SECURITIES                                |        |                       |        |                 |             |                  |                     |                         |
|            | CREDIT SUISSE FIRST BOSTON MTG 4.691% Due 04-01-37           | 100.48 | 458,514               | 101.58 | 463,512         | 0.49        | 21,406           | 1,784               | 4.11                    |
| 563,228    | LB-UBS COML MTG TR 2006-C7<br>5.300% Due 11-11-38            | 100.35 | 565,207               | 100.32 | 565,059         | 0.60        | 29,851           | 1,658               | 3.60                    |
| 500,000    | BEAR STEARNS COML MTG SECS INC<br>4.674% Due 06-11-41        | 100.54 | 502,723               | 106.25 | 531,253         | 0.56        | 23,370           | 1,947               | 2.77                    |
| •          | FRN - BEAR STEARNS COML MTG SECS TR<br>5.518% Due 09-11-41   | 100.55 | 502,726               | 102.49 | 512,448         | 0.54        | 27,590           | 2,299               | 3.59                    |
| 1,000,000  | FRN - CD 2005-C1 COMMERICAL MTG TR<br>5.398% Due 07-15-44    | 100.09 | 1,000,856             | 108.50 | 1,085,022       | 1.14        | 53,984           | 4,499               | 2.91                    |
| 468,047    | COMM 2006-C8 MTG TR<br>5.248% Due 12-10-46                   | 100.50 | 470,382               | 100.38 | 469,836         | 0.50        | 24,563           | 2,047               | 4.36                    |
| 500,000    | FRN - J P MORGAN CHASE COML MTG SECS<br>5.932% Due 02-12-49  | 100.21 | 501,049               | 105.98 | 529,892         | 0.56        | 29,658           | 2,471               | 4.58                    |
| 451,314    | FRN - BANC AMER COML MTG TR 2007-5<br>5.434% Due 02-10-51    | 100.55 | 453,780               | 100.75 | 454,690         | 0.48        | 24,524           | 2,044               | 4.44                    |
| 500,000    | J P MORGAN CHASE COML MTG SECS<br>5.882% Due 02-15-51        | 100.50 | 502,481               | 106.23 | 531,149         | 0.56        | 29,410           | 2,451               | 4.64                    |
|            | Accrued Interest                                             |        |                       |        | 21,201          | 0.02        |                  |                     |                         |
|            |                                                              |        | 4,957,719             | _      | 5,164,062       | 5.44        |                  | 21,201              |                         |

<sup>\*\*</sup>CMBS Note - No further purchases after 12/31/08

## Alaska Permanent Capital Management Co.

## PORTFOLIO APPRAISAL FAIRBANKS PERMANENT FUND

| Quantity  | Security                                                 | Average  Cost | Total<br>Average Cost | Price  | Market<br>Value | Pct. | Annual<br>Income | Accrued<br>Interest | Yield<br>to<br>Maturity |
|-----------|----------------------------------------------------------|---------------|-----------------------|--------|-----------------|------|------------------|---------------------|-------------------------|
| CORPORATE | BONDS                                                    |               |                       |        |                 |      |                  |                     |                         |
|           | BERKSHIRE HATHAWAY FIN.<br>4.750% Due 05-15-12           | 107.40        | 537,025               | 102.55 | 512,730         | 0.54 | 23,750           | 8,972               | 0.66                    |
| 200,000   | ASTRAZENECA PLC<br>5.400% Due 09-15-12                   | 99.81         | 199,618               | 104.63 | 209,270         | 0.22 | 10,800           | 480                 | 0.54                    |
| 500,000   | JOHN DEERE CAPITAL CORP<br>5.250% Due 10-01-12           | 99.75         | 498,750               | 104.50 | 522,480         | 0.55 | 26,250           | 13,125              | 0.74                    |
| 500,000   | UNITED PARCEL SVC INC<br>4.500% Due 01-15-13             | 100.22        | 501,110               | 105.03 | 525,150         | 0.55 | 22,500           | 4,750               | 0.58                    |
| 500,000   | BARCLAYS BANK PLC<br>2.500% Due 01-23-13                 | 99.87         | 499,335               | 99.32  | 496,615         | 0.52 | 12,500           | 2,361               | 3.03                    |
| 500,000   | AMERICAN INTL GROUP INC SENIOR NT<br>4.250% Due 05-15-13 | 95.12         | 475,580               | 99.76  | 498,795         | 0.53 | 21,250           | 8,028               | 4.40                    |
| 500,000   | ONTARIO PROV CDA<br>3.500% Due 07-15-13                  | 99.68         | 498,425               | 104.98 | 524,925         | 0.55 | 17,500           | 3,694               | 0.70                    |
| 500,000   | BARRICK GOLD FINANCE CO. 6.125% Due 09-15-13             | 99.98         | 499,890               | 109.31 | 546,535         | 0.58 | 30,625           | 1,361               | 1.30                    |
| 250,000   | BP CAPITAL MARKETS PLC 5.250% Due 11-07-13               | 108.02        | 270,039               | 107.67 | 269,182         | 0.28 | 13,125           | 5,250               | 1.53                    |
| 500,000   | CREDIT SUISSE NEW YORK 5.500% Due 05-01-14               | 99.90         | 499,485               | 105.71 | 528,570         | 0.56 | 27,500           | 11,458              | 3.18                    |
| 500,000   | BANK OF NY MELLON<br>4.300% Due 05-15-14                 | 100.91        | 504,550               | 107.90 | 539,480         | 0.57 | 21,500           | 8,122               | 1.23                    |
| 450,000   | US BANCORP<br>4.200% Due 05-15-14                        | 104.98        | 472,396               | 107.32 | 482,935         | 0.51 | 18,900           | 7,140               | 1.35                    |
| 500,000   | CITIGROUP INC<br>5.500% Due 10-15-14                     | 100.17        | 500,870               | 103.89 | 519,475         | 0.55 | 27,500           | 12,681              | 4.12                    |
| 500,000   | DOMINION RESOURCES INC.<br>5.000% Due 12-01-14           | 106.38        | 531,910               | 109.87 | 549,375         | 0.58 | 25,000           | 8,333               | 1.78                    |
| 500,000   | JP MORGAN CHASE & CO<br>4.750% Due 03-01-15              | 98.36         | 491,795               | 105.92 | 529,610         | 0.56 | 23,750           | 1,979               | 2.92                    |
| 500,000   | MORGAN STANLEY<br>6.000% Due 04-28-15                    | 99.88         | 499,380               | 99.53  | 497,640         | 0.52 | 30,000           | 12,750              | 6.15                    |
| 500,000   | BANK OF MONTREAL<br>2.850% Due 06-09-15                  | 100.59        | 502,930               | 105.54 | 527,710         | 0.56 | 14,250           | 4,433               | 1.31                    |
| 250,000   | HSBC FINANCE CORP<br>5.500% Due 01-19-16                 | 106.89        | 267,235               | 104.38 | 260,942         | 0.28 | 13,750           | 2,750               | 4.37                    |
| 350,000   | UNITED HEALTH GROUP INC<br>5.375% Due 03-15-16           | 114.09        | 399,322               | 113.97 | 398,902         | 0.42 | 18,812           | 836                 | 2.08                    |
| 500,000   | JOHNSON & JOHNSON<br>2.150% Due 05-15-16                 | 104.26        | 521,320               | 103.21 | 516,050         | 0.54 | 10,750           | 3,912               | 1.43                    |

<sup>\*\*</sup>CMBS Note - No further purchases after 12/31/08

# Alaska Permanent Capital Management Co. PORTFOLIO APPRAISAL

### FAIRBANKS PERMANENT FUND

| Quantity                                               | Security                                                                          | Average  Cost   | Total<br>Average Cost | Price            | Market<br>Value | Pct. Assets | Annual<br>Income |                 | · · · · · · · · · · · · · · · · · · · |
|--------------------------------------------------------|-----------------------------------------------------------------------------------|-----------------|-----------------------|------------------|-----------------|-------------|------------------|-----------------|---------------------------------------|
| 1,250,000                                              | TORONTO-DOMINION BANK (144A)<br>1.625% Due 09-14-16                               | 99.93           | 1,249,162             | 99.65            | 1,245,687       | 1.31        | 20,312           | 959             | 1.70                                  |
| 500,000                                                | BANK AMER CORP<br>5.625% Due 10-14-16                                             | 99.93           | 499,670               | 96.10            | 480,495         | 0.51        | 28,125           | 13,047          | 6.55                                  |
| ·                                                      | CONOCOPHILLIPS CDA FDG FDG CO<br>5.625% Due 10-15-16                              | 104.71          | 706,819               | 116.12           | 783,837         | 0.83        | 37,969           | 17,508          | 2.23                                  |
|                                                        | INTERNATIONAL BUSINESS MACHS 5.700% Due 09-14-17                                  | 106.27          | 531,328               | 118.97           | 594,875         | 0.63        | 28,500           | 1,346           | 2.27                                  |
| ·                                                      | EXELON GENERATION CO LLC<br>6.200% Due 10-01-17                                   | 102.67          | 590,369               | 112.76           | 648,358         | 0.68        | 35,650           | 17,825          | 3.80                                  |
| ·                                                      | WELLS FARGO & CO<br>5.625% Due 12-11-17                                           | 99.58           | 497,920               | 113.09           | 565,470         | 0.60        | 28,125           | 8,594           | 3.27                                  |
| •                                                      | WACHOVIA CORP GLOBAL MEDIUM 5.750% Due 02-01-18                                   | 99.57           | 497,860               | 112.67           | 563,345         | 0.59        | 28,750           | 4,792           | 3.50                                  |
| ,                                                      | MCDONALDS CORP M/T/N 5.350% Due 03-01-18                                          | 105.75          | 528,740               | 119.26           | 596,315         | 0.63        | 26,750           | 2,229           | 2.12                                  |
| •                                                      | GENERAL ELECTRIC CAP CORP. 5.625% Due 05-01-18 GLAXOSMITHKLINE CAP INC            | 89.86           | 449,305               | 109.32           | 546,595         | 0.58        | 28,125           | 11,719          | 4.00                                  |
| ,                                                      | 5.650% Due 05-15-18 CATERPILLAR FINANCIAL                                         | 104.59<br>99.16 | 522,950<br>495,805    | 120.92<br>128.53 | 604,625         | 0.64        | 28,250<br>35,750 | 10,672<br>4,568 | 2.23<br>2.83                          |
|                                                        | 7.150% Due 02-15-19 GOLDMAN SACHS GROUP INC.                                      | 99.78           | 498,905               | 111.59           | 557,960         | 0.59        | 37,500           | 4,792           | 5.56                                  |
|                                                        | 7.500% Due 02-15-19<br>PROCTER & GAMBLE CO.                                       | 99.82           | 499,120               | 117.29           | 586,440         | 0.62        | 23,500           | 3,003           | 2.15                                  |
| •                                                      | 4.700% Due 02-15-19<br>MICROSOFT CORP                                             | 99.73           | 498,650               | 110.83           | 554,170         | 0.58        | 21,000           | 7,000           | 2.63                                  |
| 536,000                                                | 4.200% Due 06-01-19<br>CARGILL INC. (144a)                                        | 93.12           | 499,101               | 108.42           | 581,131         | 0.61        | 23,086           | 8,657           | 3.28                                  |
| 500,000                                                | 4.307% Due 05-14-21<br>BELLSOUTH CORP                                             | 97.52           | 487,595               | 108.84           | 544,180         | 0.57        | 30,000           | 11,333          | 5.33                                  |
| 500,000                                                | 6.000% Due 11-15-34<br>SOUTHERN CAL EDISON CORP BOND                              | 99.54           | 497,700               | 130.58           | 652,890         | 0.69        | 29,750           | 4,958           | 4.05                                  |
|                                                        | 5.950% Due 02-01-38<br>Accrued Interest                                           |                 |                       | _                | 255,418         | 0.27        |                  | 8======         |                                       |
|                                                        |                                                                                   |                 | 18,721,966            |                  | 20,460,840      | 21.57       |                  | 255,418         |                                       |
|                                                        | NAL FIXED INCOME FUNDS/ETF SPDR BARCLAYS CAPITAL INTL D                           | 56.06           | 2,381,843             | 60.11            | 2,553,773       | 2.69        | NA               |                 |                                       |
| DOMESTIC L<br>231,412<br>**CMBS Note - No further pure | ARGE CAP EQUITY FUNDS/ETF VANGUARD INST'L S&P500 INDEX FUND chases after 12/31/08 | 93.47           | 21,628,977            | 103.49           | 23,948,839      | 25.25       | NA               |                 |                                       |

## Alaska Permanent Capital Management Co. PORTFOLIO APPRAISAL

### FAIRBANKS PERMANENT FUND

|            |                                         |         |              |         |            |        |           |          | Yield           |
|------------|-----------------------------------------|---------|--------------|---------|------------|--------|-----------|----------|-----------------|
|            |                                         | Average | Total        |         | Market     | Pct.   | Annual    | Accrued  | to              |
| Quantity   | Security                                | Cost    | Average Cost | Price _ | Value      | Assets | Income    | Interest | <u>Maturity</u> |
| DOMESTIC N | MID CAP EQUITY FUNDS/ETF                |         |              |         |            |        |           |          |                 |
| 27,585     | ISHARES S&P MIDCAP 400                  | 63.58   | 1,753,965    | 77.99   | 2,151,354  | 2.27   | NA        |          |                 |
| INTERNATIO | DNAL FUNDS/ETF                          |         |              |         |            |        |           |          |                 |
| 251,216    | VANGUARD MSCI EAFE ETF                  | 33.98   | 8,535,721    | 30.13   | 7,569,138  | 7.98   | NA        |          |                 |
| EMERGING 1 | MARKET FUNDS/ETF                        |         |              |         |            |        |           |          |                 |
| 90,500     | VANGUARD EMERGING MARKET ETF            | 43.27   | 3,915,893    | 35.83   | 3,242,615  | 3.42   | NA        |          |                 |
| REAL ESTAT | TE                                      |         |              |         |            |        |           |          |                 |
| 72,730     | VANGUARD REIT ETF                       | 48.08   | 3,496,952    | 50.87   | 3,699,775  | 3.90   | NA        |          |                 |
| COMMODIT   | IES                                     |         |              |         |            |        |           |          |                 |
| 76,076     | IPATH DOW JONES-AIG COMMODITY INDEX     | 49.96   | 3,800,764    | 41.74   | 3,175,412  | 3.35   | NA        |          |                 |
| CASH AND E | QUIVALENTS                              |         |              |         |            |        |           |          |                 |
|            | ALASKA MUNICIPAL LEAGUE INVESTMENT POOL |         | 478,494      |         | 478,494    | 0.50   |           |          |                 |
|            | CASH RECEIVABLE                         |         | 14,404       |         | 14,404     | 0.02   | NA        |          |                 |
|            |                                         |         | 492,898      | _       | 492,898    | 0.52   |           | 72       |                 |
| TOTAL PORT | rfolio                                  |         | 89,498,710   |         | 94,856,458 | 100    | 2,072,084 | 398,067  |                 |

<sup>\*\*</sup>CMBS Note - No further purchases after 12/31/08

Alaska Permanent Capital Management Co.

# PERFORMANCE HISTORY GROSS OF FEES





### **Percent Return**

| Per | Period |
|-----|--------|
|     |        |

| Time Period          | Total   | Blend | Fairbanks | Fixed  | BARC  | Domestic | S&P   | Domestic | S&P    | Int'l  | EAFE  | Real   | S&P US  | Emerging | MSCI            | Domestic | S & P  |
|----------------------|---------|-------|-----------|--------|-------|----------|-------|----------|--------|--------|-------|--------|---------|----------|-----------------|----------|--------|
|                      | Account |       | 50 bp     | Income | AGG   | Large    | 500   | Mid Cap  | 400    | Equity | BENCH | Estate | REIT    | Market   | <b>EMERGING</b> | Small    | 600    |
|                      |         |       | hurdie    |        | BENCH | Cap      | LARGE | Equity   | MIDCAP |        |       |        | BENCH   | Equity   | MARKET          | Cap      | SMALL  |
|                      |         |       |           |        |       | Equity   | CAPS  |          | BENCH  |        |       |        | (former |          | BENCH           | Equity   | CAPS   |
|                      |         |       |           |        |       |          | BENCH |          |        |        |       |        | spreit) |          |                 |          | BENCH  |
| 09-30-10 to 10-31-10 | 2.06    | 2.03  | 0.04      | 0.39   | 0.36  | 3.79     | 3.80  | 3.41     | 3.45   | 4.06   | 3.61  | 4.74   | 4.75    | 3.10     | 2.90            | 0.00     | 4.25   |
| 10-31-10 to 11-30-10 | -1.13   | -1.17 | 0.04      | -1.03  | -0.57 | 0.01     | 0.01  | 3.03     | 2.97   | -4.90  | -4.81 | -1.85  | -1.97   | -2.84    | -2.64           | 0.00     | 3.56   |
| 11-30-10 to 12-31-10 | 3.08    | 2.20  | 0.05      | -0.54  | -1.08 | 6.90     | 6.68  | 6.66     | 6.55   | 8.44   | 8.10  | 4.53   | 4.62    | 7.53     | 7.14            | 0.00     | 7.66   |
| 12-31-10 to 01-31-11 | 1.00    | 0.96  | 0.04      | 0.23   | 0.12  | 2.37     | 2.37  | 1.81     | 2.00   | 2.16   | 2.36  | 3.25   | 3.22    | -3.44    | -2.71           | 0.00     | 0.15   |
| 01-31-11 to 02-28-11 | 1.79    | 1.61  | 0.04      | 0.39   | 0.25  | 3.42     | 3.43  | 4.56     | 4.65   | 3.28   | 3.30  | 4.18   | 4.62    | -0.17    | -0.93           | 0.00     | 4.41   |
| 02-28-11 to 03-31-11 | 0.12    | 0.12  | 0.04      | 0.05   | 0.06  | 0.04     | 0.04  | 2.48     | 2.45   | -2.50  | -2.24 | -1.63  | -1.48   | 5.47     | 5.88            | 0.00     | 3.01   |
| 03-31-11 to 04-30-11 | 2.62    | 2.62  | 0.04      | 1.47   | 1.27  | 2.96     | 2.96  | 2.72     | 2.72   | 6.19   | 5.98  | 5.75   | 5.74    | 3.37     | 3.10            | 0.00     | 2.60   |
| 04-30-11 to 05-31-11 | -0.39   | 0.06  | 0.04      | 0.88   | 1.31  | -1.13    | -1.13 | -1.30    | -1.35  | -2.70  | -2.95 | 1.37   | 1.35    | -2.94    | -2.62           | 0.00     | -0.90  |
| 05-31-11 to 06-30-11 | -1.13   | -0.76 | 0.05      | -0.22  | -0.29 | -1.67    | -1.67 | -2.13    | -2.04  | -1.22  | -1.25 | -3.32  | -3.28   | -1.00    | -1.54           | 0.00     | -1.81  |
| 06-30-11 to 07-31-11 | 0.13    | 0.58  | 0.04      | 1.57   | 1.59  | -2.04    | -2.03 | -3.28    | -3.53  | -2.39  | -1.59 | 1.56   | 1.61    | -0.62    | -0.44           | 0.00     | -3.21  |
| 07-31-11 to 08-31-11 | -2.17   | -1.79 | 0.04      | 1.44   | 1.46  | -5.29    | -5.43 | -7.00    | -7.11  | -8.09  | -9.03 | -5.62  | -5.71   | -9.09    | -8.94           | 0.00     | -7.67  |
| 08-31-11 to 09-30-11 | -4.53   | -3.39 | 0.04      | 0.61   | 0.73  | -7.03    | -7.03 | -10.60   | -10.59 | -11.33 | -9.53 | -10.84 | -10.96  | -18.44   | -14.58          | 0.00     | -10.29 |
|                      |         |       |           |        |       |          |       |          |        |        |       |        |         |          |                 |          |        |
| Date to Date         |         |       |           |        |       |          |       |          |        |        |       |        |         |          |                 |          |        |
| 09-30-10 to 09-30-11 | 1.19    | 2.92  | 0.50      | 5.33   | 5.26  | 1.48     | 1.14  | -1.09    | -1.28  | -10.38 | -9.36 | 0.72   | 1.07    | -19.84   | -16.15          | 0.00     | 0.21   |

# Fairbanks North Star Borough / City of Fairbanks CHENA RIVERFRONT COMMISSION MINUTES

### **December 5, 2011**

A regular meeting of the Fairbanks North Star Borough/City of Fairbanks CHENA RIVERFRONT COMMISSION was held in the Chizmar Room, 809 Pioneer Road, Fairbanks, Alaska. The meeting was called to order at 11:31 a.m. by Anna Plager, Chair.

### 1. ROLL CALL

PRESENT: Anna Plager, Chair

Annette Freiburger

Kelley Hegarty Lammers

Bob Henszey Lee Wood Buki Wright

ABSENT: Karen Lavery

Cameron Leonard Timothy Mullins

Michelle Roberts. Vice Chair

Matt Wilken

ALSO PRESENT Jackson Fox, City of Fbks

Donna Gardino, FMATS Lara Medinger, TVWA

Mark Mussman, FNSB Planner

Steve Taylor, FNSB Parks & Recreation David van den Berg, Downtown Association

Bobette McKirgan, Recording Clerk

David Haydon, Downtown Association

- 2. APPROVAL OF AGENDA The agenda was approved without objection after a motion by Freiburger, seconded by Henszey.
- 3. APPROVAL OF MINUTES (November 7, 2011) The minutes were approved without objection after a motion by **Hegarty Lammers**, seconded by **Wright**.
- **4. COMMUNICATIONS TO THE COMMISSION Plager** noted the format change to the CRFC minutes with the addition of action items.

**Plager** reported that she sent Mayor Hopkins draft of an appreciation letter to the military for their efforts on the August Chena River tour. **Plager** said she and the mayor also discussed the vacancy left by Sgt. Major Mullins' and the importance of military input; noting there is no rush to fill the vacancy.

**Plager** discussed meetings with the city and borough mayors and reported they are onboard regarding the Green Triangle project. **Plager** extended an invitation for the new

FNSB Parks & Recreation Director, Michael Bork, to meet informally to gain an overview of the board and its mission.

Action: **Taylor** will speak with **Bork** to set a date for a meeting.

**Plager** said she spoke with Rep. Guttenberg about a new bill proposed in legislative sub-committee and suggested there may be an opportunity to have more influence over the railroad's decisions if the bill passes; and for the commission to have review and approval status of the railroad's budget. **Plager** cited CRFC interest because of development on the north side of the river and the future of bike/pedestrian paths.

<u>Gardino</u> explained that the job of updating the state rail plan is the responsibility of DOT, noting that federal grant opportunities are being missed due to lack of an updated plan. <u>Gardino</u> reported that DOT&PF hired Joe Buck to update the rail plan. She explained that a state rail plan identifies public needs and provides an opportunity to influence the priorities of the railroad.

**Wright** questioned whether introduction of the bill was pending or had already been introduced. **Plager** replied that there is committee work being done on a draft bill; however noted the bill has a number and she would inquire and advise whether it had actually been introduced.

Action: **Plager** will meet with Rep. Guttenberg or whoever is involved with the committee to get the bill passed to give the legislature more influence over the railroad's priorities.

Plager reported she met with Mayor Cleworth to discuss the Gateway and Complete Streets projects. She stated Mayor Cleworth did not have strong opinions on the Gateway Project. Plager wanted to make sure to keep Mayor Cleworth informed and noted his interest in the north side bike path. Plager said Mayor Cleworth requested the CRFC provide resolutions to the City Council. Plager suggested the commission decide which communications should be in resolution form and, when an item may be difficult to work through the political arm of our entities, communication could be made by letter or memo.

- 5. PUBLIC COMMENTS None
- 6. **NEW BUSINESS** None
- 7. UNFINISHED BUSINESS
  - A. Update of Vision Fairbanks

<u>David van den Berg</u>, Downtown Association, reported on the status of the Vision Fairbanks Downtown Plan. <u>van den Berg</u> discussed setbacks encountered, including two way traffic circulation, and advised that the implementation phase was considered over. He provided copies of the plan and a 6/24/11 newspaper article to commissioners. **Plager** thanked **van den Berg** for keeping the river in mind during planning. **Henszey** said that nothing was done as a result of implementing the plan and it was not dead and **van den Berg** agreed.

**Hegarty Lammers** thought this was one of the best plans and encouraged it be thought of differently. **Hegarty Lammers** said the public made strong statements that were captured in the plan and suggested another phase; noting high public participation and adding that she would hate to see this plan shelved. **van den Berg** agreed that the concepts are

good. **Hegarty Lammers** added that planning in Fairbanks always begins gently in order to gain a lot of support. **van den Berg** reiterated that the commission had a plan update and he wanted to submit some strong food for thought. **Hegarty Lammers** noted updates are done every five years and the last one was adopted 1 ½ years ago. **Wright** offered the disclaimer that he is a DTA board member and asked what avenues are open to bring this about. **van den Berg** replied that commissions like the CRFC take the lead; attempting structural change, infrastructure, bike paths, and suggested the way to finance the implementation plan was to create an urban renewal district that employs tax increment financing. He said that a downtown improvement district is where you begin to create more buy-in from property owners.

**Wood** asked whether small, commercial areas (like Wien & 2<sup>nd</sup> Avenue and 1<sup>st</sup> & Lathrop) were shelved and <u>van den Berg</u> referred her question to **Mussman**. **Mussman** explained zoning plans and how they might affect downtown development. He said that if zoning action were required to accommodate development, Community Planning would consider compatibility issues. **Mussman** felt that some neighborhood plans and promotion of light commercial developments in close proximity to downtown could support the overall Vision Fairbanks. **Mussman** said when you get people closer to downtown, they will utilize downtown.

**Freiburger** noted that change comes slowly to Fairbanks and the significant show of community support should be an encouragement. She cited new buildings and capital investment downtown and congratulated **van den Berg** on receiving funds to continue the Community Service Patrol.

van den Berg made the commission aware that Phase III of the bike path was passed in April. Wright recalled that John Binkley, on behalf of the railroad, supported the north side bike path. Plager noted that Binkley supported north side bike path development, just not on railroad property.

Action: van den Berg will provide the city ordinance and the document <u>Vision Relies on Chena</u> to the FNSB Platting secretary for distribution to commissioners.

### B. <u>Letter of comment to the mayors re: temporary dog park plans</u>

**Wood** provided an update on the temporary dog park and a draft resolution. She said the intent was to request that the commission be kept in the loop about development and given a heads up when projects are proposed. **Wood** said the draft addressed the evaluation and review of public and private projects and, basically, how we handle the river. **Hegarty Lammers** complimented **Wood** on her effort. **Wood** said this is a valuable piece of property, noting that removal of the snow dump would create great concern by the City.

A motion was made by Hegarty Lammers, seconded by Freiburger, to adopt the resolution.

**Hegarty Lammers** suggested edits to the document and **Wright** thought deletion of the verbiage 'but also to the residents in the immediate area' would avoid exclusivity. **Wood** said she agreed with this reasoning and would make changes. **Henszey** also suggested edits.

Discussion of retaining the snow dump was made. **Hegarty Lammers** suggested this resolution would be of interest to the city mayor. **Plager** agreed and said this would be a good way to remind the city council of the commission's existence and asked whether it should be sent as a resolution. **Wright** said the point of a resolution is usually expressed

in the 'therefore be it resolved' language. **Wright** noted two points were being made: 1) we believe this property should remain in public use and not commercial or residential development and 2) if ever owners do anything with the property, we (CRFC) would like to have a say. **Wright** suggested these points be expressed in the resolution. **Plager** thought it would be good to steer clear of using certain phrases, i.e. 'greenbelts', in order to avoid sounding project oriented. **Plager** thanked **Wood** for her work.

Action: Wood will provide an updated resolution.

A motion was made by Hegarty Lammers, seconded by Henszey, to postpone adoption of the resolution.

- C. Previous river studies & development planning No update; deferred until future notice.
- D. Borough Reports **Taylor** reported that the Borough was set to take title to eleven properties in the Chena Flats greenbelt and issue conservation easements back to the Land Trust. **Taylor** explained that the Land Trust is a private, non-profit that purchases land for conservation values and can hold conservation easements. In this process, this was a Chena Ridge neighborhood effort to preserve Chena Marina wetlands. **Wright** asked who the land trust was and **Taylor** replied it was a private, non-profit.

**Mussman** said Ice Alaska is moving to a 25-acre area on the east side of Noyes Slough and had proposed park improvements over the next ten years, with possible southern expansion to the river. **Mussman** reported that Ice Alaska has a rezone request scheduled before the Planning Commission on December 13<sup>th</sup> and a site plan should be brought to the Assembly in February 2012. **Plager** voiced concerns about encroachment on the river, construction of hotels and the movement of park structures close to the river. **Mussman** offered to provide more information to commissioners available in his office. **Freiburger** noted that available resources would determine a timeline for Ice Park development. **Plager** wanted to discuss this topic at the February CRFC meeting; however because of conflicting schedules, it was agreed to hold a special committee meeting on December 15<sup>th</sup>.

Action: The Platting secretary will provide a draft agenda for the December 15<sup>th</sup> meeting to the Chair.

A motion made by Wright, seconded by Hegarty Lammers, to extend the meeting was approved without objection.

### E. City Reports

<u>Gardino</u> discussed the Complete Streets project, stating that Mayor Cleworth had assembled an advisory group to review the project as it develops. **Gardino** said she is on the advisory group and works for the policy committee. A traffic analysis of the study area from Cowles to Noble concluded that Cushman and Barnette can function as two-lane roadways, based on future traffic demands. **Gardino** explained that Crandall Arambula will come up with ideas providing for all modes of transportation and street-scaping ideas. **Gardino** said the next meeting is December 13<sup>th</sup>. **Gardino** noted there is four to six million in state funding for the project and Mayor Cleworth wants it done by the summer of 2012. **Plager** noted the CRFC should be following this design and questioned funding sources.

**Gardino** discussed plans for the Helmericks Avenue Extension & Bentley Trust Road Upgrade and said that public comments were due December 16<sup>th</sup>. **Freiburger** cited safety

issues on Illinois Street after a recent snowfall. **Hegarty Lammers** questioned plans for traffic circles and public art and **Gardino** replied that now is the time to be considering those items. **Gardino** said comments about bike and pedestrian planning are still being taken.

**Gardino** discussed the Graehl Park project and suggested this as a topic for the commission's February agenda. **Hegarty Lammers** stressed that bicycle access should be addressed in the Wendell Avenue Bridge project.

Action: Gardino will invite Sarah Schacher from DOT to attend the next CRFC meeting and update commissioners on the Wendell Avenue Bridge project. Gardino will present recommendations for the non-motorized plan.

<u>Fox</u> reported that the City will soon start design on a preventative maintenance project for the Graehl Subdivision including repaving and installation of storm drains, which should be constructed by next summer. **Gardino** noted this is a state funded project.

- F. Committee Reports None
- 8. COMMISSIONERS' COMMENTS Deferred to next meeting due to time constraints.

#### 9. STAFF and LIAISON COMMENTS

<u>Medinger</u> reported that TVWA is putting together a riparian management brochure aimed toward the public and landowners that should be produced within the next month.

<u>Medinger</u> advised commissioners that her term with TVWA is ending and **Plager** voiced her appreciation for <u>Medinger's</u> efforts and follow-through.

Action: Medinger will forward the brochure to commissioners prior to her departure from TVWA and Henszey may be able to provide an update at the next CRFC meeting.

<u>Medinger</u> said TVWA is holding a membership drive and cited the value of demonstrating support for the TVWA.

### 10. AGENDA SETTING FOR February 6, 2012 COMMISSION MEETING

- A. Update of non-motorized plan Gardino
- B. Wendell Avenue Bridge Project Schacher
- C. Riparian Brochure Henszey
- D. Update of draft resolution Wood
- E. Update on Ice Alaska properties

### 11. ADJOURNMENT

A motion was made by Hegarty Lammers, seconded by Freiburger, to adjourn the meeting. The meeting adjourned at 1:21pm

/b

# Fairbanks North Star Borough / City of Fairbanks CHENA RIVERFRONT COMMISSION DESIGN COMMITTEE MEETING MINUTES

**December 15, 2011** 

A special meeting of the Fairbanks North Star Borough/City of Fairbanks Chena Riverfront Commission Design Committee was held in the Salcha Conference Room, 3<sup>rd</sup> Floor, Borough Administrative Center, 809 Pioneer Road, Fairbanks, AK. The meeting was called to order at 11:30am by Kelley Hegarty Lammers, Chair.

#### 1. ROLL CALL

PRESENT: Annette Freiburger

Kelley Hegarty Lammers, Chair

Bob Henszey Anna Plager Lee Wood

ABSENT: Karen Lavery

Cameron Leonard Timothy Mullins

Michelle Roberts, Vice Chair

Matt Wilken Buki Wright

ALSO PRESENT Hank Bartos, Ice Alaska

Dick Brickley, Ice Alaska

Mark Mussman, FNSB Planner

### 2. NEW BUSINESS

A. Ice Alaska Development Plan

**Hegarty Lammers** noted that the purpose of this meeting was to gain a better understanding of a rezone on the Chena riverfront, in the corridor of special interest to the commission. **Hegarty Lammers** stated the purpose of the Chena Riverfront Commission (CRFC) is to return the Chena River to its status as the Crown Jewel of Fairbanks, so the CRFC watches very closely when anything happens on the river.

**Hegarty Lammers** remarked on the rezone discussed at the December 5, 2011 meeting regarding what she believed to be one of the greatest opportunities on the riverfront. She provided background on charter member George Horner, who initially had concerns about development of his property and later became an advocate for retention of the commission. **Hegarty Lammers** said there was delight that Ice Alaska made a deal for the Horner property and there would be a home for this event, which is so important to the identity of the community.

<u>Dick Brickley and Hank Bartos</u> of Ice Alaska welcomed the opportunity to present their vision that encompasses an area from the University Bridge to the Wendell Street Bridge.

**Mussman** said the Planning Commission recommended approval of the modified request to the Assembly, and the ordinance would be introduced at the January 12<sup>th</sup> meeting.

**Mussman** said the committee has a work session planned January 19<sup>th</sup> and a public hearing January 26<sup>th</sup>, noting it would be good to have the rezone approved prior to the upcoming Ice Alaska competition.

**Mussman** presented a PowerPoint and explained rezone plans. He noted the area had historically been used for mineral extraction that was essentially exhausted, making the land available for purchase. **Mussman** showed a site plan including amenities and parking, and provided plans reflecting future development, noting the attractiveness of the finished product.

**Henszey** commented that the 50' waterway protection overlay from the meander line becomes less meaningful with the increased width of the waterway. Discussion of the use of the phrases high water line versus property line and meander line was made. **Plager** asked **Mussman** to provide additional information about the meander line and **Henszey** suggested this be discussed in front of the full committee.

**Mussman** said the 50' waterway protection included in the rezone is intended to protect the shoreline and cover Chena River and Noyes Slough frontage. **Mussman** also discussed conditional use approval. **Plager** added that the state has setbacks along waterways. **Henszey** suggested it would be good to provide information about waterway set-backs at the full committee meeting. **Mussman** noted that the borough and Ice Alaska did a good job working through the process; citing special limitations and permitted uses. He said zoning for General Commercial Use is limited to the Ice Park and all of the features outlined in the site plan.

**Hegarty Lammers** stated that the commission's job as long-term planners was to stay with the word 'if' as opposed to 'when' to keep an eye on what could happen in the future, and to ensure that all possibilities are addressed. **Wood** asked about plans for the area should the Ice Park be dissolved. **Hegarty Lammers** suggested that presenters be allowed to finish.

Dick Brickley, Ice Alaska, thanked the commission for the opportunity to provide information. Brickley discussed the reasons for the rezone and the opportunity provided by George Horner's offer to sell property; and explained provisions of the lease/purchase. **<u>Brickley</u>** stated the objective is to enhance and promote international friendships through cultural and artistic exchange and this plan is a key element; citing the promotion and encouragement of winter tourism and other economic opportunities. **Brickley** added that if the Ice Park were dissolved, all debts would be paid and assets sold to another non-profit. He discussed the contributions of Mr. Horner to development of the Ice Park. **Brickley** said that the 2012 theme is 'Dreams Do Come True', and presented a slide show and detailed explanation of proposed Ice Park plans, which included ice-fishing. Freiburger added it would be great to obtain fish from the hatchery. Wood suggested consideration of a dog training center and Bartos replied that there are ongoing talks with mushers for dog-sled rides along the slough. **Brickley** said this space makes the vision of the river being developed as the cornerstone of the community a possibility. Brickley estimated property taxes payable to the Fairbanks North Star Borough would exceed \$500,000 annually. Bartos noted that Alaska Magazine recently listed Ice Alaska as the number one 'cool thing' to do in Alaska. Bartos added that Ice Alaska enhances the fortunes of Alaska and the Fairbanks community. Plager thanked Brickley and Bartos for their presentation. Plager remarked on the commission's support of Ice Alaska and concerns raised over expansion and construction on two parcels near the river. Plager stated the commission would like to fully support the Ice Alaska program.

**Freiburger** asked about plans for river access and <u>Bartos</u> replied there had been discussion of establishing a marina and access from the river, at some point in the future.

Hegarty Lammers said that the CRFC wanted to testify in support of Ice Alaska in front of the FNSB Assembly and wanted to stay focused on the rezone during the meeting. Hegarty Lammers noted the importance of river access and that the commission would like to see river access plans added to the conceptual narrative. She believed it necessary to edit the concept in order to gain full support from the commission. Plager asked Freiburger to define her idea of river access. Freiburger gave examples of dog sled and snow machine access.

**Mussman** said he realized this was an ambitious plan, citing special limitations for General Commercial Use zoning and that the Ice Park would be a theme park with year round operation. **Mussman** noted it would not be a material change to the plan to specifically address river access or other items. He noted creation of a marina would likely involve federal agencies. **Hegarty Lammers** stated this is a conceptual plan and it would be okay to include items that need other permitting. **Hegarty Lammers** discussed the importance of adding specifics to the plan.

**Wood** commented that her primary concern is what happens if Ice Alaska 'folds' and what the borough responsibilities are. **Hegarty Lammers** agreed and remarked that this topic had been addressed during the discussion, noting there were limitations included in the zoning. **Mussman** said that changes could be requested to the special limitations through the process and gave example of an outlet mall. He noted opening day of the 2012 competition is less than two months away and, as the Ice Park becomes established, everyone associates the land with that usage, making change more difficult. **Mussman** explained the reason for choosing General Commercial zoning was to allow for more than one principal building on a site and, in the event additional countries wanted to be represented, additional lots would not have to be created.

Plager said she was worried about the future of Ice Alaska if financial success was not realized and it was sold to another company. Brickley said this was why they were very clear in crafting language and it was stipulated in the deed that the property could only be used for the George Horner Ice Park, even if ownership changed. Hegarty Lammers noted and Henszey agreed that deeds can be changed and parcels sold. She said the mission of the CRFC was to plan for the future and any inevitability, asking which words could be included in an ordinance to ensure the limitations remained in place. Bartos replied covenants were included and would convey with the land. Mussman said that although the narrative and site plan are general, he felt comfortable with the special limitations. He said there would not be typical, commercial development on the property and if that were attempted, it would take a process that would be difficult and had to be brought before the Assembly. Henszey questioned whether there was a commercial easement comparable to a Land Trust conservation easement. Bartos replied he did not know the answer and Mussman asked about whether those (easements) could be maneuvered out of. Henszey said multiple challenges to conservation easements had been unsuccessful. Hegarty Lammers wanted to know whether the Ice Park easement could be considered a covenant. Mussman replied the general use is limited to the Ice Park and could not be reversed by unwilling parties. Mussman gave the location of language in the ordinance. He also noted that although not everything was included in the narrative, the concept was. Discussion of how to change the narrative was made. Hegarty Lammers said she would like to see the arbiter defined within the language. Plager gave examples of the DNR process for changes and the level of review required, noting the Ice Park would be on private property. Hegarty Lammers said governance would be through the ordinance as it relates to Title 18, stating her agreement with including different levels of review within the plan and narrative. Hegarty Lammers said without this language included, a new owner could change the plan and Mussman stated not without what would essentially be a rezone process. Brickley said that Ice Alaska is comprised of volunteers and a revenue source is

necessary to be successful to carry it forward. **Brickley** said any language can be included that better protects the Chena River and Noyes Slough and **Bartos** added it was in Ice Alaska's interest to have the river protected. **Plager** defined protection as being careful of development that may harm vegetation and cause riverbank erosion. **Mussman** said permitted use in this zone is preservation of natural vegetation. **Henszey** asked that enhancement or reestablishment be included.

Hegarty Lammers voiced her concern about architecture and design guidelines that would be used to create structures, with regard to withstanding Alaskan weather. <a href="Brickley">Brickley</a> replied that structures would be built to code requirements. <a href="Plager">Plager</a> voiced concerns about foot traffic near structures along the river causing a loss of natural protection. <a href="Bartos">Bartos</a> said the bank is very high at that location and <a href="Brickley">Brickley</a> said surveys would be done to ensure erosion is avoided. <a href="Wood">Wood</a> requested the commission be given a tour of the property.

Henszey said the tour would best be done in summer and <a href="Brickley">Brickley</a> said he would be glad to drive them through. When invited to join by Ice Alaska, <a href="Hegarty Lammers">Hegarty Lammers</a> said she would like to support Ice Alaska as liaison for the Chena Riverfront Commission by serving on the International Artist Village committee.

**Hegarty Lammers** said that in listening to the commission's comments today, it is clear that the commission would like to work with Ice Alaska on specific pieces and language to be included in the development plan and ordinance. She summarized these items as 1) river access, 2) protection and maintenance of the riparian zone, 3) how to move forward, 4) the fifty foot set-back, and 5) building construction. **Hegarty Lammers** added that the next step would be to decide how to move forward quickly on these items so that the Ice Alaska timeline for this season was not negatively impacted.

**Hegarty Lammers** said she would like to see the phrase 'meander line' changed to 'property line'. Avoidance of building a 'shanty-town' was discussed.

**Wood** said the commissioners were surprised with this topic at the last CRFC meeting and she would like to have this kind of information provided sooner in order to review the process. **Mussman** said the best thing would be for the department representative to contact the chairperson.

**Mussman** noted there are two types of language in the ordinance describing the particular pieces of property, what they are being zoned to and the special limitations, which have been forwarded by the Planning Commission, as written. He said he did not believe changes to the special limitations could be made unless proposed by an Assembly member. **Plager** said she would have time to work with **Brickley**. **Mussman** said he would be out of the office until mid-January and set up a meeting with **Plager** for December 16<sup>th</sup>.

#### 3. ADJOURNMENT

The meeting adjourned at 1:46pm.

/b

# PUBLIC SAFETY COMMISSION

January 10, 2012 11:30 AM Fairbanks Fire Department

PSC Members: Peter Stern (Seat C - 2013) Buzzy Chiu (Seat D - 2014)

Frank Eagle (Seat E - 2012)

Nate Werner (FPD Representative)

John Eberhart (Seat A - 2014)

Greg Taylor (FFD Representative)

Bill Satterberg (Seat B - 2012)

## **Meeting Minutes**

CALLED TO ORDER: 11:32 am

### ATTENDANCE:

PSC Members: Peter Stern, Frank Eagle, John Eberhart, Bill Satterberg, Buzzy Chiu, and Greg Taylor

PSC Members Absent: Nate Werner.

Others in attendance: Dave Burglin – CAO, Deputy Chief Brad Johnson and Lt. Erik Jewkes-FPD; Chief Warren Cummings and Lisa Howard-FFD.

ADOPT AGENDA: Agenda adopted without addition of Downtown Improvement District under New Business.

PUBLIC COMMENT: None

MINUTES: The minutes of the December 13, 2011 meeting were approved without changes.

### **OLD BUSINESS:**

Reappointment of Seats A & D. Chairman Stern thanked both members for their continued service. Possible Code Changes to Infractions Discussion of committee work so far. Intent is to delete any duplications. Where possible will delete City Codes, however, some codes may have same name but have different wording or application. Also discussed is need to find tracking mechanism for violations, especially in the case of escalating/repeat offenses. Discussion of use of violations with a fine of community service for some types of incidents. Committee working with COF CAO to draft an ordinance regarding changes. Lt. Jewkes also report working on ordinance for billing false 911 calls for repeat offenders (often mechanical malfunctions but just as often human error – cleaning crews not properly disarming alarms, etc.)

Role of the Public Safety Commission The motion that was made by Bill Satterberg, seconded by Frank Eagle to sunset the City of Fairbanks Public Safety Commission and was tabled at the last meeting, pending feedback from the Mayor and City Council with regards to their vision of the commission, remains tabled. John Eberhart reported a worksession with the commission and the council has been scheduled for Feb 17<sup>th</sup>. After discussion, Mr. Stern is to request the meeting be rescheduled to March 19<sup>th</sup> to allow all PSC members to be present.

### NEW BUSINESS:

<u>Downtown Improvement District</u> Council Member Vivian Stiver introduced a resolution to form an Ad Hoc committee for the purpose of exploring the development of a Downtown Improvement District. The idea would be to develop a mechanism to fund the CSP and Clean Team, which directly benefit downtown businesses and residents. Mayor Cleworth is looking for volunteers to serve.

Approved 2/14/12 Page 1 of 2

### REPORTS:

### FFD Report

Chief Cumming reported that the City Council approved accepting an Assistance to Firefighters Grant (AFG) of \$140K for the purpose of replacing outdated Personal Protective Equipment. He also reported that the new 2012 SAFER grant guidelines are out. This grant funds a significant amount of the cost of hiring additional personnel. Frank Eagle, seconded by Buzzy Chiu, made a motion in support of FFD applying for this grant, which passed unanimously. Chief Cummings then reviewed a draft of the 2011 statistics and reported that for the year actual fires had increased. Some of the information may change slightly as adjustments are made during year end data validation, especially in the area of MA ambulance responses.

### **FPD Report**

Deputy Chief Johnson distributed the FPD monthly statistical report. He also noted that Robert Hall would soon be returning from deployment and would resume as the PSC representative for FPD.

### FECC Report

None – Director Johnson was absent.

### **CLOSING COMMENTS:**

Bill Satterberg requested to be excused from the next meeting.

NEXT MEETING: February 14, 2012 – Council Chambers hosted by FECC

MEETING ADJOURNED at 12:48 PM

Respectfully submitted,

Lisa Howard, FFD

### City Of Fairbanks

### **MEMORANDUM**



To:

**City Council Members** 

From: Jerry Cleworth, City Mayor

Subj: Permanent Fund Committee

Date: February 27, 2012

One position on the Permanent Fund Review Board will expire on February 28, 2012. I request your concurrence to the re-appointment of:

Mr. Darren Franz – permanent member. Term to expire: December 31, 2014

Thank you.

ABC/