

February 2, 2018

Senator Cathy Giessel, Senate Resources Committee Chair  
Senator John Coghill, Senate Resources Committee Vice-Chair  
Members of Senate Resources Committee

Re: Support for Senate Bill 86

To the Senate Resources Committee:

The railroad plays a pivotal role in Fairbanks, from the supply line it provides to the Interior, to the carloads of tourists that visit Fairbanks each summer and frequent local businesses.

Railroad land extends into the heart of downtown Fairbanks. While the benefits of railroad land in the central Fairbanks district have provided benefits to businesses who lease the property, there is prime riverbank real estate with full utility hookups that has remained vacant for 20 years. Despite the fact that this presents an exciting opportunity for new housing, it's difficult for a singular residential developer to acquire the financing to build a riverbank home on leased land.

According to the Department of Natural Resources, in 2015 less than 1% of state land was under private ownership. Allowing the Alaska Railroad the discretion to determine which land resources would be best in private hands, and therein contributing revenues to local governments, would be a gain for the Fairbanks economy and economies all over Alaska.

FEDC supports the addition of a sunset date to SB 86. Providing a sunset date allows Alaskans to benefit from the jobs, commercial ventures, and residential lots from unused Alaska Railroad land reserves while allowing future Alaskans to choose whether or not the Alaska Railroad should be allowed to continue selling parcels that are not part of the right-of-way/operational reserves.

Fairbanks Economic Development Corporation exists to assist in creating new jobs and new economic opportunities while reinforcing current industries for the residents of the Fairbanks North Star Borough. It is with these ends in mind that we urge you to support Senate Bill 86 and amend the legislation to include a sunset date.

Sincerely,



Jim Dodson  
President and CEO  
Fairbanks Economic Development Corporation