

ORDINANCE NO. 6250

**AN ORDINANCE AMENDING FAIRBANKS GENERAL CODE
CHAPTER 74, ARTICLE V, ROOM RENTAL TAX, TO CHANGE
THE ALLOCATION TO THE FAIRBANKS ECONOMIC
DEVELOPMENT CORPORATION (FEDC)**

WHEREAS, generally, the full participation of all council members in every decision before the council is ideal, however, there are times when a conflict of interest precludes a council member's involvement; and

WHEREAS, in accordance with the city's Code of Ethics at FGC Sec. 1-20 and other governing law, a council member declared a conflict of interest regarding a change to the allocation made to the Fairbanks Economic Development Corporation (FEDC) under proposed Ordinance No. 6223, and the Council's presiding officer ruled that the council member did have a conflict of interest, and that ruling was not challenged; and

WHEREAS, Ordinance No. 6223, as Amended, adopted by the Council on May 22, 2023, changed all room rental tax allocations in FGC Chapter 74 except, to avoid the council member's conflict of interest, the allocation to the Fairbanks Economic Development Corporation (FEDC); and

WHEREAS, it is now the council's intent to change the allocation to FEDC.

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

Section 1. FGC Sec. 74-117(b)(3) is amended as follows [new text in **bold/underline** font; deleted text in ~~strikethrough~~ font]:

Sec. 74-117. Room rental tax purpose and limitation.

* * * * *

(b) Subject to annual appropriation, revenues collected under this article will be allocated as follows:

(3) ~~\$600,000.00~~ \$550,000.00 will be distributed annually as follows:

Fairbanks Economic Development Corporation
~~\$150,000.00~~ \$100,000.00

Golden Heart Plaza and Barnette Landing Maintenance \$50,000.00

Discretionary Grants \$400,000.00

Section 2. That the effective date of this Ordinance is five days after adoption.

Section 3. The current distribution will remain in effect until December 31, 2023.



David Pruhs, Mayor

AYES: Tidwell, Sprinkle, Ringstad, Marney, Rogers, Cleworth

NAYS: None

ABSENT: None

ADOPTED: June 26, 2023

ATTEST:

APPROVED AS TO FORM:



D. Danyielle Snider, MMC, City Clerk

Thomas A. Chard II, City Attorney

**CITY OF FAIRBANKS
FISCAL NOTE**

I. REQUEST:

Ordinance or Resolution No: 6250

Abbreviated Title: ORDINANCE AMENDING ROOM RENTAL TAX ALLOCATIONS FOR FEDC

Department(s): GENERAL

Does the adoption of this ordinance or resolution authorize:

- 1) additional costs beyond the current adopted budget? Yes _____ No X
- 2) additional support or maintenance costs? Yes _____ No X
 If yes, what is the estimate? see below
- 3) additional positions beyond the current adopted budget? Yes _____ No X
 If yes, how many positions? _____
 If yes, type of positions? _____ (F - Full Time, P - Part Time, T - Temporary)

II. FINANCIAL DETAIL:

EXPENDITURES:	2024+
Fairbanks Economic Development Corporation	\$150,000
Golden Heart Plaza and Barnette Landing Maintenance Contract	\$50,000
Discretionary Grants	\$400,000
Explore Fairbanks	\$2,270,000
TOTAL	\$2,870,000

FUNDING SOURCE:	2024+
General Fund (Room Rental Taxes)	\$4,200,000
TOTAL	\$4,200,000

Based on room rental tax receipts of \$4,200,000, the city would retain \$1,330,000. This is an increase of \$385,000 from the 22.5% allocation.

Reviewed by Finance Department:

Initial mb

Date 6/5/2023