



Fairbanks North Star Borough

ASSESSING DEPARTMENT

907 Terminal Street ☆ P.O. Box 71267 ☆ Fairbanks, Alaska 99707-1267

HOUSING TAX INCENTIVE APPLICATION

Application Deadline: December 31, 2023

Applicant Information			Filing Fee: \$300.00
Name of Applicant (Individual or Corporation):		Co Applicant:	
If Corporation or LLC, Owner or Owner's Representative Name:			Phone Number:
Mailing Address:	City:	State:	Zip Code:
Email Address:			

Property and Project Information			
Millage Group:	Primary PAN Number:	Additional PANs for project (if needed):	
Situs Address (if assigned):		Property Description:	
Mailing Address:	City:	State:	Zip Code:

NEW housing units to be constructed: _____ Total housing units on property when construction is complete: _____

ATTACHMENTS (see *Application Steps on page 3 for more detail on what to include in attached documents*):

- Map.** Showing the project will be constructed in a Military Facility Zone or within the cities of North Pole or Fairbanks, or in a location suitable for high-density residential development.
- Drawings.** Showing layout and square footages of existing and proposed new housing units on the property.
- Acknowledgement** letter confirming new housing units will be taxable after exemption eligibility expires.
- Project Documents** describing how project will address demand, serve a housing need, and meet energy rating standards.
- Transfer of Ownership.** Describe plans to transfer, convey, or assign property ownership property after construction.

I CERTIFY that:

1. As the owner or owner's representative of the property, I am compliant with all municipal and State of Alaska tax obligations.
2. As of the date of this application construction of the project has not started.
3. To the best of my knowledge, neither a notary public nor other official empowered to administer oaths is available at the time I make this certification.

OR

- Document is notarized, below.

I certify under penalty of perjury, that the foregoing statements are true

Dated this _____ day of _____, 20____ at _____, _____.

Signature

Printed Name

Subscribed and sworn to (or affirmed) before me at _____, Alaska by _____
on the _____ day of _____, 20____.

Notary Public's Signature
My Commission Expires: _____



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FNSB STAFFING

30 Day Due Date:

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Application and fee received on _____ (date) by _____ (initials)

COMMUNITY PLANNING

Land Use Compliance Assessment by: _____ (initials) date: _____

Compliance Assessment: _____

TREASURY & BUDGET

Property taxes on parcel: _____

State or local taxes due by applicants: _____

Compliance Assessment By: _____ (initials) date: _____

ASSESSOR

Application Reviewed on: _____ (date) By: _____ (initials)

FNSBC 8.12.045(B) review. Applicant has demonstrated:

- | | YES | NO |
|---|--------------------------|--------------------------|
| • A need for the proposed housing units, based on location, cost and type of construction. | <input type="checkbox"/> | <input type="checkbox"/> |
| • That the project is for entirely new residential units and not an extension or modification of existing structures. | <input type="checkbox"/> | <input type="checkbox"/> |
| • The additional residential units will be constructed on the property within two years of approval. | <input type="checkbox"/> | <input type="checkbox"/> |
| • That each residential unit will provide living facilities for one or more persons and will include permanent provisions for living, sleeping, eating, cooking and sanitation. | <input type="checkbox"/> | <input type="checkbox"/> |
| • Residential units will be owner-occupied or leased for periods of at least one month. | <input type="checkbox"/> | <input type="checkbox"/> |
| • The proposed term of the exemption is proportionate to the benefit of the development. | <input type="checkbox"/> | <input type="checkbox"/> |

Recommend **Approval / Denial** Application / Ordinance to Clerks on: _____ (date)

Recommend **Exemption** for _____ years. **Deferral** for _____ years.

Applicant notified of Assessor recommendation on: _____ (date)



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FNSB HOUSING TAX INCENTIVE

General Information

The Fairbanks North Star Borough Tax Incentive for Housing program was implemented in accordance with AS 29.45.050 and FNSB Code Chapters 8.08 and 8.12. The tax incentive, for approved eligible new housing unit construction, would exempt property from taxation for up to 10 years, depending on where and how many housing units are constructed on a specific property. Applications are due not later than December 31, 2023.

Eligibility Determination and Program Requirements

To be eligible for the Housing Tax Incentive, applicants must meet the following criteria:

- Construction of new housing units must be on a property within a Military Facility Zone, the City of North Pole or the City of Fairbanks, or in a location suitable for high-density residential development.
- Tax incentives may be approved by the Assembly if an application can demonstrate: (1) there is a need for location, cost and type of construction proposed; (2) that construction is for entirely new residential units and not an extension or modification of existing structures on the property; (3) the additional residential units will be constructed on the property within two years of approval; (4) each residential unit provides facilities for one or more persons and includes permanent provisions for living, sleeping, eating, cooking, and sanitation; (5) residential units will be either owner-occupied or only leased for periods of at least one month; and (6) the proposed term of the exemption is proportionate to the benefit of the development.
- Application must be approved by the Assembly BEFORE construction.
- The new housing units must not have been previously taxed.
- Owners must report to the Assessor annually not later than March 15th occupancy data, property use data, information about any new improvements or transfer to new owners during the prior calendar year.

Housing units constructed that result in four or fewer dwelling units may be eligible for up to a two-year tax exemption; five or more dwelling units may be eligible for up to a 10-year tax exemption. Refer to FNSBC 8.12.045 for complete incentive program eligibility requirements.

Application Steps

- Fill out the HOUSING TAX INCENTIVE Application.
- Attach the following support documents to the application:
 - A map or other proof that the entire property is within a Military Facility Zone or within the boundaries of the City of North Pole or the City of Fairbanks, or in a location suitable for high-density residential development.
 - Drawings of the residential units that the applicant will construct, including site plans and a floor plan that includes: (1) the layout of the new structures on the property to include existing structures and any changes made to existing structures; (2) approximate square footage of all new units; and (3) plans showing the construction will increase the total number of residential units on the property.
 - Acknowledgement by the applicant that the residential units will be taxable when the residential units are no longer eligible for a tax exemption under FNSBC Chapter 8.12
 - Project Description Documents describing how the project: (1) serves an area in which demand for housing exceeds available inventory; (2) serves a need with respect to cost and type of construction; and (3) meets or exceeds the Alaska Housing Finance Corporation energy rating of 5 Star, or of an equivalent commercial Energy Use Index (EUI) score using the AKWarm or similar program. Identify all state and local permitting authority requirements.
 - Transfer of Ownership Plans. Provide details of any plans to transfer, convey, or assign ownership to any third-party interest after construction.



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- It's advisable to consult with the FNSB Community Planning Department to determine what (if any) platting, land use, flood, or ground water protection permits are required.
- Read the application certification statements.
- Sign and date the application. Submit in person to the Borough Assessor's office. Be sure to get a copy of the application page for your records that includes a date/time stamp showing when the application was received by the Assessor.
- Pay the \$300.00 filing fee.

What to Expect After Submitting Application

- Borough Assessor will make a recommendation to approve or deny the application within 30 days and forward to the Assembly and Economic Development Commission.
- If the Assessor recommends approval, an ordinance will accompany the application and the matter will be calendared for introduction and a public hearing with the Assembly as soon as practicable. The Borough Clerk will notify the applicant of the public hearing.
- The Economic Development Commission may provide a recommendation to the Assembly.
- The Assembly has discretionary authority to grant tax exemptions or deferrals.
- If the application is approved by the Assembly, then:
 - If the new construction is for 4 or fewer housing units and the foundation is complete, the Assessor has all the required documents, then the exemption will be in effect January 1 the next calendar year.
 - If the new construction is for 5 or more housing units and a certificate of occupancy or similar document has been issued, the Assessor has all the required documents, then the exemption for the newly constructed components will be in effect January 1 the next calendar year.

What to Expect During the Exemption Time Period

- If at any time during the exemption period, the number of units in service drops below the number of units approved, the exemption will be terminated by the Assessor.
- If at any time during the exemption period the property is used for anything other than residential purposes, the exemption will be terminated by the Assessor.
- The Assembly may reverse an Assessor determination to terminate an incentive per FNSBC 8.08.060(A).
- Not later than March 15 each year, the property owner must file with the Assessor's office:
 - A report that details the occupancy status of units during the prior calendar year.
 - A certification that the newly constructed units in the original application continue to exist and have not been converted to non-residential use.
 - A description of physical changes to other improvements constructed since the last report or original application.
 - Any additional information requested by the Assessor.
 - Pay an annual \$150.00 review fee.
- Property owners with approved exemptions are required to immediately notify the Assessor if the property is transferred to new ownership.
 - If the exemption was for four or fewer housing units, the incentive will immediately be revoked, and taxes are due.
 - If an owner who was granted an exemption for construction of 5 or more units transfers ownership during the exemption period, the exemption will not be terminated, so long as the new owner does not change the original plan and agrees to comply with all conditions of the approved application.

Applicants needing help with some of the technical address and property information for the application should please call the Assessor's office at (907) 459-1428 for assistance.



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