

Attention All Professional Builders!!

Please join us for a
Round Table Discussion
On the future of developing Borough
owned lands



We want to hear your thoughts on:
*Preferred areas for development
*Development incentives
*Long term ground leasing
*Cooperative development agreements

WEDNESDAY, APRIL 6TH
5-7 PM

809 PIONEER ROAD
CHIZMAR ROOM
907-459-1241

NEWSMINER 03/16/2016

- Alaska's construction industry could lose 3,000 jobs in 2016 - industry could lose as much as 18 percent of its workforce this year.
- Alaska was one of only six states that didn't show growth in the construction industry from 2015 to 2016.





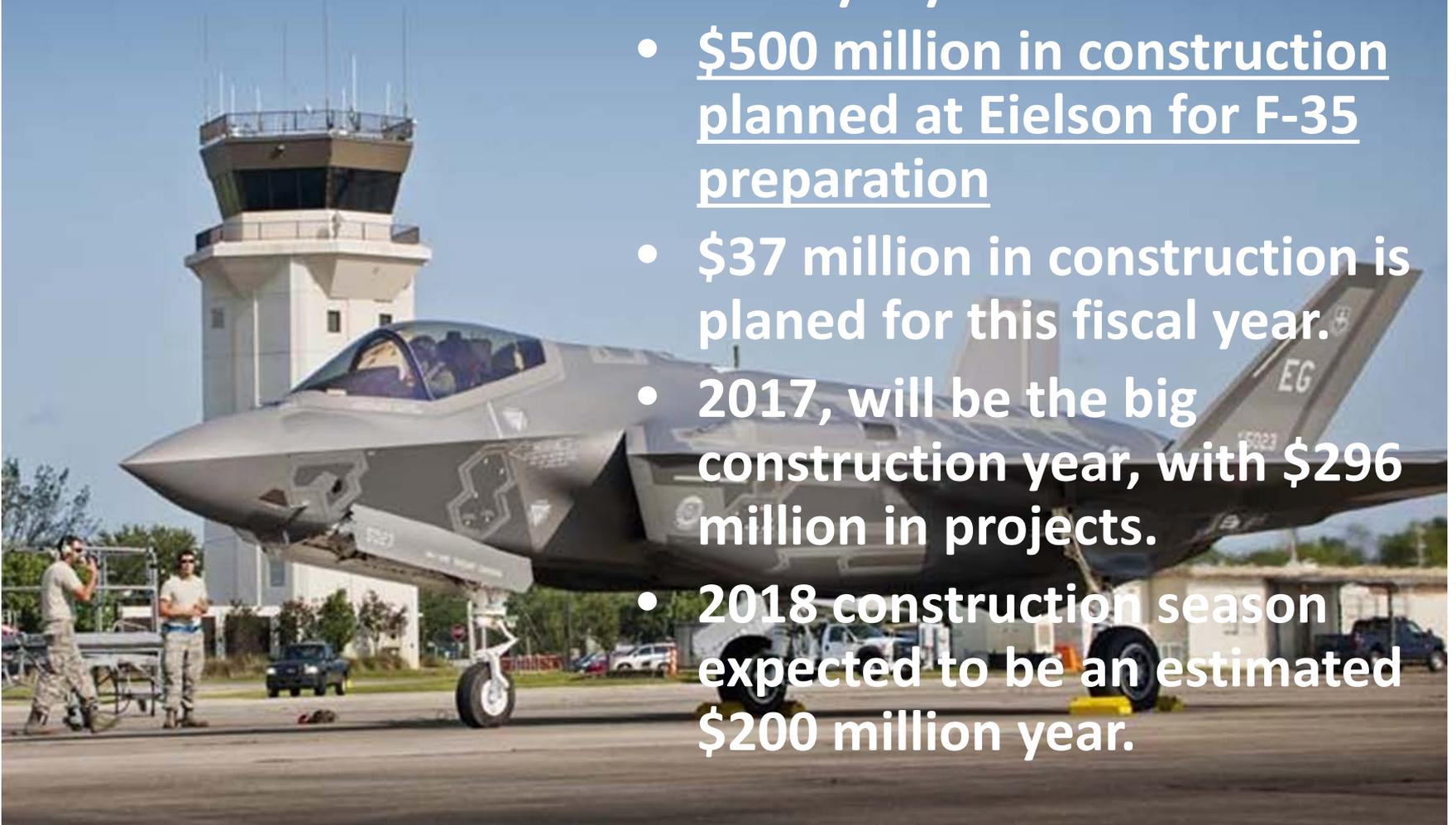
2016 ALASKA CONSTRUCTION SPENDING

	Million	Change
TOTAL	\$7,303,000,000	-18%
TOTAL EXCLUDING OIL & GAS	\$4,178,000,000	-11%
PRIVATE	\$4,542,000,000	-24%
Oil and Gas	\$3,125,000,000	-25%
Mining	\$ 180,000,000	0%
Other Basic	\$ 104,000,000	39%
Utilities*	\$ 459,000,000	-33%
Hospitals/Health Care*	\$ 195,000,000	-19%
Other Commercial	\$ 150,000,000	-23%
Residential	\$ 329,000,000	-21%
PUBLIC	\$2,761,000,000	6%
National Defense	\$ 552,000,000	27%
Highways and Roads	\$ 705,000,000	0%
Airports, Ports, and Harbors	\$ 387,000,000	-15%
Alaska Railroad	\$ 26,000,000	-4%
Denali Commission	\$ 10,000,000	0%
Education	\$ 406,000,000	-13%
Other Federal	\$ 253,000,000	-1%
Other State and Local	\$ 422,000,000	-26%

* Many projects in these categories are supported by public funds.
Source: Institute of Social and Economic Research, UAA.
Percent change based on revised 2015 estimates.

NEWSMINER 4/5/2016

- \$500 million in construction planned at Eielson for F-35 preparation
- \$37 million in construction is planned for this fiscal year.
- 2017, will be the big construction year, with \$296 million in projects.
- 2018 construction season expected to be an estimated \$200 million year.



MORE THAN EVER...

- FNSB needs to find creative solutions for placing Municipal Entitlement Lands in the hands of the private sector.

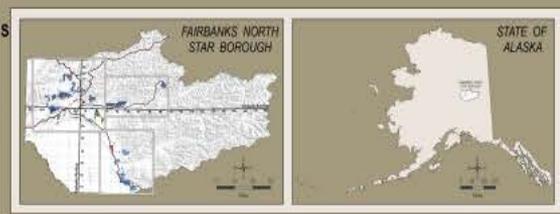
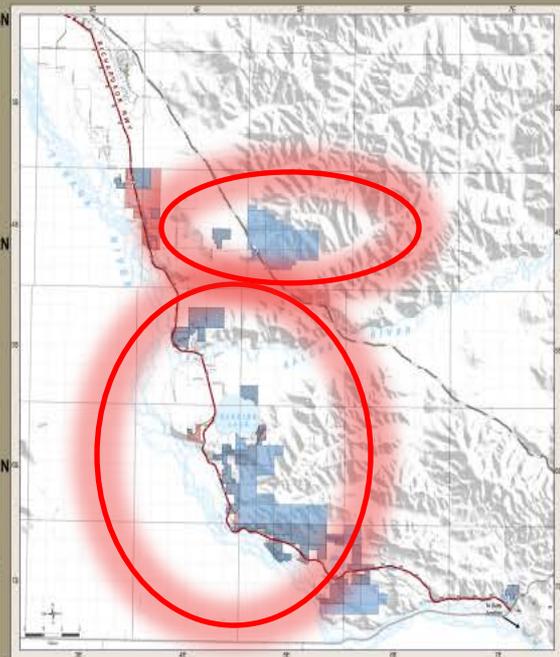
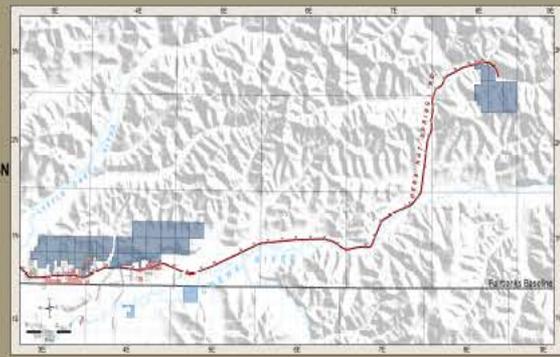
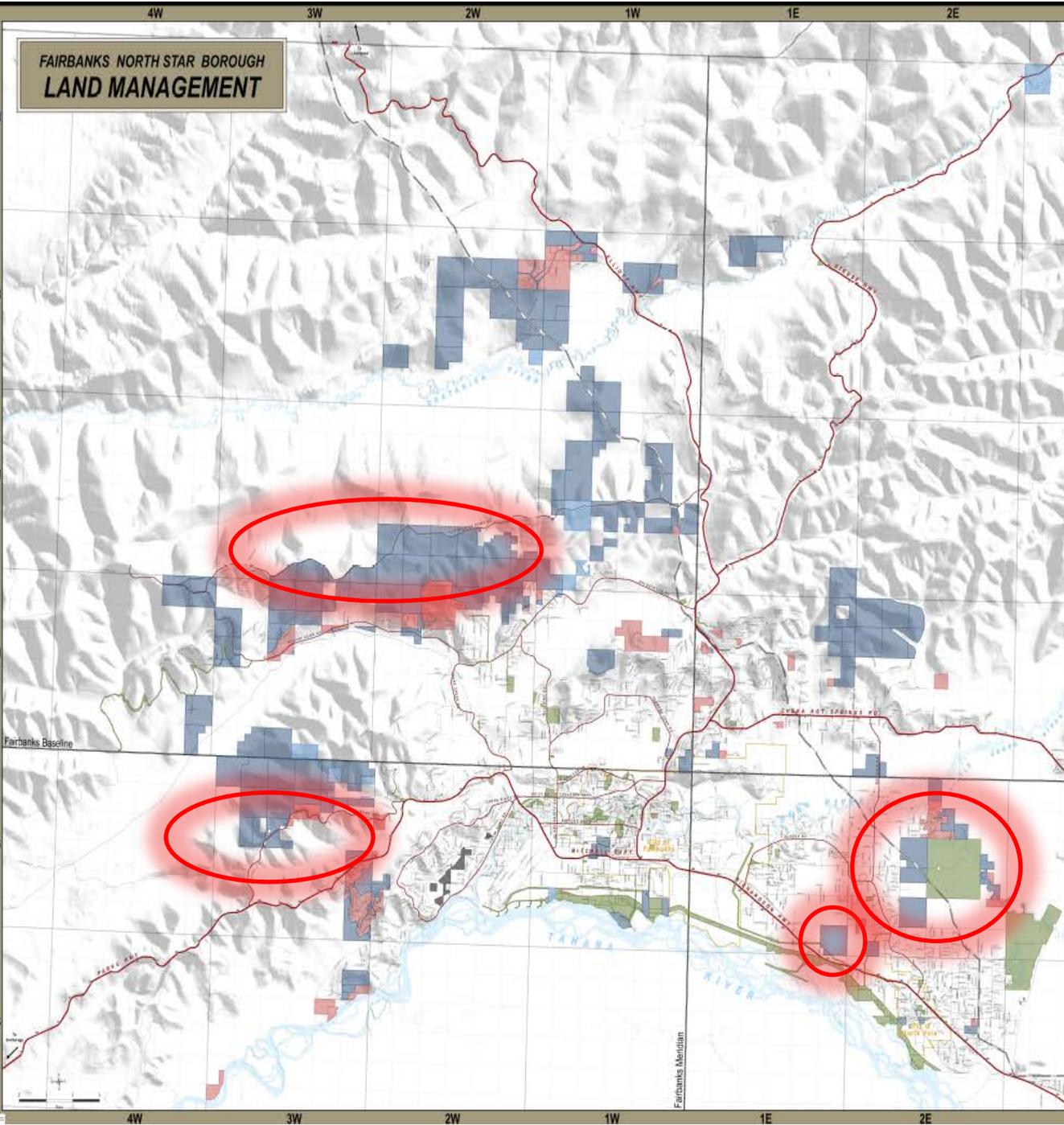
–mechanisms which might make it easier for developers and builders to make use of the asset...



THE ASSET

- Roughly 80,000 acres of municipal entitlement land in our inventory which many may not be familiar with
 - While some of this land is best described as remote access, some of it is very much accessible





FAIRBANKS NORTH STAR BOROUGH LAND MANAGEMENT

	Public		State		State		State		State
	Subdiv. Approval		City		City		City		City
	Subdiv. Approval		City		City		City		City
	Water		City		City		City		City
	Water		City		City		City		City

THE MANDATE

- Change to Borough Code Title 25 restricts our ability to spend money on road construction associated with proposed subdivision plans
 - Assembly essentially told us large tract sales were preferable to in-house subdivision efforts;
 - a clear mandate to work with the private sector: sell large tracts to be subdivided and developed by the private sector.

WHY NOT....

P3s or Public- Private Partnerships?

- contractual arrangement between a public agency (federal, state or local) and a private sector entity for the execution of a project.
- public agency provides the land, technical services, wetland mitigation credits, and private partner may provide design, capital improvements ... with profits from sale shared as determined by the agreement

Long Term Ground Leasing for Development?

- Lease terms developed allowing for bank financing of the development

WHY NOT....

Development Incentives?

- Reduced interest rates on borough financed sales
- Reduction to principal owed on borough financed sales
- Wetlands mitigation credits toward development

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YOUR THOUGHTS?