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# 2010 population and assorted demographic info

The 2010 U.S. Census pegged Homer's population at 5,003, a 27% increase over the 2000 Census count. Part of the increase is due to the fact that Homer annexed 4.6 square miles of land in 2002.

#### I and area

15 square miles of land and 10.5 square miles of water

#### Location

Homer is located in south-central Alaska, 227 road miles from Anchorage (Alaska's largest city), near the southern tip of the Kenai Peninsula, 59°38'35" North Latitude, 151°31'33" West Longitude. (Map source: Alaska Islands and Ocean Visitor Center.)

## Government

The City of Homer was established as a first class municipality in March 1964 with a city manager/city council form of government. <u>Elected officials</u> consist of six City Council members and the mayor. Homer is part of the Kenai Peninsula Borough.

#### **Economy**

Homer has a diverse economy with commercial fishing, tourism, and government sectors being the most prominent. For more information, see the <u>Homer Comprehensive Economic Development Strategy</u>. See also <u>Frequently Asked Questions</u> about starting or relocating a business in Homer.

#### Climate

Homer's climate is moderated by the Pacific Ocean, resulting in warmer winters and cooler summers than seen in places farther inland in Alaska. The average maximum temperature is 29.2 degrees F in January and 60.9 degrees F in July. The average minimum temperature is 16.7 degrees F in January and 46.3 degrees F in July. Average total annual precipitation is 24.4 inches, with 54.9 inches of snowfall, and 5 inches average snow depth in February. (Source: Western Regional Climate Center; period of record from Sept. 1, 1932 to Sept. 30, 2009; Homer Airport weather station.)

As in other parts of the world, Homer's climate is warming. While there are large variations from year to year, a linear trend analysis of records from 1949 to 2009 reveals an average seasonal temperature increase of 5.9 degrees F in winter, 3.8 degrees in spring, 3.3 degrees in summer, and 1.8 degrees in autumn (3.8 degrees overall). (Source: Alaska Climate Research Center, University of Alaska—Fairbanks.) Since 1989, the water balance (difference between precipitation and potential evapotranspiration) has declined from 10.2 inches to 5.9 inches of water on average. Precipitation is highly variable but shows no long-term trend. (Source: Ed Berg, U.S. Fish and Wildlife Service, "Recent Changes in the Climate of Kachemak Bay," March 2006.)

# **Transportation**

By road: Sterling Highway - an Alaska Scenic Byway

By sea: Alaska Marine Highway

By air: Homer Airport

#### Historical Milestones and Related Trivia

The following timeline is not intended to provide a complete history of Homer but rather to describe a few events which serve to illustrate Homer's development and character as it has evolved over time. Sources include local historians Janet Klein and Dave Brann and the Alaska Department of Fish and Game.

6000 BC - Native people inhabit the Kachemak Bay area then and now.

<u>1896</u> - Con man Homer Pennock promotes gold mining in the Homer area, but coal mining is much more successful.

1902 - Homer is virtually abandoned between 1902 and 1915 due to lack of coal markets.

1915 - Charlie Miller winters 95 horses at his homestead (Miller's Landing) for the Alaska Railroad.

1917 - Delphina Woodard develops a dairy farm in what is now downtown Homer.

1919 - First school opens at Miller's Landing.

1920 - 46 people reside in the census area designated as "Homer Spit and Vicinity."

1925 - A rudimentary telephone system is established.

<u>1930-40</u> - Commercial and civic activity increases significantly. By 1938, Homer has an airplane runway, several general stores, two restaurants, and a new dock built by the Homer Civic League. Supply ships now bypass Seldovia to deliver goods directly to Homer. Homer's population in 1940 is pegged at 325.

1941-42 - Alaska Road Commission creates Beluga Lake by damming the slough.

1945 - Homer Electric Association is incorporated.

1946-47 - The coldest winter in history is recorded for North America. Much of inner Kachemak Bay freezes over.

1950 - Homer's population is 307.

1948-51 - Construction of the Sterling Highway puts Homer on the road system and fuels growth.

1955 - South Peninsula Hospital opens.

1960 - The population of Homer, at 1,247, exceeds that of Seldovia for the first time.

<u>1964</u> - The Good Friday earthquake causes much of Homer to subside 2-8 feet, with serious damage to the harbor. Homer incorporates as a city on March 31. The damaged harbor is rebuilt with federal funds.

1969 - Classes are offered for the first time at the Kachemak Bay Campus of UAA-KPC.

1970 - Homer's population is 1,803.

1971 - Kachemak Bay State Park is created, contributing to the growth of tourism in Homer.

<u>1976</u> - The state of Alaska sells several oil leases in Kachemak Bay. After the jack-up oil rig George Ferris gets stuck in the mud, public outcry persuades the state to buy back the leases.

1980 - Homer's population is 2,209.

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- 1985 Homer gets its first fast-food chain restaurant (McDonalds).
- 1986 The Homer "Bypass" is built, creating a new commercial corridor.
- 1989 Homer fishermen and others are impacted by the Exxon Valdez oil spill.
- 1990 Homer's population is 3,660.
- <u>1998</u> Icicle Seafoods—Homer's only fish-processing plant and the town's largest seasonal employer—burns to the ground.
- 2000 Homer's population is 3,946.
- 2002 Homer annexes 4.6 square miles.
- 2009 Homer's population is estimated at 5,551 (Alaska Dept. of Labor).

# Cost of Living

The following information is from Alaska Economic Trends, August 2010 issue, published by the Alaska Department of Labor and Workforce Development. See the entire issue, which focused on "The Cost of Living in Alaska," at <a href="http://labor.state.ak.us/trends/">http://labor.state.ak.us/trends/</a>.

It should come as no surprise that it costs more to live in Alaska than in most places in the Lower 48 states. However, it is important to note that most consumers spend the largest share of their consumption dollars on housing and the cost of housing varies widely across the U.S. Housing in Homer may seem expensive compared to Topeka, Kansas but it is cheap compared to San Francisco.

To judge the relative cost of living in Homer as compared to the Lower 48, it is first helpful to look at Anchorage, since most national cost-of-living surveys include Anchorage. In one well-known survey (the annual ACCRA Cost of Living Index), results for 2009 found that the overall cost of living in Anchorage (professional households) was 24.6% higher than the nationwide average. This survey breaks out grocery items, housing, utilities, transportation, health care, and miscellaneous goods and services. However, it does not measure taxation, where Alaska has a clear advantage. (There is no state income tax or state sales tax in Alaska.)

So what is the cost of living in Homer compared to Anchorage? Overall, it's almost the same. A 2008 survey commissioned by the Alaska Dept. of Labor found that the cost of living in Homer is only 1% higher than in Anchorage.

A closer look reveals that some items in Homer are more expensive than in Anchorage and some are less expensive. The biggest discrepancy is in housing, which is less expensive in Homer (.79 price differential). On the other hand, interstate air travel is considerably more expensive for Homer residents (1.56 price differential), presumably because of the additional cost of air travel between Homer and Anchorage. (All flights to the Lower 48 from southcentral Alaska go through Anchorage.)

Another useful index is compiled by the University of Alaska-Fairbanks Cooperative Extension Service. The June 2011 Food Cost Survey found that a family of two adults and two children ages 6-11 pays:

\$166.79 for food/week in Homer

\$142.68 for food/week in Anchorage

\$109.79 for food/week in Portland, OR

\$211.58 for 1000 kWh of electricity in Homer

\$136.27 for 1000 kWh of electricity in Anchorage

\$109.78 for 1000 kWh of electricity in Portland, OR

\$3.90/gal for heating oil in Homer

\$4.34/gal for heating oil in Anchorage

\$4.42 for heating oil in Portland, OR

\$4.33/gal for gasoline in Homer

\$4.16/gal for gasoline in Anchorage

\$3.68/gal for gasoline in Portland, OR

\$3.35/gal for propane in Homer

\$4.59/gal for propane in Anchorage

\$2.90/gal for propane in Portland, OR

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\$3.02 for 2x4x8 lumber in Homer \$2.21 for 2x4x8 lumber in Anchorage \$2.34 for 2x4x8 lumber in Portland, OR

Whether renting or buying, housing prices in Homer are generally higher than on the central Kenai Peninsula (Kenai/Soldotna), but still considerably less than in Anchorage. From March 2010 through February 2011, the median sale price of homes in the Homer market area listed on MLS was \$235,000. When looking at housing in the Homer area, it is important to factor in the cost of transportation which can add considerably to cost of living for those who commute to Homer from outside city limits.

### Tax rates in Homer

There is no state income tax or state sales tax in Alaska. The sales tax in Homer is 7.5% (4.5% City of Homer and 3% Kenai Peninsula Borough). Non-prepared foods are exempt from sales tax from September through May.

The property tax rate in Homer totals 11.3 mills (4.5 City of Homer, 4.5 Kenai Peninsula Borough, and 2.3 South Peninsula Hospital). This translates to a tax levy of \$1,130 for every \$100,000 in assessed valuation. However, the first \$20,000 in valuation is tax exempt for most residents who request the exemption. In addition, senior citizens (age 65 and older) benefit from an exemption on the first \$150,000 in valuation for the City of Homer portion and on the first \$300,000 in valuation for the Kenai Peninsula Borough portion. The KPB exemption applies to service area tax assessments as well; for example, the one which supports South Peninsula Hospital.

#### Water and sewer service and rates

The City of Homer provides clean water to the Homer community through a water treatment plant located adjacent to the Bridge Creek Reservoir. The water treatment plant came on line in 2009, replacing an older facility.

The Sewer Treatment Plant is located in the Public Works compound on the Sterling Highway. The existing plant has been in operation since 1989.

For more information on water and sewer service facilities and rates, click here.

Some households not hooked up to the City water system obtain water from commercial water haulers. Local water haulers include QuickDraw and Hank's Water Service. Contact them for information on current rates.

#### Electric power

Electricity is provided by Homer Electric Association, Inc. (HEA), a member-owned rural electric cooperative. HEA is part of the "Railbelt grid" which includes Anchorage and Fairbanks. Power generation is primarily from natural gas (88%), with almost all of the remainder from the Bradley Lake hydroelectric facility and a tiny but growing amount from small-scale wind and solar power installations on private property (non-commercial). Rates change frequently, mostly in response to fluctuations in the price of natural gas. For current rates, see the <u>HEA website</u>.

# Home heating options

Home heating options in Homer are heating oil, electric, propane, wood, and increasingly natural gas. By the end of 2014 lots in Homer and Kachemak City limits will have access to natural gas. For current fuel oil and propane rates, contact HomeRun Oil or Suburban Propane. Contact <u>Enstar</u> for more information on natural gas. See link to electric rates above. A number of small businesses provide firewood in the Homer area.

# Local media outlets

Local media outlets include two weekly newspapers (Homer News and Homer Tribune), public radio station KBBI (AM 890), and commercial radio stations KWVV (FM 103.5) and KGTL (AM 620).

# Education

Public schools in Homer include West Homer Elementary, Paul Banks Elementary, Homer Middle School (grades 7-8), Homer High School, and Homer Flex School (an alternative high school). Fireweed Academy (grades K-6) is operated as a charter school. The Kenai Peninsula Borough School District also supports home schooling through Connections (grades K-12).

Early childhood education and quality day care are available. Link to a list of licensed early childhood care providers in the area and their availability (updated weekly) <a href="https://example.com/here.">here.</a>

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Post-secondary education is available through the <u>Kachemak Bay Campus</u> of the University of Alaska-Kenai Peninsula College.

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