

City of Fairbanks - Polaris Hotel - Contaminated Materials Abatement **FY2024 Request: \$3,000,000**
Reference No: AMD 65103

AP/AL: Appropriation **Project Type:** Life / Health / Safety
Category: Transportation **Recipient:** City of Fairbanks
Location: Fairbanks (Areawide) **House District:** Fairbanks Areawide (HD 31 - 35)
Impact House District: Fairbanks Areawide (HD 31 - 35) **Contact:** Catherine Reardon
Estimated Project Dates: 07/01/2023 - 06/30/2028 **Contact Phone:** (907)465-2506

Brief Summary and Statement of Need:
Senate Special Session Add for the House.

The Polaris Hotel and annex building, located at the intersection of 1st Avenue and Lacey Street in Fairbanks, Alaska, are condemned and need to be safely torn down, with careful handling and disposal of hazardous materials.

Funding:	FY2024	FY2025	FY2026	FY2027	FY2028	FY2029	Total
1004 Gen Fund	\$3,000,000						\$3,000,000
Total:	\$3,000,000	\$0	\$0	\$0	\$0	\$0	\$3,000,000

<input type="checkbox"/> State Match Required	<input type="checkbox"/> One-Time Project	<input type="checkbox"/> Phased - new	<input type="checkbox"/> Phased - underway	<input checked="" type="checkbox"/> Ongoing
0% = Minimum State Match % Required		<input checked="" type="checkbox"/> Amendment	<input type="checkbox"/> Mental Health Bill	

Operating & Maintenance Costs:	Amount	Staff
Project Development:	0	0
Ongoing Operating:	0	0
One-Time Startup:	0	
Totals:	0	0

Prior Funding History / Additional Information:

Project Description/Justification:

At 12 stories, the Polaris Hotel is the tallest building in Fairbanks. It was built in 1952 as apartments and later became a hotel. A one-story concrete block annex building was attached to the hotel in 1973. The hotel closed in 2000 and has been vacant since. The structure was abandoned in 2002 after a burst pipe flooded the structure with over 800,000 gallons of water. Multiple attempts to remodel the property have failed. The City of Fairbanks condemned the building in 2012 and took ownership of the building in 2018. The building has high amounts of asbestos and mold, as well as mercury and polychlorinated biphenyls (PCBs). The building was deemed by structural engineering assessments to be in poor condition and vulnerable to collapse under certain earthquake conditions, with demolition recommended as soon as feasible.

Due to the severe state of deterioration of the Polaris Hotel and its vulnerability of collapse, EPA is treating this action as an emergency due to the immediate threats to human health and safety. The Consolidated Appropriations Act, 2022 (P.L. 117-103) included \$10 million earmarked for demolition of the Polaris

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Buildings. The earmark will be managed through the Community Grants Program. EPA Region 10 will administer and manage this grant to the City of Fairbanks, who will be responsible for the contract work to demolish the Polaris Hotel and annex.

The initial funding request and the \$10 million estimate it was based on were from a report done by EPA in 2017. The report listed PCBs only in transformers and light ballasts but not PCBs in paint that has permeated into the concrete of the structure. This initial evaluation of the hazardous conditions of the Polaris failed to discover that the paint used contained PCBs. This additional hazardous material disposal requires shipment out of the state of Alaska to an approved DEC landfill. This additional hazardous material along with the increased cost due to inflation, requires the City of Fairbanks to request additional funding for this project.