

Lease Committee  
January 13, 2011



Regular Meeting  
Thursday 3:00 pm



City Hall Cowles Council Chambers  
491 E. Pioneer Avenue  
Homer, Alaska



**NOTICE OF MEETING  
REGULAR MEETING AGENDA**

- 1. CALL TO ORDER**
- 2. APPROVAL OF AGENDA**
- 3. PUBLIC COMMENTS REGARDING ITEMS ON THE AGENDA** *(The Public may speak to the Committee regarding matters on the agenda that are not scheduled for Public Hearing. There is a 3 minute time limit.)*
- 4. APPROVAL OF MINUTES** *(Minutes are approved during regular meetings only)*
  - A. Meeting Minutes for the Regular Meeting of October 14, 2010 Page 5
  - B. Meeting Minutes for the Special Meeting of November 3, 2010 Page 13
  - C. Meeting Minutes for the Special Meeting of November 30, 2010 Page 19
- 5. VISITORS** *(For scheduled guest, time limit 10 minutes.)*
- 6. STAFF & COUNCIL REPORTS/COMMITTEE REPORTS/BOROUGH REPORTS**
  - A. Staff Report from City Manager Wrede dated January 13, 2011 Re: Chapple Lease Application Page 23
- 7. PUBLIC HEARING** *(Time Limit for testimony is set at 3 minutes per person.)*
- 8. PENDING BUSINESS** *(Testimony or presentation by a proposal applicant is set at 10 minutes.)*
  - A. Homer Spit Campground Lease Application
- 9. NEW BUSINESS** *(Testimony or presentation by a proposal applicant is set at 10 minutes.)*
  - A. Memorandum dated January 6, 2011 Re: Establishing a Summer or Transient Lease for a Specified Fee Page 65
  - B. Memorandum dated January 6, 2011 Re: Establishing a Scoring or Evaluation System for Existing Lease Proposals Page 67
- 10. INFORMATIONAL MATERIALS**
  - A. Memorandum dated January 5, 2011 to Mayor and City Council, Copied to Planning and Port & Harbor Commissions Re: Recommendation to Consider the Kachemak Bay Wooden Boat Society (KBWBS) Lease Proposal during the 2011 Land Allocation Review Page 69
  - B. KBWBS Reduced Drawings submitted at the October 14, 2010 Regular Meeting Page 71
  - C. Lease Expirations Updated January 6, 2011 Page 83
  - D. Resolution 10-94, Approving a New Lease for Lot 88-4, Brad Faulkner Page 85
  - E. Resolution 10-97 Establishing the 2011 Meeting Schedule Page 87
  - F. Memorandum to Mayor and Council dated December 7, 2010 Approving the 2011 Meeting Schedule Page 93
  - G. Resolution 10-98, Approving a Five Year Lease with Two One Year Renewal Options with Snug Harbor Seafoods Page 95
- 11. COMMENTS OF THE AUDIENCE**
- 12. COMMENTS OF THE CITY STAFF**
- 13. COMMENTS OF THE COUNCILMEMBER (If one is assigned)**
- 14. COMMENTS OF THE CHAIR**
- 15. COMMENTS OF THE COMMITTEE**
- 16. ADJOURNMENT/NEXT REGULAR MEETING IS SCHEDULED FOR APRIL 14, 2011 AT 3:00 P.M.** at City Hall Cowles Council Chambers located at 491 E. Pioneer Avenue Homer, Alaska 99603.



Session 10-04 A Regular Meeting of the Lease Committee was called to order at 3:05 pm on October 14, 2010 by Chair Shelly Erickson at the City Hall Cowles Council Chambers located at 491 E. Pioneer Avenue, Homer, Alaska.

**PRESENT:** COMMITTEEMEMBERS ERICKSON, HAWKINS, ABOUD, HARVILLE  
AND ZIMMERMAN

**STAFF:** CITY MANAGER WALT WREDE  
ADMINISTRATIVE ASSISTANT TERRY FELDE  
PORT AND HARBOR ADMINISTRATIVE SUPERVISOR LISA ELLINGTON  
DEPUTY CITY CLERK RENEE KRAUSE

**APPROVAL OF THE AGENDA**

ABBOUD/HAWKINS – MOVED TO APPROVE THE AGENDA.

There was a brief discussion on the order of the items on the agenda.

The agenda was approved by consensus of the Committee.

**PUBLIC COMMENT REGARDING ITEMS ON THE AGENDA (3 Minute Time Limit)**

There was no discussion.

**RECONSIDERATION**

There were no items for reconsideration.

**APPROVAL OF MINUTES**

A. Minutes for Regular Meeting on July 22, 2010

HAWKINS/HARVILLE - MOVED TO APPROVE THE MINUTES AS PRESENTED.

There was no discussion.

VOTE. YES. NON-OBJECTION. UNANIMOUS CONSENT.

Motion carried.

**VISITORS**

There were no visitors scheduled.

**STAFF & COUNCIL REPORT / COMMITTEE REPORTS / BOROUGH REPORTS**  
(Chair set time limit not to exceed 5 minutes)

There were no reports.

**PUBLIC HEARING (3 minute time limit)**

There were no public hearings scheduled.

**PENDING BUSINESS**

A. Kachemak Bay Wooden Boat Society Lease Proposal

ABBOUD/HAWKINS – MOVED TO DISCUSS THE KACHEMAK BAY WOODEN BOAT SOCIETY LEASE PROPOSAL.

Chair Erickson noted the size of the lay-down stating it was a lot of information to take in and make an informed decision. She requested that they keep everything concise as they did have a heavy agenda.

Dave Seaman, President, stated that they previously submitted their proposal and the information in the materials today represent the items that were requested at the previous meeting and would appreciate their recommendation to council for the proposed use. He then turned the narrative of their presentation over to Ms. Trisha Lilibridge.

Ms. Lilibridge explained that the Kachemak Bay Wooden Boat Society has raised additional funds, in the packet submitted they included a report from the Festival held in September; she proposed that the Wooden Boat Society be considered part of the percentage for recreational venues on the Spit as noted in the proposed Spit Comprehensive Plan. She stated that they tried to include all the information requested by the Committee at the last meeting. The packet of information explains the planned uses for the requested lease. She commented that the Spit Plan currently states that 0.4% is dedicated to parks and recreational. She indicated the requested area on the overview map provided by City Planner Abboud.

Mr. Abboud inquired how they would mitigate the effect of the work being done on the boats before and after a building has been built.

Ms. Lilibridge addressed the concerns of Mr. Abboud regarding the safety and dealing with hazardous materials. Mr. Seaman responded from the audience section that essentially until a building and facilities are constructed that work on boats would not be done. Any work would be minimal and assured the committee that steps would be taken to assure the safety of all persons in the area.

Ms. Lilibridge further commented that they would hope to have a committee established to determine the best use of the entire parcel. There are a number of issues currently with existing buildings and structures that should be addressed regarding safety and fire. The ultimate goal is to create an attractive and safe area.

Mr. Abboud commented that it may be more beneficial to that particular area to have the Society closer to the road for public accessibility or closer to the dredge spoils in regards to more convenient layout on the parcel, especially if the area is leaning more toward industrial. He agreed that the Pier One building is not situated ideally on the parcel.

Further discussion ensued regarding placement of the proposed building on the parcel.

Ms. Harville echoed Mr. Abboud's comments and felt that there are concerns with the location being junked up; loss of parking, and better planning was needed.

Mr. Zimmerman questioned the importance of being closer to the water or the road for the Wooden Boat Society. Mr. Seaman responded that being next to the water for the ability of launching boats was very important and crucial to their work.

Ms. Lilibridge stated that the Wooden Boat Society is seeking a recommendation of approval for the lease of .25 acres and go forward with additional group work on the entire parcel. She noted that there are better campsites than others and there is plenty of space available for all, it just needs to be planned better.

Mr. Clint Lilibridge responded to questions regarding the orientation of the site plan and the specific location; the proposed site plan allows for RV parking with appropriate turn around space; they are in the process of contacting various departments regarding this site.

Chair Erickson inquired if there is a possibility of establishing a committee or group regarding the use of the entire parcel. She believes that determining the best use for the parcel would be better before buildings are built. Is there anything planned to look into it? She questioned what the time frame for the completion of the Spit Comprehensive Plan.

A discussion followed on the designated use of the parcel, the completion timeline of the Spit Comprehensive Plan; whether it was prudent to plan a layout before Council makes a decision on the area; submitting a proposal to council regarding establishing a committee for review of this parcel; recommend waiting for the review of the 2011 Land Allocation Committee; review the proposal referencing the guidelines in the Lease Policy; recommend taking time to review the new materials provided to the committee in order to make informed decision; recommend postponing recommendation until the next regular meeting; the consideration for lease can be taken under exception to the policy; Port and Harbor Advisory Commission is fully supportive of this project; properties are not offered for lease until requested; recommending submitting to council the recommendation to approve sub-leasing the parcel so progress can go forward.

Chair Erickson requested a motion. Mr. Hawkins replied he had a motion but it did not address the current suggestion. The Chair asked for his motion.

HAWKINS/ZIMMERMAN – MOVED THAT KACHEMAK BAY WOODEN BOAT SOCIETY IS REQUESTING A 10,000 SQUARE FOOT PORTION OF LOT TR1-A BE MADE AVAILABLE TO THEM FOR A LONG TERM LEASE. THE LEASE COMMITTEE RECOMMENDS THE LAND ALLOCATION COMMITTEE CONSIDERS THE PROPOSAL FROM KACHEMAK BAY WOODEN BOAT SOCIETY DURING THE LAND ALLOCATION MEETING EARLY IN 2011. THE LEASE COMMITTEE FURTHER RECOMMENDS THAT IF COUNCIL AGREES TO MAKE THE LAND AVAILABLE TO KACHEMAK BAY WOODEN BOAT SOCIETY THAT IT SHOULD BE ADVERTISED IN A REQUEST FOR PROPOSAL IN KEEPING WITH CHAPTER FOUR OF THE CITY LEASE POLICY.

Chair Erickson clarified the motion. There was no discussion.

VOTE. YES. NON-OBJECTIVE. UNANIMOUS CONSENT.

Motion carried.

Chair Erickson inquired if the committee would like to recommend to council that a committee be formed to review this parcel.

Mr. Hawkins stated that there were a lot of eyes already working on that right now. City Manager Wrede commented that it would be a good recommendation with conditions. Let the Spit Comp plan pass then go into specific site planning issues. Doing that before the approval of the Spit Comp Plan would be premature. Mr. Seaman commented that the Wooden Boat Society would be interested in the site regardless if it was designated commercial or recreational. It was determined that the whole site was a little over 11 acres. Clarification was made on the size or the portion of the parcel requested for lease.

Chair Erickson asked if there was any further discussion. Chair Erickson requested the drawings to be reduced so they could be included in the next regular meeting packets. City Manager Wrede stated that staff will review the submitted proposal to verify if there was any missing information and will forward this information to the Kachemak Bay Wooden Boat Society.

There was no further discussion.

**NEW BUSINESS**

A. Homer Spit Campground Lease

HAWKINS/HARVILLE – MOVED TO DISCUSS.

Mr. Hawkins recommended the committee review the proposal in accordance with the lease policy. Mr. Abboud asked if the committee could review the application itself, referencing page 20 of the packet, item 5 and 6 of the application. He questioned whether the lessee is required to provide proof of compliance from the fire marshal and DEC. It was determined that would apply to a new applicant.

Mr. Chapple stated he did not currently have a document but assured the committee he could obtain any necessary documentation or certificates required to address the committee's concerns. He is not aware of any problems.

Mr. Abboud noted there was no financial statement as required by the application. Chair Erickson noted the inclusion of information regarding the property taxes and monies paid to the City for the current lease. City Manager Wrede addressed the concerns of the committee stating that sections of the application are geared more for a new applicant; it is not applicable to a current lessee.

Mr. Chapple gave a brief history on how he ended up with the campground on the spit 35 years ago. Chair Erickson noted that previously the lessee has provided services for the City regarding parking and inquired if they would be willing to provide services again. Mr. Chapple responded that he would be willing to help out and work with the City in any way he could.

In response to a query from the committee Mr. Chapple stated that he was interested in adding individual sewer and water to a limited number of spaces. He currently has 80-85 electric hook-ups on Lot 50. He is not sure about adding additional hook-ups along the beach. Improvements to Lot 50, along with the buildings include the electric and water/sewer. He further acknowledged that if he was to lose a portion of the lots he would prefer it to be Lot 49. There are approximately 68 electric hooks and two electric bases but no other improvements. It is used for parking and could accommodate up to 200 vehicles. It is not as popular for campers due to the lack of view, etc.

Mr. Abboud noted that the buildings are out of compliance with the setback requirement. Mr. Chapple stated the buildings are moveable and would be willing to relocate them to be in compliance.

There was further discussion on clarification of the existing right of way; leases required to fit within the boundaries of the designated lot or then partial lot leases are required; discrepancies in the Borough lot lines; Day Parking for RV's on Lot 49 for a small fee; Overflow parking for the Ferry Terminal; review of Chapter 11, item F of the lease policy for assistance in determining the status of the lease in question; recommend advertising the parcel for request for proposal due to the fact that this may not be the highest and best use for the parcels; can the request for proposal be advertised with enough leeway to allow lessee ample time for planning.

It was discussed by the committee that the lessee can be allowed to submit an amended proposal. Mr. Chapple commented that during the public meeting for the comp plan attendees expressed that the campground was a good fit for the area. Mr. Chapple commented that if the campground does not qualify, he wasn't sure what would fit there. Maybe the language should be removed from the policy.

Mr. Hawkins noted the request for proposal process as outlined in Chapter 4 of the Lease Policy. He opined that all public properties should be allowed to go out to bid to allow all public opportunity.

Chair Erickson commented that if there is a viable business, currently established, with plans to grow, and offering to pay more rent, the leases should be renewed or extended.

Mr. Abboud expressed concerns for a seasonal lease compared to some other entity that may have a 12 month lease and the RFP process would allow for that opportunity. Mr. Chapple explained that it was something that can be negotiated and they have seriously considered this option. There were additional ideas that could be implemented also.

Mr. Hawkins confirmed that the current lease expires October 2011. Chair Erickson noted the timeliness of the Chapple's in starting the renewal/new lease process as outlined by the policy.

City Manager Wrede affirmed that the committee did have the right to recommend the Chapple's amend their proposal. He believed that as the land manager there is a preference for the RFP process. The apparent concern of the committee was having a seasonal lease which provides less than market value for a property tied up for 12 months and rent is only paid for 4 months.

Mr. Chapple explained that they are open to all suggestions.

Mr. Zimmerman said the lease rates are a set figure and inquired if the value of lot 49 went down when the condos were constructed, a lot of view was lost, and if the lease rental did not reflect that maybe it should have.

Mr. Abboud appreciated the fact of Mr. Chapple would be strengthening his proposal and adding to the equation. As the land owner they are required to meet certain standards. He is in favor of allowing the extra time to encourage that aspect.

Mr. Hawkins commented that the Chapple's have complied with the lease requirements by submitting a letter on time. It was established that January 12, 2011 was the next regular meeting.

**HAWKINS/ZIMMERMAN – MOVED TO POSTPONE ACTION ON THIS LEASE PROPOSAL SO MR. CHAPPLE CAN STRENGTHEN HIS PROPOSAL FOR FURTHER REVIEW AT THE REGULAR MEETING IN JANUARY.**

Discussion on the clarity of the committee request for Mr. Chapple to go back and strengthen his proposal to include the additional ideas he has for the property; the City Manager will meet with Mr. Chapple to assist him with the steps to amend his proposal; working within the established guidelines of the Lease Policies; timeline for the advertising of property for lease through the proposal process; the ability and requirements to request council approve a lease without going through the proposal process.

**VOTE. YES. NON-OBJECTION. UNANIMOUS CONSENT.**

Motion carried.

There was no further discussion.

### **INFORMATIONAL MATERIALS**

A. Letter to Mr. Brad Faulkner from City of Homer dated July 22, 2010 Re: Lot 88-4 Lease Termination

Chair Erickson noted a Special Meeting has been scheduled for Wednesday, November 3, 2010 at 3:00 p.m. for review of Mr. Faulkner's proposal. This will allow him some time to get his proposal in order as he has been out of town. There will be review of proposals submitted for Lot 13B on the agenda.

City Manager Wrede commented that additional correspondence with Mr. Faulkner giving him an extension until November 15, 2010 to be off the property and until December 15, 2010 to have the property cleared off conditional on Mr. Faulkner being at this meeting.

Chair Erickson responded that it would be good to send him written notice as a reminder and explained the conversation she held with Mr. Faulkner on the reason he was unable to attend today.

Mr. Zimmerman expressed concerns that the tenants of Mr. Faulkner have been noticed of the impending removal. He did not want to see them left hanging in the wind. City Manager Wrede stated they have not contacted by the City but assured the committee that they would definitely work with those affected. It was clarified that all buildings belong to Mr. Faulkner. Mr. Zimmerman felt this matter should be addressed even if the tenants are taken care of. City Manager Wrede appreciated the concern and if it is apparent that the property will be vacated the City will take steps necessary to assist those affected by the ending of the lease.

There was no further discussion.

B. Request for Proposal to Lease City Property Lot 13B

Chair Erickson inquired if there was a specific request for the property. Mr. Hawkins stated that Snug Harbor was interested. They currently are on a month to month lease. She requested that none of the information be a lay down as it was difficult making a decision and very uncomfortable.

There was no further discussion.

C. City Council Budget Development Schedule

D. Resolution 10-77(A), Amending the City of Homer Property Management Policy and Procedures Manual.

There was no further discussion.

**COMMENTS OF THE AUDIENCE**

There were no comments from the audience.

**COMMENTS OF THE CITY STAFF**

City Manager Wrede commented that during a discussion with Mr. Abboud about providing a staff support for the committee. The discussion included establishing some processes such as staff report with reviews of the submitted proposals for compliance. There should be a deadline when the proposals are due prior to packet day. He noted the trouble Mr. Chapple had trying to ferret out what documentation was required has brought it to light that process improvement is needed.

Chair Erickson commented that a city liaison would be great to assist new businesses navigate the Lease process in the future.

A brief discussion on establishing an area or areas designated specifically for short term, temporary businesses without having to go through the whole lease proposal process would be extremely beneficial; the authority of the city manager signing short term, up to six month leases without council approval; amending the lease policies and other documents the dictate the established processes; establishing a summer or transient lease, for set fees, with no approval by lease committee or council required.

Chair Erickson requested this discussion to be added to the agenda for the special meeting.

**COMMENTS OF THE COUNCILMEMBER** *(If one is appointed)*

There were no comments.

**COMMENTS OF THE CHAIR**

Chair Erickson commented she was glad to address some of the procedural processes.

**COMMENTS OF THE COMMITTEE**

Mr. Abboud will be glad to work on some of the procedural stuff that they can offer more salient advice on presentations and proposers can get their ducks in a row. He cannot do that with his position on the committee. He supported staff reviews of the proposals to make sure everything was there.

Mr. Hawkins, Ms. Harville and Mr. Zimmerman had no comments.

**ADJOURN**

There being no further business before the Lease Committee Chair Erickson adjourned the meeting at 5:00 p.m. A special meeting is scheduled for 3:00 p.m. on November 3, 2010 and the next regular meeting is scheduled for 3:00 p.m. January 13, 2011 at City Hall, Cowles Council Chambers, 491 E. Pioneer Avenue, Homer, Alaska.

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Renee Krause, Deputy City Clerk I

Approved: \_\_\_\_\_



Session 10-05 A Special Meeting of the Lease Committee was called to order at 3:05 pm on November 3, 2010 by Chair Shelly Erickson at the City Hall Cowles Council Chambers located at 491 E. Pioneer Avenue, Homer, Alaska.

**PRESENT:** COMMITTEEMEMBERS ERICKSON, HAWKINS, ABOUD, HARVILLE,  
ZIMMERMAN AND YAGER

**STAFF:** CITY MANAGER WALT WREDE  
ADMINISTRATIVE ASSISTANT TERRY FELDE  
PORT AND HARBOR ADMINISTRATIVE SUPERVISOR LISA ELLINGTON  
DEPUTY CITY CLERK RENEE KRAUSE

### **APPROVAL OF THE AGENDA**

HARVILLE/ABOUD – MOVED TO APPROVE THE AGENDA.

The agenda was approved by consensus of the Committee.

### **PUBLIC COMMENT REGARDING ITEMS ON THE AGENDA (3 Minute Time Limit)**

Chair Erickson invited comments from the public for items on the agenda reminding them of the three minute time limit.

Eric Olson, tenant of Brad Faulkner, representative for a large halibut and black cod buyer especially in Homer. He has a long history of renting from Brad and would like to continue doing so. He travels quite extensively between Seward, Anchorage and Homer. Brad has indicated he would provide living facilities if his lease is renewed. He buys a lot of ice and crane time. He is a big supporter of the Auction Block and the Fish Factory who require their business very bad, including the fisherman. He rents year round.

Glen Carroll performs a similar function, a tenant for approximately three years, small mom & pop cod buying operation that deals with one million and one and a half million pounds of product each year. He does no processing on site. The property is ideally located. The location provides the storage he needs. Mr. Carroll further commented that his business provides employment for several people, and keeps a couple of trucks rolling during the time of year there isn't much going on. He rents year round. The cod buying is September through March.

Kevin Hogan, city resident, he has a tremendous respect for Mr. Faulkner they have been fierce competitors but have been able to remain good friends. The concerns he has regarding the staff memorandum and the approach that Brad has had to deal with in renewing his lease, well there appears to be different rules for different fools around here. The last four leases that have come up for renewal, three of them went out to RFP the lessees were allowed to match any bid that came forward and the last one, the Fed-Ex lease was just renewed. Given the track record of Mr. Faulkner's business and what he has done out there in the Harbor I don't think there are many that can actually come close to generating the economic impact that he has had out on the Spit. Most people from town do not realize that just looks like a lot with a bunch of stuff parked on it. It has been a hugely successful venture for the city. Mr. Faulkner has had differences with the City and is not shy of voicing them. One thing about Brad that he has found is that Brad is usually right. He would like to see the same considerations given to Bob's Trophy Charters and Sportsman got by getting the provision to match any bid. No one else bid on those RFP's, it was a courtesy to those businesses. He does not see a lot of people beating down the doors to start a business here and we need to stop running off the ones that we have here. He urges everyone to recommend a renewal for Mr. Faulkner and make it as smooth and effortless as possible.

Chair Erickson thanked them for their testimony.

There was no further discussion.

**RECONSIDERATION**

There were no items for reconsideration.

**APPROVAL OF MINUTES**

*(Minutes are approved during regular meetings)*

None.

**VISITORS**

There were no visitors scheduled.

**STAFF & COUNCIL REPORT/COMMITTEE REPORTS/BOROUGH REPORTS**

*(Chair set time limit not to exceed 5 minutes)*

- A. Memorandum from the City Clerk dated October 28, 2010  
Re: Meeting Structure of the Lease Committee

Chair Erickson summarized the memorandum regarding time limits for comments and testimony.

There was no discussion on the memorandum.

- B. Staff Report from City Manager Wrede dated November 3, 2010  
Re: Brad Faulkner Lease Application
- C. Lease Application Checklist – Faulkner Lease Application

Chair Erickson noted that there was a supplement forwarded via email and a paper copy is available. She inquired if all present had read the information and if there was any questions.

There was no discussion on the reports.

**PUBLIC HEARING** *(3 minute time limit)*

There were no public hearings scheduled.

**PENDING BUSINESS**

- A. Lease proposal for Lot 88-4, Homer Spit Subdivision #2 – Brad Faulkner

Mr. Brad Faulkner thanked the committee for postponing the meeting as he has been out of town all summer. He stated he tried to answer some the questions and concerns listed in the staff report. He believes that his proposal has the perfect mix in development with tourism and commercial fishing. He considers that the three who spoke on his behalf and himself have accomplished more for the City of Homer in the commercial fishing industry over the last 15 years or more than any four guys. He understands the commercial fishing industry needs for office space for support services such as fish buyers. He took his biggest competitor and put them in his building when he got out of the fish buying business. He would like to build a small fish processing building on the lot. He is here mostly to answer any questions from the committee.

Mr. Abboud asked about the lay-down drawing of the proposed site plan whether this was what he was proposing. He asked for clarification of his proposal.

Mr. Faulkner stated he has not changed or added any new information other than some financial information. He further explained that his lease is a one of a kind lease prohibiting him from having any lien against any building, for a fish plant only, which has burned down. There has never been the opportunity to come in and work a new lease in the middle of existing lease. So he continued with the fish buying, and fish processing in the winter and that has continued.

Mr. Abboud questioned what would be done with the existing structure if Mr. Faulkner proposes a new business or the same use. Mr. Faulkner responded additional structures would be built for subleasing if a new lease is approved. Right now nothing can be done because of the lease. The two story structure is currently being used as his residence. This was the only option available to him under his current lease. Mr. Faulkner responded that he would like to use the highest and best use for the building which may not be a residence. He further stated that he has been in compliance with his lease. He may use the existing building as office space or a B & B, for the immediate few years it would remain as his residence.

Mr. Yager informed those present that with only minimal time to review all the information in the packet, he believed for this committee to make a decision, they would like to know Mr. Faulkner's specific plan for the property. It seems to be pretty up in the air or open ended.

Chair Erickson responded that most of that will be determined during the negotiation process. The Lease Committee reviews the whole package presented and then make a recommendation to Council who then makes the decision to direct the City Manager to enter into negotiations.

Mr. Faulkner responded that the specifics may not be known until the structures are built. He has been approached by a number of people over the years. He does intend to make the property presentable and visually pleasing with adequate parking, a possible boardwalk, etc. He went on further to cite the trouble and time spent by Mr. Hogan with his business. He further commented that the City staff has had a lack of understanding and knowledge on exactly how the fish docks work. His intention is to pull the tourist past the Salty Dawg to visit the businesses situated toward the end of the Spit.

Mr. Hawkins stated that there is question to the Lease Committee whether to send this property out for RFP. Chair Erickson agreed with that but wanted to make sure there were no more questions of Mr. Faulkner.

Mr. Zimmerman questioned if Mr. Faulkner has checked to see if he would be able to obtain a CUP to do what he wanted to do since the zoning was Marine Industrial and his ideas presented may not be allowed. Mr. Faulkner responded that he has not since almost every use would need a CUP. He did not believe that he could responsibly drag a tenant/business through a long process then be turned down.

There were no further questions from the committee.

Chair Erickson then summarized that a recommendation to City Council to send out to RFP or that this was a business, in good standing and in the City's best interest to enter into a new lease with Mr. Faulkner without going through the RFP process.

Chair Erickson explained some of the prior leases and the lots going to RFP with an opportunity for the current lessee to match any bids received.

HAWKINS/ABBOUD - MOVED TO RECOMMEND THAT LOT 88-4 BE MADE AVAILABLE FOR COMPETITIVE BIDDING THROUGH THE CITY OF HOMER'S REQUEST FOR PROPOSAL PROCESS.

Mr. Abboud pointed out that the option to match is stated in the policy and he would be willing to make this amendment and is what was done for the other lessees. The Clerk distributed an excerpt of minutes she requested on the Sport Shed lease proposal. She inquired if the date was known for the RFP because it was a short window of time to submit a proposal for this lot. It was surmised that RFP was sent out between the January and February meetings in 2009.

There was a detailed discussion on the following points by the committee:

- Points of a short term proposal submittal period
- Preventing delays in obtaining a new lease
- Making a motion to allow Mr. Faulkner to match bids received should be specific to the same kind of use as proposed by Mr. Faulkner.
- Allowing a current lessee to match bids presents a deterrent to possible new lessees
- The uniqueness of the previous lots being part of the deciding factors in the previously issued RFPs.
- The lessee is current at this time.

- The highest and best use of the property is arbitrary depending on the person's interest
- The availability of land adjacent or nearby Mr. Faulkner's lot that has had no interest when sent out for RFP on several occasions.
- The property would require a new appraisal

VOTE. NO. ERICKSON, ZIMMERMAN, YAGER.  
VOTE. YES. ABBOUD, HAWKINS, HARVILLE

Motion failed.

Mr. Zimmerman would like to make a recommendation to enter into a new lease but include some stipulations to include timelines so this is not drawn out and performance standards regarding development plans.

There was a brief discussion regarding clarification of the previous motion, concern regarding the considerable investment Mr. Faulkner has in the property, possible misuse of the bids by persons with an agenda adverse to the City and Mr. Faulkner, allowing the City to negotiate a new lease with an appraisal and the Council is required to present good reasons why it is in the public interest to enter into a new lease without going through the RFP process.

Further dialogue on what the motion, and issues should be addressed within the new lease or negotiations, discouraging interruption of existing multi-million dollar businesses that are tenants, location to have access to trail, taking an incomplete proposal or business plan and recommending a lease, the duties of the City Manager to negotiate those aspects not the lease committee, consider recommendation made in staff report, no financial statements included; there is and hasn't been interest in surrounding parcels that have been let for RFP; current track record of the lessee and a viable existing business.

Mr. Hawkins read an excerpt from Chapter 4 of the Lease Policy regarding the Public's best interest; he did not see an exception to the lease policy with the proposal.

ZIMMERMAN/YAGER - MOVED TO RECOMMEND COUNCIL ENTER INTO A NEW LEASE WITH MR. BRAD FAULKNER ON LOT 88-4 WITHOUT GOING THROUGH THE RFP PROCESS DUE TO THE FOLLOWING: EXISTING LESSEE WITH A SUBSTANTIAL INVESTMENT IN THE PROPERTY, THERE ARE SIMILAR LOTS AVAILABLE FOR RFP IF ADDITIONAL PUBLIC INTEREST IS SHOWN, AND THE CURRENT ECONOMIC ADVANTAGES WITH THE EXISTING TENANTS. IT IS FURTHER RECOMMENDED THAT COUNCIL USE EXPEDIENCY IN CONCLUDING THE LEASE PROCESS AND IT IS FURTHER RECOMMENDED TO STIPULATE IN THE NEW LEASE PERFORMANCE STANDARDS, AND A COMPLETED APPLICATION TO INCLUDE ALL REQUIRED FINANCIAL DOCUMENTATION.

There was no further discussion.

VOTE. NO. HAWKINS AND ABBOUD.  
VOTE. YES. YAGER, ZIMMERMAN, HARVILLE, ERICKSON.

Motion carried.

City Manager Wrede will draft a resolution to go before City Council at the next meeting on November 22, 2010 listing the reasons as cited in the motion above.

**NEW BUSINESS**

A. Memorandum dated October 21, 2010 from the City Clerk Re: 2011 Meeting Schedule

Chair Erickson read the meeting dates for 2011 as shown in the memorandum.

HAWKINS/ZIMMERMAN – MOVED TO APPROVE THE 2011 MEETING SCHEDULE.

There was no discussion.

The 2011 Meeting Schedule was approved by consensus of the committee.

There was no further discussion.

Chair Erickson then stated that it was not listed on the agenda but informed the committee that a proposal was received for Lot 13B and that a special meeting for November 15, 2010 at 3:00 p.m. if everyone was available she would like to schedule that meeting.

There was a brief discussion on staff performing a compliance review of the proposal and letting the Clerk know so an alternate date can be scheduled if needed. The packet deadline is next Wednesday if they will be meeting on Monday it was determined that if the proposers are not in compliance notice can be sent to them to provide any missing information prior to that date to make it available to the Committee for review prior to the meeting. It was noted that the process went much smoother this time around. The current lessee is on a month to month rental basis.

There was no further discussion.

**INFORMATIONAL MATERIALS**

- A. Letter dated October 29, 2010 from City Clerk Re: Notification of Appointment
- B. Letter dated October 22, 2010 from City Manager Wrede to Brad Faulkner Re: Special Meeting November 3, 2010
- C. Property Management Policy and Procedures, Chapter 7 – Lease Rental Rates, Item 7.2.A.4
- D. Homer City Code Title 18, Section 18.08.030 Approval of Lease, Paragraph (b)
- E. Section 4: The Open Meetings Act as It Applies to Planning Commissions excerpt from City Attorney Training for the Homer Advisory Planning Commission.

Chair Erickson explained that she requested items C and D as it is relevant information for dealing with the proposal from the Kachemak Bay Wooden Boat Society. It explains what is required for a proposed lease for less than the fair market value.

She attended the training session for the Planning Commission and felt that the section on meetings was very interesting and offered some explanation what meetings fall under the open meetings act and require notification.

There was no further discussion.

**COMMENTS OF THE AUDIENCE**

Mr. Kevin Hogan welcomed Mr. Yager to the committee. He felt he was a wonderful addition to the committee. He commented, "Hats Off to Renee, she's amazing as usual."

Mr. Faulkner thanked the Committee for their time and postponing the meeting for him and the consideration shown to him.

**COMMENTS OF THE CITY STAFF**

City Manager Wrede commented that during a discussion with Mr. Abboud about providing a staff support for the committee. The discussion included establishing some processes such as staff report with reviews of the submitted proposals for compliance. There should be a deadline when the proposals are due prior to packet day. He noted the trouble Mr. Chapple had trying to ferret out what documentation was required has brought it to light that process improvement is needed.

Chair Erickson commented that a city liaison would be great to assist new businesses navigate the Lease process in the future.

A brief discussion on establishing an area or areas designated specifically for short term, temporary businesses without having to go through the whole lease proposal process would be extremely beneficial; the authority of the city manager signing short term, up to six month leases without council approval; amending the lease policies and other documents the dictate the established processes; establishing a summer or transient lease, for set fees, with no approval by lease committee or council required.

Chair Erickson requested this discussion to be added to the agenda for the special meeting.

**COMMENTS OF THE COUNCILMEMBER** *(If one is appointed)*

There were no comments.

**COMMENTS OF THE CHAIR**

Chair Erickson thanked everyone for their hard work and announced the next regular meeting will be Thursday January 13, 2010 at 3:00 p.m. There will be a Special Meeting on Monday November 15, 2010, at 3:00 p.m. unless changed.

**COMMENTS OF THE COMMITTEE**

Mr. Hawkins stated that the Proposal for Lot 13B was supposed to be on this agenda and it got dropped from the agenda so he wanted to let the other members know they were not showing special considerations to the proposer. He welcomed Terry and thanked him for serving, pleasure having him here.

Mr. Yager is glad to be here and hope he is not slowing down anybody during his learning period. It is a daunting responsibility.

Mr. Abboud explained his voting when he has been on a body it is generally put out to RFP and to have a person out there with a very successful business, and assuming it gets approved he looks forward to working with Mr. Faulkner to make it happen.

Mr. Zimmerman welcomed Terry and thanked everyone for putting up with his inarticulate motion and voting in favor of it.

**ADJOURN**

There being no further business before the Lease Committee Chair Erickson adjourned the meeting at 4:45 p.m. A special meeting is scheduled for 3:00 p.m. on November 15, 2010 and the next regular meeting is scheduled for 3:00 p.m. January 13, 2011 at City Hall, Cowles Council Chambers, 491 E. Pioneer Avenue, Homer, Alaska.

\_\_\_\_\_  
Renee Krause, Deputy City Clerk I

Approved: \_\_\_\_\_

Session 10-06, a Special Meeting of the Lease Committee was called to order by Chair Erickson at 3:03 p.m. on November 30, 2010 at the City Hall Cowles Council Chambers located at 491 E. Pioneer Avenue, Homer, Alaska.

COMMITTEE MEMBERS: Abboud, Erickson, Hawkins, Mauras, Yager

ABSENT: Zimmerman

STAFF: City Manager Wrede  
Administrative Assistant Felde  
Deputy City Clerk Jacobsen

#### APPROVAL OF AGENDA

MAURAS/YAGER MOVED TO APPROVE THE AGENDA.

There was no discussion.

VOTE: NON OBJECTION: UNANIMOUS CONSENT

#### PUBLIC COMMENTS REGARDING ITEMS ON THE AGENDA

There were no public comments.

#### APPROVAL OF MINUTES

No minutes were scheduled for approval.

#### VISITORS

There were no visitors scheduled.

#### STAFF & COUNCIL REPORT/COMMITTEE REPORTS/BOROUGH REPORTS

City Manager Wrede briefly reviewed the staff report included in the meeting packet and noted the laydown information regarding economic impact from Snug Harbor. He added that this longer lease puts Snug Harbor in the position to bring their improvements up to code to meet zoning requirements and there has been some discussion about the City trying to get some improvements down there that would make it easier to load and improve safety.

Mrs. Mauras noted a discrepancy in ownership percentages and a business license for Snug Harbor was not included in the packet. She performed a search on the State website and did not find a valid business license listed. These will need to be addressed if we choose to enter into negotiations. City Manager Wrede said they had discussed the ownership issue and they are both 50% owners. It changed when they got married. He said staff will look into the business license issue.

#### PUBLIC HEARING

There were no public hearings scheduled.

**PENDING BUSINESS**

There was no pending business scheduled.

**NEW BUSINESS**

**A. Snug Harbor Lease**

Mr. Yager noted for the record that he had a business relationship over 20 years ago with Mr. Dale. He is no longer in business with him, has not seen him since, and has no financial gain regarding this lease proposal.

There was no objection expressed to Mr. Yager's participation.

There was discussion of the proposed paving. City Manager Wrede said there isn't a time table for this but hopes to attach to a broader project the City is considering to fix drainage problems on lot 12B. The project could include paving lot 12B and a loading ramp to make it better for all the users loading there. The paving could be tied in to lot 13 and the parking area so everyone in that area would have a better work environment. A commitment hasn't been made to do these improvements, but a packet will be put together for City Council to consider for this capital project. When asked about assessments to lessees, he explained it will be a broader benefit to users and he wasn't considering it as an assessment.

HAWKINS/ABBOUD MOVED THAT AFTER REVIEWING THE PROPOSAL FROM SNUG HARBOR SEAFOOD'S, THE LEASE COMMITTEE RECOMMENDS THAT A FIVE YEAR LEASE WITH TWO ONE YEAR OPTIONS BE APPROVED AND THAT THE CITY MANAGER BE AUTHORIZED TO NEGOTIATE THE RATE WITH A MINIMUM MONTHLY FEE SET AT THE RATE CURRENTLY BEING USED FOR LOT 13B.

Mr. Abboud questioned what the current rate is base on as there is no information in the packet. There was brief discussion that there is not a current appraisal, only what they are paying now.

MAURAS/YAGER MOVED TO AMEND TO HAVE THE RATE BASED ON THE APPRAISED VALUE.

Discussion ensued that the amendment is consistent with the current lease policy and the appraisal probably should have been done before the RFP. The proposal includes the current lease rate and City Manager Wrede commented his intention is to start at the appraisal and fair market rent when negotiating the lease.

VOTE: (Amendment): NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

Mrs. Mauras reiterated that the applicant needs to have a business license.

VOTE: (Main motion as amended): NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

**B. Short Term Lease - Bruin Bay- Discussion**

City Manager Wrede reported to the Committee that there has been an increasing amount of interest in using the chip pad for people to pull boats and work on them in the winter months. Bruin Bay is the first the City has done this with. An agreement was executed with them and the fees were based on the published tariff. As far as liability coverage to the City they used the lease documents and the terminal use permit guidelines. He said this is something for the Lease Committee to look at on a future agenda and consider amending the lease policy for flexibility of short term leases on the chip pad.

There was discussion that this could be a good opportunity for the City to rent out the space on less formal month to month basis with a set rate.

Chair Erickson asked that short term leases be an agenda item for the next meeting. She also asked for the Committee to discuss ideas for better ways to score existing businesses when they are coming to the Committee for lease renewal.

**INFORMATIONAL ITEMS**

There were no informational items included.

**COMMENTS OF THE AUDIENCE**

There were no audience comments.

**COMMENTS OF THE STAFF**

There were no staff comments.

**COMMENTS OF THE COUNCILMEMBER**

There were no Councilmember comments.

**COMMENTS OF THE CHAIR**

Chair Erickson had no additional comments.

**COMMENTS OF THE COMMITTEE MEMBERS**

There were no additional comments from the Committee members.

**ADJOURN**

There being no more business to come before the Committee the meeting adjourned at 3:31 p.m. The next regular meeting is scheduled for January 12, 2011 at 5:30 p.m. in the City Hall Cowles Council Chambers.

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MELISSA JACOBSEN, CMC, DEPUTY CITY CLERK

Approved: \_\_\_\_\_



STAFF REPORT

CHAPPLE LEASE APPLICATION

TO: Lease Committee

FROM: Walt Wrede *W. Wrede*

DATE: January 13, 2011

John and Peggy Chapple, dba Homer Spit Campground, have submitted an application to secure a new lease from the City without a competitive bidding process pursuant to Section 11.2 F of the Lease Policies. Section 11.2 (F) requires that the applicant submit a formal lease application / proposal for evaluation by the Lease Committee. Chapter 5.2 (A) of the Policies addresses the information that must be included in the application in order for it to be responsive. A review of those criteria is contained in the attached checklist. We have concluded that the application package is substantially complete.

Chapter 6.2 (B) contains the evaluation criteria for evaluating an application/proposal. Following is an analysis of the nine criteria contained in 6.2 (B):

1. Compatibility with neighboring uses and consistency with applicable land use regulations including the Comprehensive Plan.

The proposed use has co-existed with neighboring uses for many years. The campground nicely compliments existing tourist related businesses on the Spit Road. It has presented no known problems for adjacent commercial or marine industrial uses. An RV Park is an allowed uses within the Marine Industrial Zoning District. RV Parks must be developed consistent with HCC 21.54. The existing campground has some existing relatively minor zoning violations which the owner has acknowledged and correcting them should be a pre-requisite to signing a new lease. The proposed use is consistent with the goals and objectives of the Draft Homer Spit Comprehensive Plan.

2. The development plan including all proposed phases and timetables.

The applicant proposes to continue the existing use. Proposed improvements to the facilities are described in the proposal section entitled "Future Investment and Land Use." The proposed improvements include new water, sewer, and electric hook-ups, ADA improvements, and a new guest gathering area. The timetable for installing those investments is the 2012 season.

3. The proposed capital investment.

The proposal does not contain an estimated dollar figure with respect to capital investment however, it does describe proposed investments in sufficient detail to get a sense of their scope and scale. The capital investments are described above. The investments also include new staff.

4. Experience of the Applicant in the proposed business or venture.

John and Peggy Chapple's experience regarding the proposed use is described in the proposal section entitled "History and Experience." There is no doubt in the mind of this reviewer that the applicants are very experienced with the campground business and that they are well integrated with the Homer visitor industry generally.

5. Financial capability or backing of the applicant including credit history, prior lease history, assets that will be used to support the proposed development.

The applicants have provided the Manager's office with sufficient information to determine that they are well positioned financially to carry out the terms of this proposal. The prior lease history is excellent.

6. The number of employees anticipated.

The applicant states in the proposal that additional employees will be added if the lease is approved and that the total number of employees will be 12.

7. The proposed rental rate.

The Chapples state in their proposal that they wish to continue with a non-traditional, seasonal lease (four months). They recognize that land values have increased and have offered to increase the rental amount by 50%. This proposal would increase the annual rental rate from 0.13 / sq.ft to almost .20/sq.ft. This brings the annual lease payment up to \$38,107.84 from \$25,405.24; which is the equivalent of six months rent at fair market value.

8. Other financial impacts such as tax returns, stimulated or spin-off economic development, or the value of the improvements left behind upon termination of the lease.

There is a great deal of spin off economic development and business activity associated with this business but it is hard to come up with a good estimate. The campground brings many people to the Spit and those folks spend money in local business establishments while they are here. Precise sales tax numbers are not provided but the campground is registered as a tax collector and the amount of sales tax revenue is substantial. The business pays almost \$8,000 a year in property taxes and almost \$9,000 a year in water and sewer bills. The business has employees now and proposes to increase the number to 12.

9. Other long term social and economic development.

The Homer Campground operation is consistent with the goals and objectives of the Draft Spit Plan because it provides camping, recreation, a park like setting, access to public beaches, and preservation of the viewshed. It provides a place for RV's that is sorely needed. This relieves enforcement problems associated with parking and camping in unauthorized areas. The restrooms, showers, and laundry are open to the public, not just registered guests. This provides a significant benefit to the community at large and visitors to Homer.

As noted earlier, the Chapples submitted an application to secure a new lease from the City without a competitive bidding process under Section 11.2 F of the Policies.

Section 11.2 F states:

The City Council, after reviewing a recommendation from the Lease Committee, may elect to not require a competitive bidding process for a property whose lease has expired (including all options) if it finds that it is in the best interest of the City to enter into a new lease agreement with the current lessee. If the current lessee is interested in entering into a new lease agreement, he/she must indicate so in writing to the City Manager at least 12 months prior to the expiration of the lease and submit a formal lease application/proposal for evaluation by the Lease Committee. The City will review the application but is under no obligation to enter into a new lease. If the Council chooses to approve such a new lease without a competitive bidding process, it must approve such new lease by resolution within six months that includes a finding that it is in the public interest to do so, after consideration of relevant facts including, but not limited to, the following:

1. The lessee's past capital investment and binding commitment to future capital investment.

The applicants estimate that the replacement value of the Homer Spit Campground business including all of the infrastructure is approximately \$600,000. The applicants propose to make further capital investments for the 2012 season if a lease is secured. Those commitments can become binding through the lease document.

2. The lessee's financial condition and prior lease history.

The files show that that the Chapples have been excellent tenants with respect to lease payments, utility payments, and taxes. As noted above, there currently are some relatively minor zoning violations that would need to be rectified prior to signing a new lease. The applicant's fiscal condition is more than sufficient to follow-through with the commitments contained in this proposal.

3. The number of persons employed and the prospects for future employment.

The applicant employs staff now and proposes to increase that number to 12 if a lease is approved.

4. Tax revenues and other financial benefits to the City of Homer anticipated in the future if the lease is renewed.

Information on taxes generated and other financial benefits to the City is included in numbers 8 and 9 above. Tax revenues and other fiscal impacts associated with this business are noteworthy.

5. Consistency of the past use and intended future use with all applicable land use codes and regulations, the Comprehensive Plan, and Overall economic Development Plan.

The proposed use appears to be consistent with the Comprehensive Economic Development Strategy, the Comprehensive Plan, and the Spit Comprehensive Plan. The proposed use is also consistent with allowed uses in the zoning district. As noted above, there are several relatively minor zoning violations that will need to be fixed before a new lease can be signed.

6. Other opportunities for use of the property that may provide greater benefits to the City of Homer.

At this time, there are no other potential lessees knocking on the City's door asking to lease this land and offering a more attractive development plan. At the same time, not too many people realize that this lot may be available for lease. This is a potentially a very valuable property considering its location. This might become one of the most valuable commercial lots in Homer once the dredged spoils de-watering issues are resolved and the operation is moved to another location. On the other hand, the current state of the economy could limit the number of private sector investors. The bottom line is that the City won't know if there are opportunities to obtain greater benefits or what the highest and best use of the property might be unless it seeks competitive bids.

7. Other social, policy, and economic considerations as determined by the Council.

At this time, the staff is not aware of any special social, policy, and economic considerations that would come into play with respect to this application. However, this is a determination that will ultimately be made by the Council, after considering the recommendations of this Committee.

## ANALYSIS

The Homer Lease Policies adopted by the City Council strongly favor competitive bidding, equal opportunity for all parties interested in leasing City land, maximizing the benefits of leasing to the City as a whole, and leasing for the highest and best use of the land. For example:

Section 1.1 (B) states: "It is the policy of the City of Homer to lease property when it is in the overall best interest of the City to do so. The City will seek to maximize the value of its assets and lease property for the highest and best use."

Section 3.1 (B) states "It is the policy of the City that public land shall be leased in a way that maximizes the value of City assets, promotes activities and uses that are in the overall best interest of the City, and are consistent with the Comprehensive Plan."

Section 4.1 (A) states: "It is the policy of the City of Homer that a request for proposals, or a competitive bidding process be used for the leasing of City owned property. Exceptions to this policy may be made by the City Council as per Section 10.2 E of these policies and/or under special circumstances. The Council shall review recommendations of the Lease Committee and, if an exception is granted, adopt a resolution finding that it is in the public interest and approving the exception."

Section 11.2 (E) states: "It is the policy of the City that equal opportunities should be provided to compete for leasing available public property. A lessee whose initial lease and all options have expired

shall have no automatic right of further renewal or extension. In general, it is the policy of the City that the Lease Committee shall offer such properties to the public through the RFP/competitive bidding process described herein.”

Section 11.2 (F) sets a pretty high standard for the City Council to meet if it wishes to provide a new lease to the current lessee without a competitive bidding process. The Council must make a specific finding in a resolution that doing so is in the public interest. The evaluation criteria for making such a finding are addressed above.

This reviewer has concluded that the Chapple application presents a strong case for awarding a new lease without a competitive bidding process, and that doing so is in the public interest. The reasons for this conclusion include the following:

- The lease history is good and the applicants have been good tenants.
- The applicants have investments in the property and plan to invest more if a lease is awarded.
- The business generates significant revenues to the City including property taxes and sales taxes and the proposal includes a 50% increase in rent to better reflect current market values.
- The business generates significant spin-off economic activity that benefits the economy as a whole.
- The proposal includes a provision that specifically states that the City can use the property during the eight months the campground is not in operation. This compensates for the fact that the lessee is only paying rent for 4 months and provides the City with opportunities to make additional revenues and use the land for other purposes.
- The proposal offers a portion of the campground back (Lot 48 in the shadow of the condos) if the City really needs it and provides adequate notice. This is beneficial to the City because if the land is needed or a high and better use presents itself, the City can take advantage of that opportunity.
- The proposed use is consistent with the goals and objectives of the Spit Comprehensive Plan including providing for open space, recreational and camping opportunities, public access to the beach, and protection of the viewshed,
- The proposal fills an identified need for RV camping and long term parking.
- The campground provides services to the general public (not just guests) that are needed in the area including a laundry facility, bathrooms, showers, and a general store.
- The facility is a major commercial water and sewer customer providing support for the water and sewer fund.
- The City and the Corps of Engineers are still working on a long term solution for the disposal of dredged materials. Dewatering activities and the outfall line are located near or within the leased property. The final solution and construction of a new dewatering facility may be many years off. Given those conditions, it is unlikely that the City would be able to lease the land for another development at this time since the outfall line runs almost through the middle of the property. In short, the campground is likely the best use of the property at this time.

**RECOMMENDATION:**

It is recommended that the Lease Committee recommend to the City Council that a new lease be approved for Homer Spit Campground without a competitive bidding process under the terms and conditions described in the proposal. The recommendation should include a stipulation that all zoning violations be addressed. It is also recommended that the term of the lease be 10 years with two five years options, for a total of 20 years. (The applicants request 20 years with two five year options). This recommendation reflects the fact that once the dewatering issue is solved, this may become very valuable port industrial or commercial property and that a better use may emerge. The Spit Comprehensive Plan specifically states that this property should be re-evaluated to determine if a better use exists that benefits port and harbor operations and the enterprise fund.



CITY OF HOMER  
PROPERTY MANAGEMENT  
AMENDED LEASE APPLICATION CHECKLIST

Applicant Name: John & Margaret Chapple, dba Homer Spit Campground

Date Application Received: January 3, 2011

**CHAPTER 5: LEASE APPLICATION PROCESS**

**5.1: POLICY**

- A. It is the policy of the City of Homer to provide for a streamlined, standardized, and easily understood lease application process. A full and complete application packet shall be provided to all applicants. Applicants must be qualified under Section 18.08.50 of the Homer City Code:
  - (a) a natural person and is responsible, meaning the applicant has sufficient skill, experience and financial capability to perform all the obligations of the lessee under the proposed lease; and
  - (b) a person who is at least nineteen years of age; or
  - (c) a group, association or corporation which is authorized to conduct business under the laws of the State of Alaska. (Ord. 92-10 (part), 1992). 183 (Homer 06/04)
- B. The City administration will provide for pre-application meetings with all potential applicants to provide relevant information on things like land use regulations, lease policies, the permitting process, and other relevant topics.

**5.2 PROCEDURES**

**A. A responsive lease application / proposal shall include:**

- 1. A completed application form provided by the City.

<input checked="" type="checkbox"/> YES	<input type="checkbox"/> NO	<input type="checkbox"/> N/A	<input type="checkbox"/> INCOMPLETE
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NOTES:

- 2. Any applicable fees.

<input checked="" type="checkbox"/> YES	<input type="checkbox"/> NO	<input type="checkbox"/> N/A	<input type="checkbox"/> INCOMPLETE
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NOTES:

- 3. A clear and precise narrative description of the proposed use of the property

<input checked="" type="checkbox"/> YES	<input type="checkbox"/> NO	<input type="checkbox"/> N/A	<input type="checkbox"/> INCOMPLETE
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NOTES:

4. A specific time schedule and benchmarks for development

<input checked="" type="checkbox"/> YES	<input type="checkbox"/> NO	<input type="checkbox"/> N/A	<input checked="" type="checkbox"/> INCOMPLETE
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**NOTES:**

**Further specifics to be provided prior to final execution of any lease.**

5. A proposed site plan drawn to scale that shows at a minimum property lines, easements, existing structures and other improvements, utilities, and the proposed development including all structures and their elevations, parking facilities, utilities, and other proposed improvements.

<input checked="" type="checkbox"/> YES	<input type="checkbox"/> NO	<input type="checkbox"/> N/A	<input checked="" type="checkbox"/> INCOMPLETE
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**NOTES:**

**Current site drawing included – survey and development plan to be submitted prior to lease execution.**

6. Any other information that is directly pertinent to the proposal scoring criteria contained herein

<input checked="" type="checkbox"/> YES	<input type="checkbox"/> NO	<input checked="" type="checkbox"/> N/A	<input checked="" type="checkbox"/> INCOMPLETE
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**NOTES:**

7. All other **required attachments** requested on the application form including, but not limited to, the following documentation: applicant information, plot plan, development plan, insurance, proposed subleases, environmental information, agency approvals and permits, fees, financial information, partnership and corporation statement, certificate of good standing issued by an entity's state of domicile, and references.

Applicant information

Plot Plan

Development Plan

Insurance

N/A Proposed Subleases

Environmental Information

Agency approvals and permits

Financial Information (Financial Statement **REQUIRED**, Surety, bankruptcy, pending litigation are situational.

N/A Partnership information and a copy of the partnership agreement OR

N/A Corporation information and a copy of the Articles of Incorporation and Bylaws

N/A Certificate of good standing issued by the entity's state if domicile

Appropriate References (Total of 4 persons or firms with whom the applicant or its owners have conducted business transactions with during the past three years. Two references must have knowledge of your financial management history (One of which **MUST** be your principal financial institution) and two must have knowledge of your business expertise).

<input checked="" type="checkbox"/> YES	<input type="checkbox"/> NO	<input type="checkbox"/> N/A	<input checked="" type="checkbox"/> INCOMPLETE
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**NOTES:**

**Prior to final execution of any lease, will need to provide:**

**Survey depicting RV spaces, setbacks, easements, etc. prior to final execution of any lease document**

**Zoning Permit to move buildings out of 20 foot setback**

**DEC approval**

**Fire Marshal approval**

**Updated details of future development plan**

8. Any other information required by the solicitation or request for proposals.

YES	NO	<input checked="" type="checkbox"/>	INCOMPLETE
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**NOTES:**

Application review completed by Larry Fildes on 4/3/11  
(date)

# HOMER SPIT CAMPGROUND



## Lease Proposal

January 2011

# HOMER SPIT CAMPGROUND LEASE PROPOSAL

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## Proposed Land Use

The Homer Spit Campground has been an integral part of the iconic Spit community for nearly 40 years. It is an established, popular recreational park that provides practical and affordable overnight accommodations as well as public facilities and storage. The campground provides 124 camp spaces, and approximately 50 parking spaces for extra vehicles, boats, and utility trailers. Nightly rentals, unmetered showers, coin-operated laundry, propane sales, electricity, as well as water and sewer stations are available on-site. The office includes a small convenience store and gift shop.

## Compatibility

Left largely in its natural state, with open space and viewshed of Kachemak Bay, the campground is part of the unique character of the Spit. Its current layout is compatible with neighboring industries and its services already address many of the concerns in the new Homer Spit Comprehensive Plan, particularly the goals listed in Chapter 3 - Vision 2030.

Foremost, the Homer Spit Campground greatly reduces the impact on limited Spit parking resources, easing the traffic congestion that chokes the central harbor business district during the busy summer season. On any given summer day, approximately thirty percent of Spit campers are guests at the Homer Spit Campground. Guests appreciate the beach frontage, and value of being within walking distance of the harbor, fishing charters, shops, restaurants, and sights.

Additionally, Homer Spit Campground facilities are open to the public; serving visitors, seasonal workers, fisherman, truckers, as well as ferry traffic. The Homer Spit Campground and all of its amenities are assets to the City of Homer, providing necessary services recognized in the Comprehensive Plan. Considering these points, the present utilization of City lots 49 and 50 as the Homer Spit Campground is the highest and best use of the land.

The current seasonal lease relationship also provides an opportunity for City use of the land during the winter months. In the past, Homer Spit Campground has been utilized by the City for log staging and mobile cold storage prior to shipment across Homer docks. The primary City use of HSC property in the off-season is to facilitate the harbor dredging process by providing a critical outfall line to the Bay.

## History & Experience

John & Peggy Chapple have owned and operated the landmark Homer Spit Campground for 35 years. Working as unofficial ambassadors for Homer and all of its attractions, four generations of the Chapple family have catered to locals and visitors with their vast knowledge of the area and warm hospitality. Customers rave that it's the family-oriented business and central location that lures them back year after year.

Charter members of the tourism industry on the Homer Spit, the Chapples also initiated the very first collection of public camping fees on City property. They contracted with the City for collections on the Spit and at Karen Hornaday Park; generating revenue that far surpassed what City management believed was possible at that time. Their strict enforcement of parking lots and no camping areas in both locations, led to better organization of parking, and was a valuable new source of income for the City of Homer. When this contract was later awarded to other parties in a bid process, the Chapples assisted the City in three different seasons when inexperienced assignees failed to perform contractual obligations.

John and Peggy Chapple are also the former owners of Sportsman's Supply and Rental. They provided overnight guests and the general public with unmetered hot showers, laundry facilities, and a convenient stop for coffee, tackle, bait and ice at their second camping location on Freight Dock Road.

In addition to camping, the Chapples have been involved in many other ventures on the Homer Spit over the years. They've owned two fishing charter boats, a Kachemak Bay tour boat operation, and their shop on the Cannery Row boardwalk has been in operation for over 20 years. John Chapple has been a commercial fisherman, City harbor master assistant, a freight & barge deckhand, and a cannery manager at the former Alaska/Icicle Seafoods processing plant. Peggy Chapple has worked as the manager and bookkeeper for HSC and Sportsman's Supply, administrator of City fee collections, and proprietor of Boardwalk Gifts. She was the supervisor of all employees in these businesses, including 5 full-time and 3 part-time staff at the current Homer Spit Campground.

The Chapples also lived on the Spit year-round for 12 years and still own private property on the waterfront. Of their many business endeavors, the Homer Spit Campground has been their main focus. Their wealth of experience and long-term perspective is invaluable to the Spit community and discussions of its future development.

## Financial Information

The Homer Spit Campground is a successful small business and the Chapples have a long lease history with the City of Homer. Records of lease payments for the last 2 years are included (Attachment 7b). Computer records for the previous nine years and are available at the Port & Harbor office.

Homer Spit Campground provides considerable sales tax revenue, which will increase under a new lease when full-service sites are added. As a condition of the current lease, the Chapples also pay borough property tax on Homer Spit lots 49 & 50 for the entire year, although they only use it May - September. The KPB tax property tax figure for 2010 amounted to \$6,750.00 (Attachment 7d). The Campground is one of the Spit's largest water and sewer customers during the summer as well. Attachment (7e) illustrates the water use and cost for the 2010 season: Utility expenses will increase with proposed additions under a new lease.

John and Peggy Chapple estimate the replacement value of the Homer Spit Campground business and its structures is approximately \$600,000. As a destination campground, HSC is an economic engine for the City of Homer. Guests stay the night here but spend their consumer dollar throughout the community. Future investment to the Homer Spit Campground will enhance existing facilities and be attuned with the Homer Spit Comprehensive Plan.

## Future Investment

Future capital investment depends entirely on the extension and length of a new City lease. If awarded a renewed lease, HSC intends to improve the upper portion of the park to include water and sewer hook-ups. The popular beachfront sites will become electric spaces. A guest gathering area will be created where Jean Keene previously lived, and all facilities will be made ADA accessible starting in the 2012 season. With the security of a new lease, and improvements underway, HSC also anticipates hiring and training several new employees for maintenance, reservations and hospitality, which would bring the staff count to twelve.

Any new changes to the Homer Spit Campground will be in compliance with applicable land use codes and regulations. It is our desire that the Homer Spit Campground maintain its long established footprint, but we recognize the value of the highest and best use philosophy outlined in the Homer Spit Comprehensive Plan. In consideration of benefit to the City, if an indispensable use arises, the Chapples could forfeit Lot 49, or a portion thereof, with a 2-year notice. This compromise affords the City the flexibility to meet future design and development goals, and allows the HSC the stability it needs to thrive.

## Proposed Lease Request

The Chapples look forward to negotiating a fair rental agreement with the City of Homer. They request a continuation of the existing non-standard, seasonal lease arrangement of the past 35 years. The Homer Spit Campground seeks to re-new its current City land lease for 20 years with two 5-year extensions.

Recognizing the fact that the value of Spit land leases has increased over the years, John and Peggy Chapple propose a 50% increase in the present rental rate. This would be based on the current seasonal lease payment schedule and existing land use.

**City of Homer**  
**Lease Application/Assignment Form**

**Directions:**

1. Please type.
2. Please submit this application form to the City Clerk's Office, 491 Pioneer Avenue, Homer, Alaska 99603.
3. Please answer all questions on this form, or put "N/A" in the space if it is non applicable.

<b>Applicant Name:</b> Social Security No.s	John & Margaret Chapple [REDACTED] / [REDACTED]
<b>Mailing Address:</b>	Po. Box 1201
<b>City, State, ZIP code:</b>	Homer, AK 99603
<b>Business Telephone No.</b>	907-235-8490
<b>Representative's Name:</b>	John Chapple
<b>Mailing Address:</b>	(same)
<b>City, State, ZIP code:</b>	
<b>Business Telephone No.</b>	
<b>Property Location:</b>	4535 Homer Spit Road Homer, AK
<b>Legal Description:</b>	T75R13W Sec 1 Seward Meridian HM 0890034 HomerSpitRd Lot49 T75R13W Sec 1 Seward Meridian HM 0890034 HomerSpitRd Lot50
<b>Type of Business to be placed on property:</b>	Campground & RV parking
<b>Size of Buildings to be placed or leased:</b>	Existing Structures on Property 16x20/28x42/16x16
<b>Duration of Lease requested:</b>	20 years
<b>Options to re-new:</b>	Two 5-year Extensions
<b>Special lease requirements:</b>	As Is: Non-Standard, Seasonal Use
<b>Number of parking spaces required, per code: *</b>	In Compliance - Existing Parking Arrangement

The following materials must be submitted when applying for a lease of  
**City of Homer real property**

1.	Plot Plan	<p><u>A drawing of the proposed leased property showing:</u></p> <p><input checked="" type="checkbox"/> Size of lot - dimensions and total square footage. -- to scale, please.</p> <p><input type="checkbox"/> Placement and size of buildings, storage units, miscellaneous structures planned -- to scale, please.</p> <p><input checked="" type="checkbox"/> Water and sewer lines -- location of septic tanks, if needed.</p> <p><input checked="" type="checkbox"/> Parking spaces -- numbered on the drawing with a total number indicated -- please refer to Homer City Code _____</p>																		
2.	Development Plan	<p><input checked="" type="checkbox"/> <u>List the time schedule from project initiation to project completion, including major project milestones.</u></p> <table border="1" data-bbox="535 693 1502 955"> <thead> <tr> <th data-bbox="535 693 747 724">Dates</th> <th data-bbox="803 693 909 724">Tasks</th> </tr> </thead> <tbody> <tr> <td data-bbox="535 730 747 762">Current</td> <td data-bbox="803 730 1502 804">Existing Business 160 parking spaces plus utilities</td> </tr> <tr> <td data-bbox="535 819 747 892">Proposed 2012</td> <td data-bbox="803 819 1502 892">Upgrades to Electricity, Water/Sewer ADA Accomodations, Play Area</td> </tr> </tbody> </table> <p>For each building, indicate:</p> <table border="1" data-bbox="535 997 1502 1144"> <thead> <tr> <th data-bbox="535 997 698 1029">Building Use</th> <th colspan="2" data-bbox="982 997 1388 1039">Dimensions and square footage</th> </tr> </thead> <tbody> <tr> <td data-bbox="535 1029 698 1060">Office</td> <td data-bbox="982 1029 1079 1060">16x20</td> <td data-bbox="1120 1029 1388 1060">320sq. ft.</td> </tr> <tr> <td data-bbox="535 1060 698 1092">Shower/Restrooms</td> <td data-bbox="982 1060 1079 1092">28x42</td> <td data-bbox="1120 1060 1388 1092">1176 sq. ft.</td> </tr> <tr> <td data-bbox="535 1092 698 1123">Laundry Building</td> <td data-bbox="982 1092 1079 1123">16x16</td> <td data-bbox="1120 1092 1388 1123">256 sq. ft.</td> </tr> </tbody> </table>	Dates	Tasks	Current	Existing Business 160 parking spaces plus utilities	Proposed 2012	Upgrades to Electricity, Water/Sewer ADA Accomodations, Play Area	Building Use	Dimensions and square footage		Office	16x20	320sq. ft.	Shower/Restrooms	28x42	1176 sq. ft.	Laundry Building	16x16	256 sq. ft.
Dates	Tasks																			
Current	Existing Business 160 parking spaces plus utilities																			
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Building Use	Dimensions and square footage																			
Office	16x20	320sq. ft.																		
Shower/Restrooms	28x42	1176 sq. ft.																		
Laundry Building	16x16	256 sq. ft.																		
3.	Insurance	<p><input checked="" type="checkbox"/> Attach a statement of proof of insurability of lessee for a minimum liability insurance for combined single limits of \$1,000,000 showing the City of Homer as co-insured. Additional insurance limits may be required due to the nature of the business, lease or exposure. Environmental insurance may be required. If subleases are involved, include appropriate certificates of insurance.</p>																		
4.	Subleases  N/A NONE	<p><input type="checkbox"/> Please indicate and provide a detailed explanation of any plans that you may have for subleasing the property. The City of Homer will generally require payment of 25% of proceeds paid Lessee by subtenants. Refer to chapter 13 of the Property Management Policy and Procedures manual.</p>																		
5.	Health Requirements  Existing In Compliance	<p><input type="checkbox"/> Attach a statement documenting that the plans for the proposed waste disposal system, and for any other necessary health requirements, have been submitted to the State Department of Environmental Conservation for approval. Granting of this lease shall be contingent upon the lessee obtaining all necessary approvals from the State DEC.</p>																		
6.	Agency Approval  Existing Business	<p><input type="checkbox"/> Attach statement(s) of proof that your plans have been inspected and approved by any agency which may have jurisdiction of the project; i.e. Fire Marshall, Army Corps of Engineers, EPA, etc. The granting of this lease shall be contingent upon lessee obtaining approval, necessary permits, and/or inspection statements from all appropriate State and/or Federal agencies.</p>																		

7.	Fees	<p>All applicable fees must be submitted prior to the preparation and/or execution of a lease.</p> <p><input checked="" type="checkbox"/> Application fee - \$30.00. Covers costs associated with processing the application.</p> <p><input type="checkbox"/> Lease fee - \$300.00. Covers the costs of preparing and processing the actual lease.</p> <p><input type="checkbox"/> Assignment fee - \$250.00. Covers the costs of preparing and processing the lease transfer.</p>								
8.	Financial Data	<p>Please indicate lessee's type of business entity:</p> <p><input checked="" type="checkbox"/> Sole or individual proprietorship.</p> <p><input type="checkbox"/> Partnership.</p> <p><input type="checkbox"/> Corporation.</p> <p><input type="checkbox"/> Other - Please explain: _____</p> <hr/> <p><input checked="" type="checkbox"/> Financial Statement - Please attach a financial statement showing the ability of the lessee to meet the required financial obligations.</p> <p><input type="checkbox"/> Surety Information - Has any surety or bonding company ever been required to perform upon your default or the default of any of the principals in you organization holding more than a 10% interest  <input checked="" type="checkbox"/> No    <input type="checkbox"/> Yes. If yes, please attach a statement naming the surety or bonding company, date and amount of bond, and the circumstances surrounding the default or performance.</p> <p><input type="checkbox"/> Bankruptcy information - Have you or any of the principals of your organization holding more than a 10% interest ever been declared bankrupt or are presently a debtor in a bankruptcy action?  <input checked="" type="checkbox"/> No    <input type="checkbox"/> Yes. If yes, please attach a statement indicating state, date, Court having jurisdiction, case number and to amount of assets and debt.</p> <p><input type="checkbox"/> Pending Litigation - Are you or any of the principals of your organization holding more than a 10% interest presently a party to any pending litigation?  <input checked="" type="checkbox"/> No    <input type="checkbox"/> Yes. If yes, please attach detailed information as to each claim, cause of action, lien, judgment including dates and case numbers.</p>								
9.	Partnership Statement  N/A	<p><input type="checkbox"/> If the applicant is a partnership, please provide the following:</p> <p>Date of organization: _____</p> <p>Type: <input type="checkbox"/> General Partnership    <input type="checkbox"/> Limited Partnership</p> <p>Statement of Partnership Recorded? <input type="checkbox"/> Yes    <input type="checkbox"/> No  Where _____ When _____</p> <p>Has partnership done business in Alaska? <input type="checkbox"/> Yes    <input type="checkbox"/> No  Where _____ When _____</p> <p>Name, address, and partnership share. If partner is a corporation, please complete corporation statement.</p> <table border="0"> <tr> <td>Limited/ General</td> <td>Name</td> <td>Address</td> <td>Share %</td> </tr> <tr> <td> </td> <td> </td> <td> </td> <td> </td> </tr> </table>	Limited/ General	Name	Address	Share %				
Limited/ General	Name	Address	Share %							



11. Applicant References

Please list four persons or firms with whom the Applicant or its owners have conducted business transactions with during the past three years. Two references named shall have knowledge of your financial management history, of which at least one must be your principal financial institution. Two of the references must have knowledge of your business expertise.

Name: Linda Mishler  
Firm: First National Bank  
Title: Loan Officer  
Address: Heath St Homer, AK  
Telephone: 907-235-5800  
Nature of business association with Applicant: Main Financial Institution - Banker

Name: \_\_\_\_\_  
Firm: City Of Homer  
Title: \_\_\_\_\_  
Address: 491 East Pioneer Ave Homer, AK  
Telephone: 907-235-8121  
Nature of business association with Applicant: Lease Holder, Utilities, Employment Contracts

Name: Sean & Gerri Martin  
Firm: North Country Charters  
Title: Owner/Operators  
Address: P.O. Box 889 Homer, AK 99603  
Telephone: 907-235-7620/907-235-5150  
Nature of business association with Applicant: Business Partners & Current Booking Agent

Name: Mark Robl  
Firm: Homer Police Department  
Title: Chief of Police  
Address: 4090 Heath Street Homer, AK  
Telephone: 907-235-7191  
Nature of business association with Applicant: Enforeement Issues, Common Membership in civic organizations in Homer.

I hereby certify that the above information is true and correct to the best of my knowledge.

Signature:

John C. Chepp

Date:

10-5-10



\*\*\* 10/07/2010  
\*\*\* 407 G Guest  
CHAPPLE, JOHN / PEGGY

PO BOX 1201  
HOMER, AK 99603

\*\* LAND USE 3/1/93-2/28/98 FRM GREGOIRE

Boat: Reg/Doc#:  
Info: TANK: N  
Size: L: 0.0 B: 0.0 D: 0.0 H: 0.0 W: 0  
Bt. Make/Class: BILLED MAY - AUGUST  
Hull: TYPE: PROPLS:  
Insurance:  
Renewal:  
EMail: pchapple@gci.net  
Tickler Date: 09/16/04  
Accounting Code: 09

H: 235-8490  
W:  
O:  
SPACE:  
LIV/BRD: 0  
DATE IN: 10/12/97  
DATE OUT: 00/00/00  
Hist. Date Entrd : 05/29/98

Reg. Exp:  
SO SEC:  
DR LISC:

CODES:

Y Chargeable

\*\* HOMER SPIT CAMPGROUND LAST PAY DATE: 08/17/10 \$12,777.

Wait/Transfer List: 00/00/00

LICENSE Information  
FDUP Information  
CRANE CARD Information  
TUP Information

DEPOSITS:

Security Deposit 0.00                      Key Deposit 0.00

RECURRING CHARGES:

Sub Ac. 407.01 CHAPPLE Space: Boat: Reg:

RECURRING CHARGES:                      02/21/97 to 00/00/00

10/07/2010 Period 10 October 2010

CHAPPLE, JOHN / PEGGY 407

CURRENT ACCOUNT

CHARGES	CREDITS	BAL FWD
		0.00

10/07/2010

CUR	-30	-60	-90+	BAL DUE
0.00	0.00	0.00	0.00	0.00

\*\*\*\*\* PERIOD 9 September 2010

407 CHAPPLE, JOHN / PEGGY

Charges	Credits	Bal. Fwd.
		0.00

BILLED MAY - AUGUST

0.00	0.00	Due:	0.00
------	------	------	------

\*\*\*\*\* PERIOD 8 August 2010

407 CHAPPLE, JOHN / PEGGY

Charges	Credits	Bal. Fwd.
		12,777.62

08/17/10 24645-HBRPAY/R

12,777.62

BILLED MAY - AUGUST

0.00	12,777.62	Due:	0.00
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\*\*\*\*\* PERIOD 7 July 2010

407 CHAPPLE, JOHN / PEGGY

Charges	Credits	Bal. Fwd.
		0.00

07/02/10 17866-LAND USES MAY CMPGRD

6,351.31

07/02/10 17867-Sales Tax4

37.50

07/02/10 17868-LAND USES JUN CMPGRND

6,351.31

07/02/10 17869-Sales Tax4

37.50

07/02/10 17870-HBRPAY/MAY&JUN LEASE/L

12,777.62

07/29/10 21221-LAND USES AUG CMPGRND

6,351.31

07/29/10 21222-Sales Tax4

37.50

07/08/10 18656-LAND USES JUL CMPGRD

6,351.31

07/08/10 18657-Sales Tax4

37.50

BILLED MAY - AUGUST

25,555.24	12,777.62	Due:	12,777.62
-----------	-----------	------	-----------

\*\*\*\*\* PERIOD 6 June 2010

407 CHAPPLE, JOHN / PEGGY

Charges	Credits	Bal. Fwd.
		0.00

BILLED MAY - AUGUST

0.00	0.00	Due:	0.00
------	------	------	------

\* continued

PERIOD 10 2010

11/09/09	16084-LAND USES GROUP APPRAISAL	500.00		
		-----	-----	
		500.00	0.00	Due: 500.00

\*\*\*\*\* PERIOD 10 October 2009

407	CHAPPLE, JOHN / PEGGY	Charges	Credits	Bal. Fwd.
		-----	-----	0.00

\*\*\*\*\* PERIOD 9 September 2009

407	CHAPPLE, JOHN / PEGGY	Charges	Credits	Bal. Fwd.
		-----	-----	6,214.98

09/30/09	11089-CR*LAND US		6,177.48	
09/30/09	11090-CR*Sales Tax4		37.50	

\*\*\*\*\* PERIOD 8 August 2009

407	CHAPPLE, JOHN / PEGGY	Charges	Credits	Bal. Fwd.
		-----	-----	6,214.98

08/18/09	3502-HPY/J		6,214.98	
08/28/09	4852-LAND USES SEPTEMBER	6,177.48		
08/28/09	4853-Sales Tax4	37.50		

\*\*\*\*\* PERIOD 7 July 2009

407	CHAPPLE, JOHN / PEGGY	Charges	Credits	Bal. Fwd.
		-----	-----	6,252.48

07/07/09	10174-CR*SALES T OVER CHRG JUNE		37.50	
07/07/09	10175-CR*SALES T OVER CHRG JULY		37.50	
07/22/09	12422-HBRPAY/L		6,177.48	
07/24/09	12687-LAND USES AUGUST	6,177.48		
07/24/09	12688-Sales Tax4	37.50		

\*\*\*\*\* PERIOD 6 June 2009

407	CHAPPLE, JOHN / PEGGY	Charges	Credits	Bal. Fwd.
		-----	-----	6,214.98

\*\*continued\*\*

PERIOD 10 2010

# ACORD™ CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)  
9/3/2010

**PRODUCER** (907) 235-8105  
Wells Fargo Insurance Services USA, Inc.  
4014 Lake Street  
Suite 101  
Homer, AK 99603

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

**INSURED** Homer Spit Campground  
John Chapple  
P.O. Box 1201  
Homer, AK 99603-1201

INSURERS AFFORDING COVERAGE	NAIC #
INSURER A: Philadelphia Ins Companies	
INSURER B:	
INSURER C:	
INSURER D:	
INSURER E:	

**COVERAGES**

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR ADD'L LTR INSRD	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YYYY)	POLICY EXPIRATION DATE (MM/DD/YYYY)	LIMITS
A	<b>GENERAL LIABILITY</b> <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR  GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC	PHPK557984	5/25/2010	5/25/2011	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 100,000 MED EXP (Any one person) \$ 5,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 3,000,000 PRODUCTS - COMP/OP AGG \$ 2,000,000
	<b>AUTOMOBILE LIABILITY</b> <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> NON-OWNED AUTOS				COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
	<b>GARAGE LIABILITY</b> <input type="checkbox"/> ANY AUTO				AUTO ONLY - EA ACCIDENT \$ OTHER THAN AUTO ONLY: EA ACC \$ AGG \$
	<b>EXCESS/UMBRELLA LIABILITY</b> <input type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE  <input type="checkbox"/> DEDUCTIBLE RETENTION \$				EACH OCCURRENCE \$ AGGREGATE \$ \$ \$
	<b>WORKERS COMPENSATION AND EMPLOYERS' LIABILITY</b> ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? If yes, describe under SPECIAL PROVISIONS below				<input type="checkbox"/> WC STATU-TORY LIMITS <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$ E.L. DISEASE - EA EMPLOYEE \$ E.L. DISEASE - POLICY LIMIT \$
	OTHER				

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS

**CERTIFICATE HOLDER**  
City of HOMER  
491 E. Pioneer Avenue  
Homer, AK 99603-

**CANCELLATION**  
SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL 20 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES.  
AUTHORIZED REPRESENTATIVE: \_\_\_\_\_  
Homer Spit Campground Land Lease

# 2010 TAX BILL

Kenai Peninsula Borough

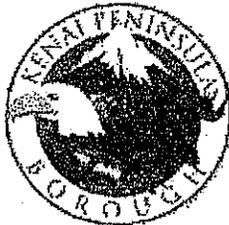
144 N. Binkley Street

Soldotna, AK 99669

907-262-4441

800-478-4441 - Toll Free Within Borough

[www.borough.kenai.ak.us](http://www.borough.kenai.ak.us)



Year: 2010

PIN: [REDACTED]

TAG: 20 - HOMER CITY

Revenue ID: 1006222

Bill Number: 201014428

Billing Date:

07/01/2010

Balance good until:

10/15/2010

#BWBBJDD

#A000000181034024#



CHAPPLE JOHN & MARGARET

PO BOX 1201

HOMER AK 99603-1201

## LEGAL DESCRIPTION

T 7S R 13W SEC 1 Seward Meridian HM 0890034 HOMER SPIT  
SUB AMENDED LOT 50 4535 HOMER SPIT RD

Value Type	Value	Exemption Type	Amount
LAND IMPROVEMENT	290,300 87,100		

Taxes, Credits, and Other Charges										
Charge Description	Total Value	Exemption	Taxable	Rate/1000	Tax Dist	Boats	Aircraft	Credits	Total	
BOROUGH	377,400	0	377,400	4.500000	1,698.30	0.00	0.00	0.00	1,698.30	
HOMER	377,400	0	377,400	4.500000	1,698.30	0.00	0.00	0.00	1,698.30	
SOUTH HOSPITAL	377,400	0	377,400	2.300000	868.02	0.00	0.00	0.00	868.02	
<b>2010 Total</b>				11.300000	4,264.62	0.00	0.00	0.00	4,264.62	
<b>Bill Summary</b>	4,264.62	0.00	0.00	0.00	4,264.62	0.00	0.00	0.00	4,264.62	

TAX BILLS ARE MAILED TO PERSONS LISTED AS OWNERS OF RECORD ON JANUARY 1, 2010 AND TO OTHER PERSONS WHO MAY HAVE AN INTEREST IN THE PROPERTY AND MAY BE PAYING THE TAXES. IT IS THE RESPONSIBILITY OF THE PROPERTY OWNER TO ENSURE TAXES ARE PAID WHEN DUE IN ORDER TO AVOID PENALTY AND INTEREST CHARGES. TO ENSURE PROMPT PAYMENT YOU CAN VIEW THE STATUS OF YOUR BILL AND MAKE PAYMENT VIA THE WEB.

**Please Return This Coupon with the Second Installment Payment. No second installment statement will be mailed.**

Year: 2010 Bill No: 201014428

2nd Installment Amount: 2,132.31 2nd Installment Due Date: 11/15/2010

Make check Payable to Kenai Peninsula Borough  
PO Box 3040, Soldotna, AK 99669

Change of Address  
Name: CHAPPLE JOHN & MARGARET

CHAPPLE JOHN & MARGARET  
PO BOX 1201  
HOMER AK 99603-1201

PIN: [REDACTED]

Mailing Address

City, State, Zip

**Kenai Peninsula Borough**  
 144 N. Binkley Street  
 Soldotna, AK 99669  
 907-262-4441  
 800-478-4441 - Toll Free Within Borough  
[www.borough.kenai.ak.us](http://www.borough.kenai.ak.us)

lot 49 of Block 15  
 Block 15, Lot 49  
 plus 1/2 acre of land  
 looking



Year: 2010 PIN: [REDACTED]  
 TAG: 20 - HOMER CITY  
 Revenue ID: 1006223 Bill Number: 201014429  
 Billing Date: 07/01/2010  
 Balance good until: 10/15/2010

#BWBBJDD  
 #A000000181034032#

*in planning - Lot 1*  
*Kenai 49 15 3326 38 85*  
*50 127734 31*

CHAPPLE JOHN & MARGARET  
 PO BOX 1201  
 HOMER AK 99603-1201

**LEGAL DESCRIPTION**

T 7S R 13W SEC 1 Seward Meridian HM 0890034 HOMER SPIT  
 SUB AMENDED LOT 49 THAT PORTION PER LEASE 205/928

Value Type	Value	Exemption Type	Amount
LAND	184,300		
IMPROVEMENT	31,700		

Taxes, Credits, and Other Charges									
Charge Description	Total Value	Exemption	Taxable	Rate/1000	Tax Dist	Boats	Aircraft	Credits	Total
BOROUGH	216,000	0	216,000	4.500000	972.00	0.00	0.00	0.00	972.00
HOMER	216,000	0	216,000	4.500000	972.00	0.00	0.00	0.00	972.00
SOUTH HOSPITAL	216,000	0	216,000	2.300000	496.80	0.00	0.00	0.00	496.80
<b>2010 Total</b>				11.300000	2,440.80	0.00	0.00	0.00	2,440.80
<b>Bill Summary</b>	<b>2010 Total</b>	<b>Interest</b>	<b>Penalty</b>	<b>Fees</b>	<b>Subtotal</b>	<b>Prev Due</b>	<b>Paid</b>	<b>Total Due</b>	
	2,440.80	0.00	0.00	0.00	2,440.80	0.00	0.00	2,440.80	

TAX BILLS ARE MAILED TO PERSONS LISTED AS OWNERS OF RECORD ON JANUARY 1, 2010 AND TO OTHER PERSONS WHO MAY HAVE AN INTEREST IN THE PROPERTY AND MAY BE PAYING THE TAXES. IT IS THE RESPONSIBILITY OF THE PROPERTY OWNER TO ENSURE TAXES ARE PAID WHEN DUE IN ORDER TO AVOID PENALTY AND INTEREST CHARGES. TO ENSURE PROMPT PAYMENT YOU CAN VIEW THE STATUS OF YOUR BILL AND MAKE PAYMENT VIA THE WEB.

**Please Return This Coupon with the Second Installment Payment. No second installment statement will be mailed**

Year: 2010 Bill No: 201014429

2nd Installment Amount: 1,220.40 2nd Installment Due Date: 11/15/2010

Make check Payable to Kenai Peninsula Borough  
 PO Box 3040, Soldotna, AK 99669  
 CHAPPLE JOHN & MARGARET  
 PO BOX 1201  
 HOMER AK 99603-1201

Change of Address  
 Name: CHAPPLE JOHN & MARGARET  
 Mailing Address  
 City State Zip

PIN: [REDACTED]

Report Criteria:

Customer.Customer Number = [REDACTED]

1.0120.01 HOMER SPIT CAMPGROUND 4535 HOMER SPIT RD

Account Summary:

Period	WChg SSCre PNLTY	WCons DEP	SServ CFees	SUsg Tax	Billings	Billing Adjustments	Payments	Other	Balance
12/31/2009									24.19
01/31/2010	12.50	-	10.00	-	24.40	-	-	-	48.59
	.21	-	-	-	1.69	-	-	-	
02/28/2010	12.50	-	10.00	-	24.19	-	48.59 -	-	24.19
	-	-	-	-	1.69	-	-	-	
03/31/2010	12.50	-	10.00	-	24.19	-	24.19 -	-	24.19
	-	-	-	-	1.69	-	-	-	
04/30/2010	12.50	-	10.00	-	104.82	-	24.19 -	-	104.82
	-	-	75.00	7.32	-	-	-	-	
05/31/2010	25.00	43.32	20.00	48.03	143.36	-	104.82 -	-	143.36
	2.99 -	-	-	10.00	-	-	-	-	
06/30/2010	25.00	713.64	20.00	791.26	1,519.60	-	143.36 -	-	1,519.60
	67.80 -	-	-	37.50	-	-	-	-	
07/31/2010	25.00	1,308.72	20.00	1,451.07	2,732.62	-	1,519.60 -	-	2,732.62
	109.67 -	-	-	37.50	-	-	-	-	
08/31/2010	25.00	1,325.82	20.00	1,470.03	2,755.72	-	2,732.62 -	-	2,755.72
	122.63 -	-	-	37.50	-	-	-	-	
09/30/2010	25.00	733.02	20.00	812.75	1,565.46	-	2,755.72 -	-	1,565.46
	82.81 -	-	-	37.50	-	-	-	-	
10/31/2010	12.50	11.40	10.00	12.64	47.89	-	1,565.46 -	-	47.89
	1.99 -	-	-	3.34	-	-	-	-	
11/30/2010	12.50	-	10.00	-	24.19	-	47.89 -	-	24.19
	-	-	-	1.69	-	-	-	-	
12/31/2010	12.50	-	10.00	-	24.19	-	24.19 -	-	24.19
	-	-	-	1.69	-	-	-	-	
<b>Totals:</b>	<b>212.50</b>	<b>4,135.92</b>	<b>170.00</b>	<b>4,585.78</b>	<b>8,990.63</b>	<b>-</b>	<b>8,990.63 -</b>	<b>-</b>	
	367.89 -	-	75.00	179.11	-	-	-	-	
	.21	-	-	-	-	-	-	-	

## License Detail

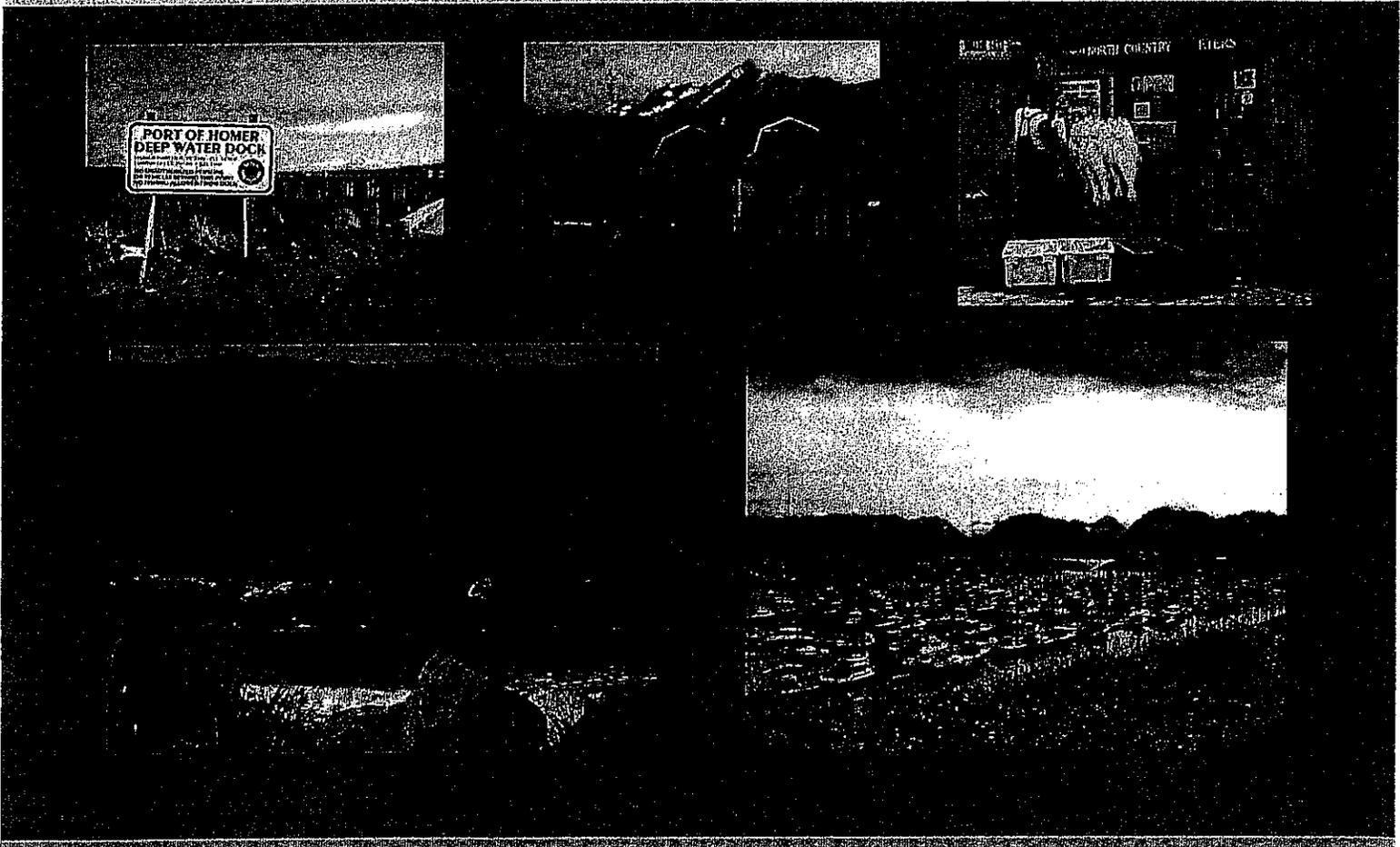
**LicNum:** 247135  
**Business Name:** HOMER SPIT CAMPGROUND  
**Address:** PO BOX 1196  
HOMER AK 99603  
**Status:** ACTIVE  
**Original Issue:** 08/08/1997  
**Current Issue:** 02/12/2010  
**Expiration:** 12/31/2011  
**Business Type:** SOLE PROPRIETOR  
**Tobacco Endorsements:** 0  
**Line Of Business:** Accommodation and Food Services  
**Primary Activity:** 721110  
**Secondary Activity:**  
**Note:**  
**Owners:** MARGARET L CHAPPLE

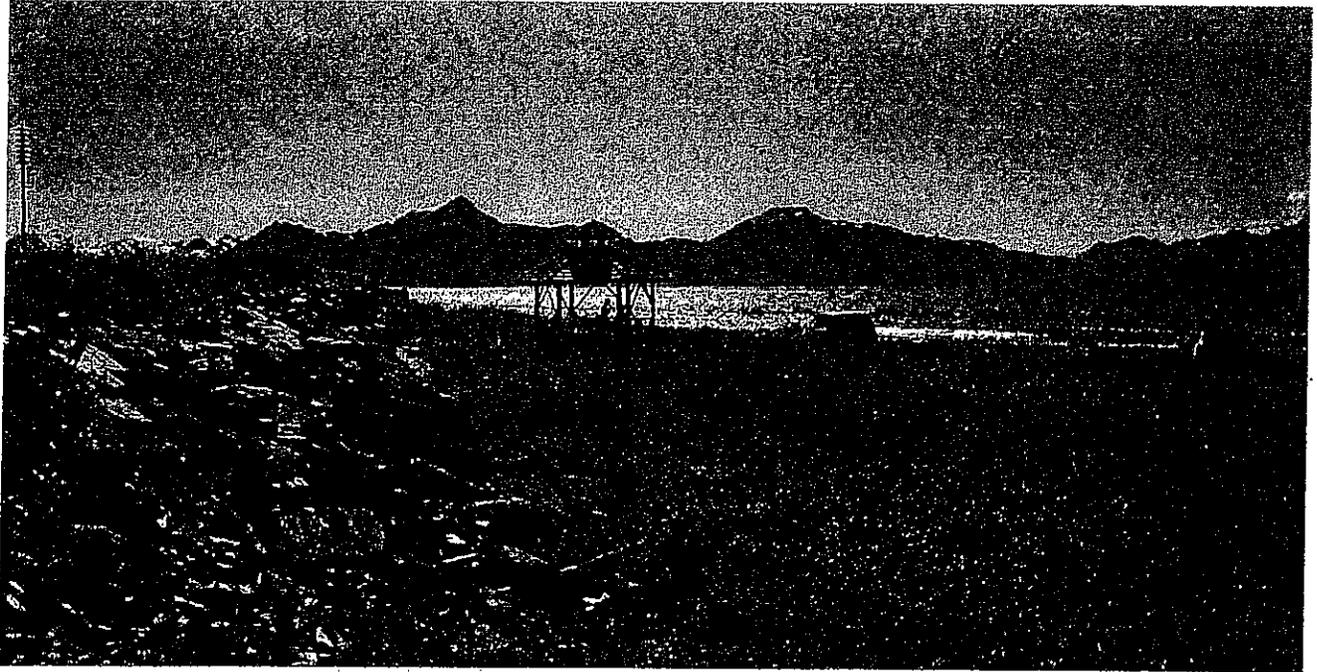
Contact Phone: (907) 465-2550 Email: Professional Licensing

# Homer Spit

## Comprehensive Plan Goal:

Wise land management of the Spit and its resources to accommodate natural processes, while allowing fishing, tourism, other marine related development, and open space/recreational uses





### 3. Vision 2030

It is clear that the Homer Spit is a defining physical and social element of the larger Homer community and of Southcentral Alaska. Visitors and residents treasure this “jewel” of Alaska and its unique mix of art, culture, sport, recreation, retail business, and environmental assets.

The community wishes to protect and continue this mix, but at the same time wishes to promote commercial and maritime industrial vitality. Also, the community wishes to provide better connections for pedestrians and non-motorized users to improve access and safety.

This following section provides a vision for the Spit, but also recognizes some very important realities. One is that the Spit is unusual in that so much of it is owned by the City of Homer. In addition to standard municipal responsibilities such as parks and public facilities, the city also leases land to private companies. There are two types of goals that arise from this arrangement of land ownership:

"The Spit's unique landform and outstanding vistas give it character and attraction. Protecting the open space character, key viewing points, unblocked vistas, and open public access should guide any development considerations.

~ Public Input on Framework Plan

- 1) There are universal concepts and goals that apply to all lands regardless of ownership such as zoning; and
- 2) There are policies the City as a land owner should examine.

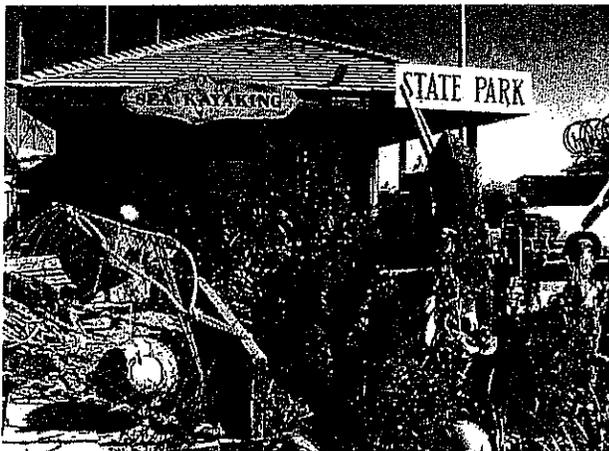
Another reality is that the City itself further manages its lands based on the way the land was purchased. The Port and Harbor is operated as an enterprise fund, meaning that general revenues such as city wide property and sales taxes are not used to support operations. Port money is used to purchase Port land and to benefit port operations, not the city as a whole.

This is a consideration when deciding upon future park areas, viewing platforms, and activities that do not generate money for the port, but are paid for solely by port users.

Taking these underlying land use and fiscal concerns into account, a vision is provided in the following section that respects the public's desires by framing realistic options and opportunities. Specifically, the vision is outlined in terms of four overarching categories with subcategories:

1. Land Use and Community Design
2. Transportation
3. Economic Vitality
4. Natural Environment

The vision consists of goals within each of these categories that can help guide decision making and provide a framework for final plan recommendations.



## 1. Land Use & Community Design

### Goals for Land Use and Community Design:

- 1.1 Maintain the variety of land uses that establish the unique "Spit" character and mix of land uses.
- 1.2 Improve the permanence and character of new commercial development.
- 1.3 Provide public facilities that attract residents and visitors to the Spit for recreational purposes.

1.4 All development should recognize, value, and complement the unique natural resources on the Homer Spit.

1.5 Respond to seasonal land use demand fluctuations.

1.6 Protect public access to and enjoyment of the Spit's unique natural resources.

This plan does not suggest major changes to Spit land use. The community appreciates the eclectic mixture of land uses and activities. The goal is to keep the character of the Spit and make minor changes to improve the experience and functionality of the Spit – the Spit should be a clean, safe and fun place to fish, walk, bike, sightsee, and shop, with a highly functional, efficient working harbor.

Traditionally, business owners have used creative solutions to solve problems; there is a desire to keep this independent spirit and sense of individuality. The Spit should avoid 'plastic' i.e. looking like Anywhere USA. There is very limited developable area; compact development will be key to future economic growth. Reduced building setbacks and parking requirements are possible solutions.

The minimum lot sizes are 6,000 square feet in the Marine Industrial (MI) District and 20,000 square feet in the Marine Commercial (MC) District respectively. These minimums are for new platted lots. The uniform size and grid pattern that this promotes does not make sense for all development on the Spit given the underlying curvilinear land form and the premium value of land.

Greater flexibility in lot size and building setbacks are possible solutions. The minimum lot size of MC could be reduced. Buildings should also be designed to maintain the human scale and preserve views of the surrounding bay and mountains. A combination of lower building height regulations and conditional use allowances for buildings up to 35 feet should be considered.

Another set of zoning issues on the Spit relate to what uses are permitted, or are conditional use. Several common commercial uses are



*Zoning should be adjusted to support Spit business owner's sense of individuality and unique character.*

conditional uses in the MI zones, such as restaurants. Although these existing measures help limit the potential overexpansion of commercial and residential development, more carefully tailored tools are desired that better address the demand for these uses, while preserving the waterfront and other fishing marine transportation and economic uses.

Another issue relates to existing parking requirements. A clear policy is needed regarding required off-street parking. Separate, private, off-street parking facilities can create more traffic and detract from the pedestrian environment. An alternative is to waive parking requirements in lieu of a onetime parking system contribution or assessment, or requiring annual permit purchases.

A final zoning consideration relates to the current required setbacks. Setbacks may be needed on the Spit in some locations to provide egress, fire access, and buffer between different land uses. In other cases due to the uniqueness of the Spit, with its very limited amount of developable land and very wide right-of-ways, reduced setbacks may be one way to accommodate future growth and create a denser pattern of development that also improves pedestrian access. This is especially pertinent when a landowner with multiple lots is interested in developing the sites in an integrated approach, such as the successful

commercial district around the privately owned boardwalks near Coal Point Seafoods.

Beyond zoning, each future land use has a number of issues and opportunities that need to be considered within the final comprehensive plan. These are addressed separately, followed by broad overarching goals for Land Use and Community Design.

### 1.A Industrial Development

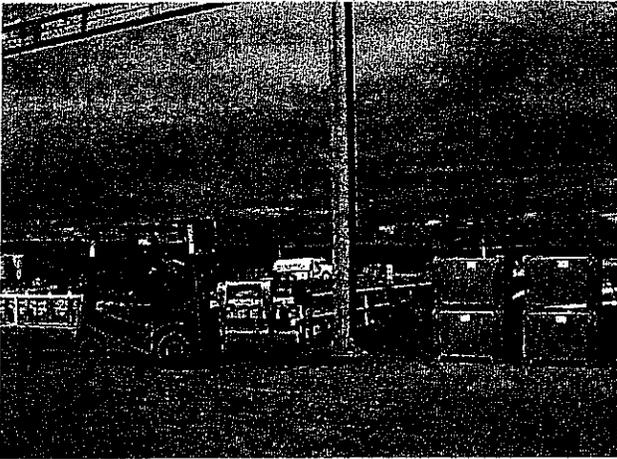
The Spit has great potential for future industrial development related to the fishing, marine and shipping industries. Key issues include the need to:

- Better utilize the limited land available for industrial and economic development.
- Reserve sufficient land by the Deep Water Dock for future industrial development.
- Encourage development related to the fishing, fish processing, and boating industries.

Future industrial development should be clustered in specific locations as designated by the current zoning map in Appendix A. However, industrial activities can have deleterious impacts to scenic resources that are valued by the public. Selective screening of industrial land use should be considered where industrial activity takes



*Compact development, reduced setbacks, and integrated development approaches that cross lot lines—such as this private connected boardwalk—all help take better advantage of the Spit's limited landbase.*



*Better definition of traffic circulation and safety are needed to ensure safe functioning of the existing fish dock, ice plant and processing plants.*

place adjacent to other existing development and transportation routes. However, care must be exercised to ensure that screening does not then restrict views to scenic resources or limit the public to view areas and activities that add to the interest of the Spit, such as storage of crab pots.

The existing fish dock, ice plant, and processing plants are key economic generators on the Spit but they are potentially threatened by incompatible land uses. Furthermore, the mix of land uses in the area and the undefined circulation sometimes creates hazards to pedestrians and others that pass through. The public needs to be aware there are hazards in the area; signage can be used to discourage foot traffic. This area requires attention to provide for separation of uses and reservation of land for future industrial development.

The area east of the harbor basin by the Deep Water Dock is a bright spot in industrial activity on the Spit and receives high use. However, competing uses and traffic patterns may encroach into the activity in this area and create safety hazards in the future.

Finally, creep of commercial land uses into an industrial area should be avoided to reduce future options for marine industrial uses and harbor facilities. Marine industrial and

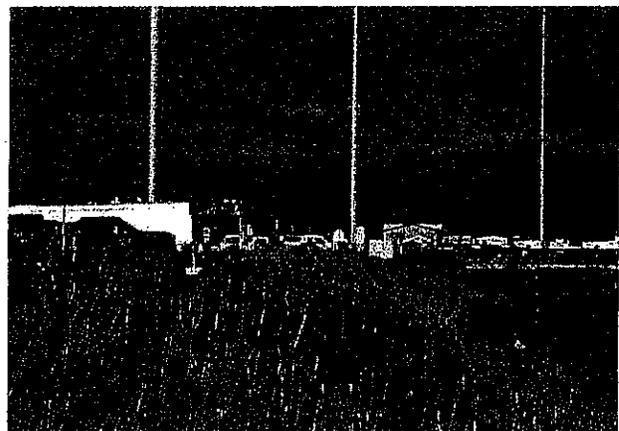
transportation are strategically important long term-uses, and commercial activity should be located to preserve future opportunities.

A related issue that is sometimes found difficult to address is the issue of how to regulate commercial versus industrial development. More definition is needed with respect to commercial use to address the character of commercial development as it has occurred on the Spit.

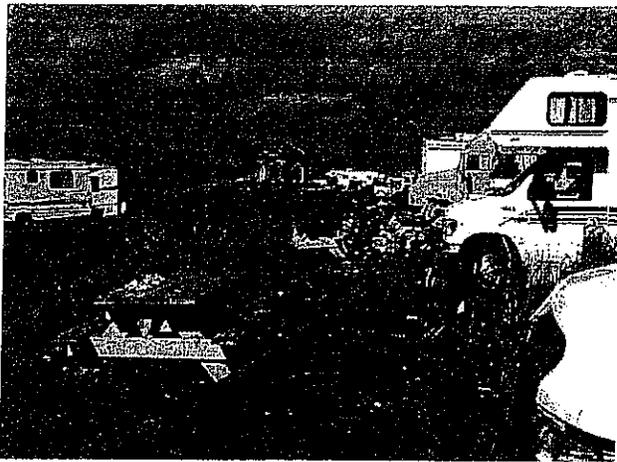
### **1.B Commercial Development**

Some commercial development on the Spit has contributed to a haphazard and "temporary" character, and blocked the view shed. Buildings should be no more than one or two stories to maintain a human scale and to preserve views of the surrounding bay and mountains. Sign size needs to be compatible and in scale with multiple buildings on one parcel. Developments should be encouraged to provide amenities such as benches, trash cans, planters, etc.

As more commercial opportunities are desired, the overslope area at the harbor basin offers excellent opportunities for commercial growth and a controlled and established character to the Spit. These opportunities are available in particular on the west and east sides of the harbor basin, which could accommodate 40,000 square feet of new overslope development. This level of leasable square footage devoted to small



*Overslope commercial development could expand alongside the harbor basin; preservation of views and limiting overexpansion are key issues.*



*A major seasonal land use is RV/tent camping. While there may be community concern about additional Spit lodging, camping and residential uses, these uses are already there.*

shops, restaurants, service businesses or other uses should be sufficient to meet demands well into the future.

While this opportunity could provide tremendous economic benefits, the impact to existing commercial areas and the character of overslope development must be carefully considered. The City of Homer should look into developing appropriate standards and design guidelines for new development to maintain the character of the Homer Spit, including how to maintain public views into the harbor.

### **1.C Resort/Residential Development**

In recent years, new residential condominium development was constructed on the Spit as a planned unit development. Strong community concerns over additional residential development were expressed at planning workshops. Concerns included the height of buildings blocking views and safety related to tsunami and flooding. Although some of these concerns and objections may be overcome through design, the concern over tsunami and severe flood/weather events is real.

Both formal permitted lodging facilities and campgrounds, and informal, unpermitted lodging and camping are present on the Spit. While there may be community concern about

additional lodging, camping and residential uses, the uses are already there. A residential option may be considered as part of the planning process. A clear policy is needed and appropriate regulations created and enforced to meet public health and safety concerns. Lodging and nightly rental facilities that may be permitted in the future can be located above existing and future commercial developments. By permitting these activities, the City can better regulate them and ensure facilities meet building, health, and safety codes.

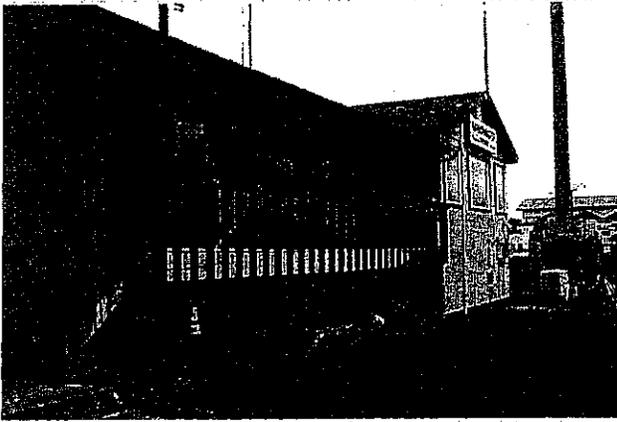
### **1.E Parks and Recreation**

The public clearly expressed the high value placed on tidal habitat, beaches, and views available on the Homer Spit. These areas are not just important as habitat for a myriad of shorebirds, waterfowl, fish, mammals, and plant life, but are important to the identity of the community of Homer. Protection of these areas is a central consideration to any development or use that is allowed on the Homer Spit.

This planning effort recognizes the value of the natural environment of the Homer Spit by recommending continued preservation of this unique marine tidal habitat as conservation areas. In addition, public access to important use and viewing areas should be preserved, and where required, improved.



*By permitting lodging and nightly rental facilities above existing and future commercial developments, the City can better ensure facilities meet building, health, and safety codes.*



*The Harbormaster's office is in poor condition, is expensive to heat, and has limited parking. Relocating this use to the eastern side of the harbor would work well for that use and free up space for a public plaza or other use.*

A new community park and gathering area was a priority identified during the planning workshops. A possible site identified in the public process is a portion of the city campground between the fishing lagoon and Freight Dock Road, near Pier One Theater. The area was envisioned as a place for picnics, kayak load and launch, and other day use activities.

Another new park concept discussed is incorporating a central plaza into the busiest part of the Spit. The plaza includes a pullout for dropping-off passengers that can accommodate buses and vans, an attractive shelter, benches, bike racks, wayfinding and interpretive elements, and a restroom. The site could serve many first time visitors, charter and tour bus passengers by providing a logical site for meeting with excursion vendors. The site also could support a shuttle service for long-term parking or provide other transportation system links.

An ideal location for the plaza would be in the current Harbormaster's site, which could be relocated to the east side of the harbor. The Harbormaster's building is in poor condition and the eastern side of the harbor provides better parking and visibility.

Another priority identified in the written comments was a viewing area to watch the commercial fishing activities on the Fish Dock.

People like to watch what is going on, but need to do so in a safe place, away from forklifts and truck traffic. Potential locations include Coal Point Park or the southwest corner of the harbor and the steel grid.

Other improvements for existing parks include:

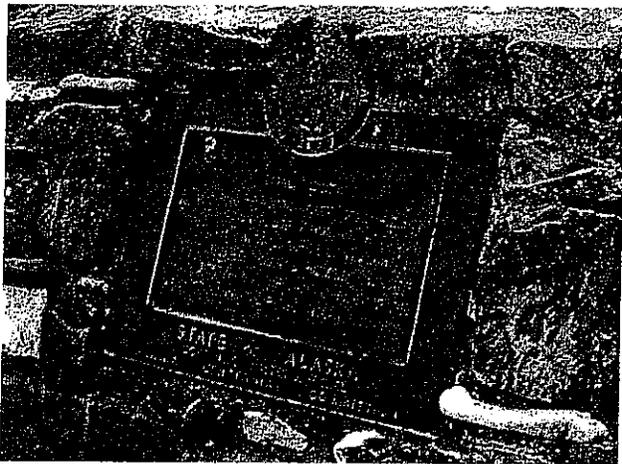
**End of the Road Park:** Provide a storm watch pavilion, restrooms, a fishing dock, better definition of the parking area and an improved turn-around for vehicles.

**Seafarer's Memorial Park:** It is suggested this park be expanded slightly to give it more prominence. This is another excellent location for a multi-seasonal storm watch pavilion and public restrooms.

**Coal Point Park:** The existing small park located adjacent to the Fish Dock has difficult pedestrian access given the lack of pedestrian connectivity to the harbor boardwalk and the safety hazards of walking along Fish Dock Road. The park has a parking area that is too big and a small, but wonderful green space with excellent views of the harbor and Fish Dock. A community discussion may be warranted about whether this park should be improved by expanding its greenspace and upgrading its amenities, or whether relocation would be more strategic.



*A new park is proposed to include a kayak launch. The photo above shows the Alaska Kayak School preparing for a winter outing.*



*Coal Point Park has a historical plaque dating to Alaska's Centennial in 1967.*

The now underutilized park is proximate to several key industrial sites and could provide needed restrooms to serve the fish dock, the wood grid and the fuel dock. This could be linked to parking for boat owners and/or Spit employees, which would remove them from the key activity zones.

If the park is relocated, potentially some of its historic elements that are salvageable could be incorporated into a better location. One option would be to create a central landmark plaza as described earlier, which could also serve as a drop-off and meeting site for visitors. Another option would be to move the park to the vicinity of the cruise ship arrival zone and include a rain shelter and Spit viewing platform looking across the harbor.

**Fishing Lagoon Improvements:** The Nick Dudiak Fishing Lagoon (also known as the "Fishing Hole") is a man-made marine embayment approximately 5 acres in size, stocked to provide sport fishing harvest opportunity. It is extremely popular with locals and visitors alike. During the summer when salmon are returning, approximately 100 bank anglers may be present at any one time between 7 a.m. and 10 p.m.

The lagoon embayment itself requires ongoing maintenance including removal of a gravel bar at the entrance, lengthen and increase the height of the northern-most terminal groin

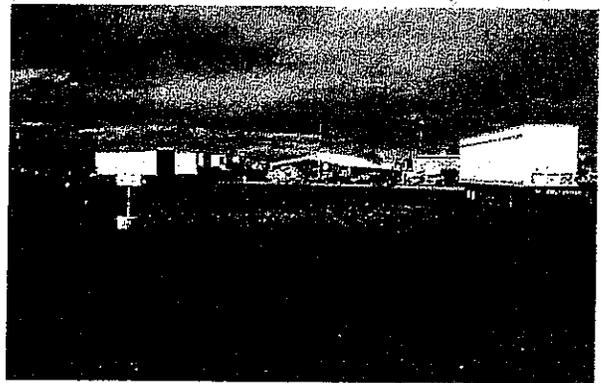
using rip-rap armor stone from the City's small stockpile, rebuild the north berm using beach nourishment methods, dredge the lagoon approximately 3 feet to remove deposits from tidal action, and to plant wild rye grass sprigs to stabilize the inner basin slope.

**Mariner Park Improvements:** As one of Homer's most popular recreation areas, Mariner Park attracts campers, beach walkers, kite-flyers, trail users, birders, people with dogs, and others who come to enjoy the views and open-air recreation opportunities. Homer's growing population and tourist visitation are placing greater demand on Mariner Park, increasing the need for recreation and safety enhancements. Mariner Park needs to continue to identify and prioritize improvements, and analyze how the park fits into the community's recreational activities. Several improvements have been identified in the Capital Improvement Plan.

#### **1 F. Future Site Use Considerations**

A final issue, important to the Land Use and Community Design discussion, are whether City leased lands are being used for their highest and best purposes, and whether some less visually attractive uses can be re-located. A couple of key issues include:

**Dredge Spoils:** Currently, a lot of material is dredged from the harbor entrance and it must have a large dewatering area. This should be



*Large areas must be maintained on the Spit for seasonal de-watering of dredge spoils. When de-watering is complete, the vacant site above is used for staging and parking.*

considered when planning what to do with City owned properties, as planning and permitting for dredge spoils is a lengthy and complicated process. The City is working with ACOE on a long term dredge spoils plan.

**Lease Renewals:** As leases are renewed, particularly long-term leases, the City should consider how well the current use fits its specific parcel, and whether other activities might be better suited to the site. However, before displacing uses, impacts to the economic mix of enterprises on the entire Spit should be considered. As changes in use or lease re-negotiations are initiated, the following should be carefully analyzed:

- How the displacement of an existing use will impact the overall commercial/land use mix;
- Whether a historic continuity of use on a site provides an important attraction for returning and future visitors; and
- Whether the economics of the proposed activity are proven and markedly more valuable to the community than the existing use.



## 2. Transportation

### Goals for Transportation on the Homer Spit:

- 2.1 Enhance and protect the Spit's critical role in regional marine transportation.
- 2.2 Improve traffic flow and safety on the Sterling Highway.
- 2.3 Provide adequate and safe facilities for pedestrians and bicyclists.
- 2.4 Provide improved multi-modal transportation on and to the Spit.



*Homer's Deep Water Dock provides a strategic port for large vessels. Although today it is primarily used for freight and cruise ship dockings, in the future it could get more use as the Northern Sea Route opens up.*

2.5 Improve organization, wayfinding, and management of parking.

### 2.A Marine Transportation

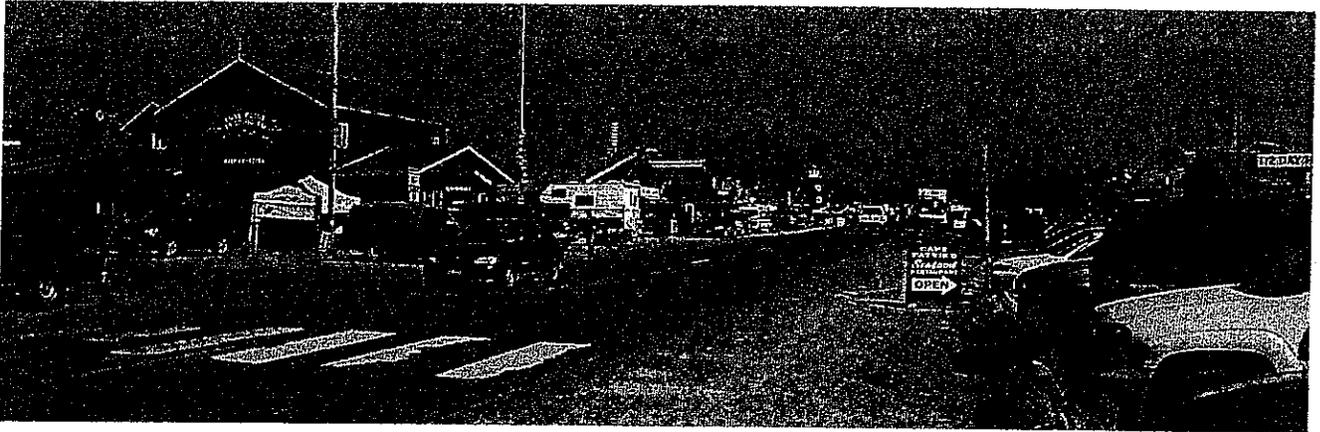
Comprehensive Planning for the Spit must take care as it addresses land issues to remember that the Spit is a critical regional marine transportation link. Maintaining infrastructure, and enhancing and expanding the port facilities, freight capacity, and multi-modal access links are critical.

Multi-modal refers to the ability to move people and cargo by more than one method of transportation, such as barge, truck, air and rail. These will provide for improved transportation of goods and materials in and out of Homer, and also help move people both regionally and along the Alaska's Pacific Coast.

### 2.B Road and Trail Access

The City of Homer should continue to work with DOT on use and management of the Sterling Highway right-of-way through the Spit commercial area. The proposed bike path extension was originally conceptualized to be located along the harbor basin. However, this concept creates conflicts with proposed overslope development, and safety issues with mixing bicycles, pedestrians, shoppers, and marina users.

An alternative concept would locate the bike path along the highway, with sufficient separation for the comfort and safety of pedestrians and careful placement of driveways.



*The separation of parking, pedestrian areas, and traffic could improve safety and wayfinding.*

The bike path, situated in a median of saw grass or a rain-garden vegetated catchment system, would add natural green space and create the opportunity to define specific driveway locations for the large parking area.

## **2.C Parking Management**

This plan recommends a number of actions to organize and manage parking on the Spit. These ideas focus on parking management, separating as much as possible different long and short term parking uses, redefining parking areas, and charging a fee for long-term parking. Experimenting with what works on the ground is an important element of discovering how to balance and meet the needs of the users and landowners.

**Free Parking:** Free parking for 4 hours should be provided in key locations to support retail and commercial business on the Spit. The free parking areas should be patrolled during peak periods to enforce compliance and parking tickets issued for violations.

**Permit Parking for Slip Rentals and Employees:** Employees and annual slip customers should be issued permits for designated areas. The idea is to not necessarily charge a fee for this parking but rather to manage where this parking occurs. Parking for slip rentals is proposed adjacent to several of the marina ramps.

**Permits for Long Term Parking:** Fee permits for those who need to leave a vehicle on the spit for a longer term should be required. Under the

current situation, people can leave a vehicle parked in some of the busiest commercial zones for up to 7 days, and it is difficult to enforce this term. There is no incentive not to leave a car on the Spit for extended periods of time. There needs to be a long term parking solution.

**Compress the Existing Boat Trailer Parking Area:** Currently, an area larger than required is being used for boat trailer parking. Average daily use is approximately 80 to 100 trailers parked during peak summer season, falling to a peak of 45 during fall and spring months. However, up to 165 trailer parking spaces may be required during the winter king salmon derby.

The boat trailer parking area should be compressed for better utilization, enforcement of policies and maintenance. The area should be large enough to accommodate peak use. The land not being used for boat trailer parking can be available for future economic development, but making the area smaller now will help identify exactly how much trailer parking is necessary.

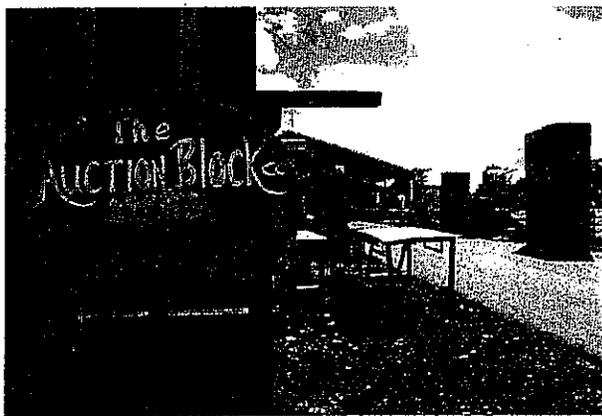
**Parking Signage:** Parking users need guidance and information to know where and how to park. Currently, parking areas are not clearly identified and policies are not well communicated. Clear identification of parking areas, occupancy rules and fees through an attractive, informative and consistent signage system will help resolve many of the parking problems. Information could also be provided at the launch ramp kiosk.

**Create Specific Parking Lot Entrances:** The large parking area that borders the west side

of the harbor is wide open and vehicles can enter the parking area anywhere. This creates unsafe turning movements and confusion in the parking lot. RVs are prone to hang up on the elevation change present alongside the Spit Road. To improve safety and efficiency, specific driveways should be created at key locations related to layout and traffic flows.

**Parking Management:** Parking facilities and land are valuable assets, especially on the Homer Spit, where land resources are limited. Public parking must be managed to balance the needs of the many different parking user groups. Consider creating a parking subcommittee to develop parking policies and improvement projects. Consider creating a mechanism to provide leases to private businesses to meet parking requirements.

**Loading Zones and Handicap Parking:** The commercial and retail businesses located on the Spit require numerous deliveries. Specific loading zones should be identified and designated. Handicap parking spaces are needed near marina ramps and retail areas. Specifically, handicap spaces are needed for the ramps on the east side of the harbor.



### 3. Economic Vitality

The 2008 Homer Comprehensive Plan contains a chapter exclusively on economic vitality. The goals and strategies of Chapter 8, Economic Vitality, may be applied to both the Spit and mainland area of Homer. The paragraphs following provide additional information gathered from the public meetings and comments.



*The Auction Block's Spit storefront provides a fresh catch menu, and processed items in the store front. Its web-based auction is very popular with both fishermen and fresh fish buyers.*

### Goals for Economic Development on the Homer Spit

3.1 Improve the local economy and create year-round jobs by providing opportunities for new business and industrial development appropriate for the Homer Spit.

A draft land use plan and map have been prepared to present recommendations (Maps 3-5, pages 43-45) supporting the goals outlined in this chapter. The plan does not make sweeping changes to the existing development pattern or use of the Spit. It does address future use of underutilized property, designates specific areas for economic development, and provides for reorganization of land use to create a community park and gathering place.

### 3.A Port and Harbor

The City of Homer has been attempting to secure funding for two major harbor projects including a Deep Water Dock expansion and Harbor expansion. Unfortunately, despite a long waiting list for smaller and mid-sized vessels, the Harbor expansion initiative has experienced a recent setback. The Army Corps of Engineers conducted an economic feasibility study of the project, funded by the State of Alaska, the Corps and the City of Homer. The results of this study do not look favorable for harbor expansion in the short term future.

The Port is a major economic asset to the community and continued efforts should be made

to maintain the port and incrementally improve it. A long range plan for the port and harbor facilities is warranted; the last plan was completed in 1984. Significant improvements have been made since then, and it is time to look forward to the next 25 years of port operations, regardless of the success of the expansion project.

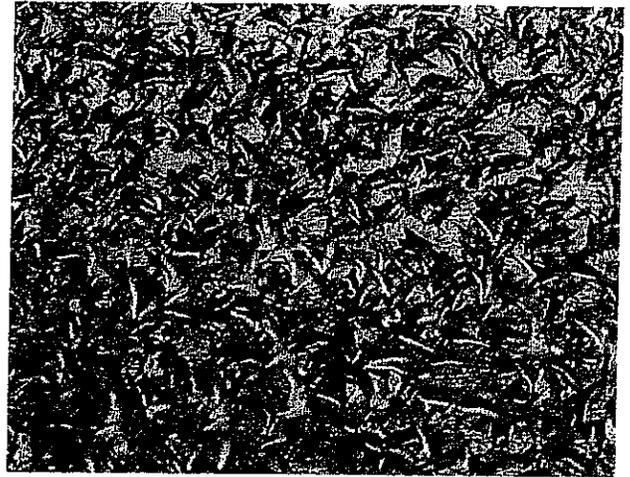
### 3.B Multi-Seasonal Use

The Homer Spit and Harbor provide a jumping off point for many community and regional events. Events such as the Winter King Derby, Shorebird Festival, and many others, draw locals and visitors to the Spit. As a winter city, Homer should create more opportunities to make the Spit a year round destination for both locals and visitors. However, walking, running, beachcombing, and bird and mammal watching are all activities that can be enhanced for all season use.



## 4. Natural Environment

The Homer Spit and Kachemak Bay offer rich coastal waters for marine habitat. The Spit is a premier destination for birding; waterfowl and seabirds alike populate the sparkling waters. Public comment during this plan emphasized the importance of the habitat to birds and marine mammals, and the economic benefits to the community. Preserving habitat is important to the environment and the local economy. The Shorebird Festival is an important shoulder season tourism event that draws many visitors. Many years have been spent acquiring and protecting habitat on the Spit. Most recently, the Exxon Valdez Oil Spill Trustee Council worked with the City to acquire land in the Louie's



*The Spit is a critical habitat area for 100,000 shorebirds in addition to other marine life. Local non-profits are playing an important role in helping to acquire and protect habitat zones.*

Lagoon area and create conservation easements. The Kachemak Heritage Land Trust has been instrumental in partnering with the City on this project and others.

This plan makes a distinction between places for people and places for wildlife. Open space and recreation uses are meant to be areas for "active" recreation by people – fishing, beachcombing with the dog, etc. Goals for open space and recreation can be found under section 1, Land Use and Community Design.

Conservation areas are meant for "passive" human use, such as bird watching and photography. Conservation areas are defined through zoning, conservation easements; the Beach Policy and the legal boundaries of the Kachemak Bay Critical Habitat Area. Conservation areas are important to manage because they are spaces intended to be protected for wildlife habitat. Habitat in Kachemak Bay is irreplaceable and there are few alternatives in the region. Where else will 100,000 shorebirds land in May and feed on specific beach life to fuel up for the continuation of their journey?

Harbor operations and boat owner habits also play an important role in protecting Kachemak Bay resources. The City of Homer supports the Alaska Clean Harbor Pledge, which is a list of best management practices to address topics such as



*An important aspect of protecting the Spit's natural environment is removal of derelict boats.*

cleaning agents, garbage, recycling, storm water and sewage management. Implementation of these practices will need to come from the Port. Boat owners also have a role in greener boating practices, and are encouraged to refer to the publication "Clean Boating for Alaskans."

Moreover, managing derelict/nuisance boats is a key concern both because of the environmental and sinking hazards of these vessels and because they occupy valuable moorage space. In 2010 a number of wrecking and disposal projects were completed including removal of the 450' Heavy Hauler barge.

Goal 4.1: Manage conservation areas and the natural resources of the Spit to ensure continued habitat and biological diversity.

Goal 4.2: Support environmentally responsible harbor operations by all user groups. Activities such as power washing and scarping, sanding and painting may not be allowed in the harbor in the future due to environmental regulations.

Goal 4.3 Manage storm water runoff.

Goal 4.4 Manage the Port as a working harbor, for recreational and working vessels, and remove the environmental hazard of "dead boats."



*There are many strategies for storm water management on the Spit including as rain gardens using native plants and driftwood, drainage ponds and ditches, retention of native vegetation, green roofs, and limiting of impervious surfaces.*

# Office of the City Clerk

Jo Johnson, CMC, City Clerk

Melissa Jacobsen, CMC, Deputy City Clerk II  
Renee Krause, CMC, Deputy City Clerk I



491 E. Pioneer Avenue  
Homer, Alaska 99603-7624  
(907) 235-3130

(907) 235-8121  
Extension: 2227  
Extension: 2224

Fax: (907) 235-3143  
Email: [clerk@ci.homer.ak.us](mailto:clerk@ci.homer.ak.us)

## MEMORANDUM

---

**TO:** LEASE COMMITTEE  
**FROM:** RENEE KRAUSE, DEPUTY CITY CLERK I  
**DATE:** January 6, 2011  
**RE:** REQUEST FOR DISCUSSION ON ESTABLISHING A SUMMER OR TRANSIENT  
LEASE FOR A SET FEE

---

### Background

During the Special Meeting on November 3, 2010 Chair Erickson requested the following item to be on the agenda for discussion. Following is the excerpt from those minutes reflecting the discussion and request:

### Staff Comments

*"A brief discussion on establishing an area or areas designated specifically for short term, temporary businesses without having to go through the whole lease proposal process would be extremely beneficial; the authority of the city manager signing short term, up to six month leases without council approval; amending the lease policies and other documents that dictate the established processes; establishing a summer or transient lease, for set fees, with no approval by lease committee or council required."*

*Chair Erickson requested this discussion to be added to the agenda for the special meeting."*



# Office of the City Clerk

Jo Johnson, CMC, City Clerk

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## MEMORANDUM

---

**TO:** LEASE COMMITTEE  
**FROM:** RENEE KRAUSE, DEPUTY CITY CLERK I  
**DATE:** January 6, 2011  
**RE:** REQUEST FOR DISCUSSION ON ESTABLISHING A SCORING OR EVALUATION SYSTEM FOR EXISTING LEASE PROPOSALS

---

### Background

During the Special Meeting on November 30, 2010 Chair Erickson requested the following item to be on the agenda for discussion. Following is the excerpt from those minutes reflecting the discussion and request:

#### NEW BUSINESS

##### B. Short Term Lease - Bruin Bay- Discussion

City Manager Wrede reported to the Committee that there has been an increasing amount of interest in using the chip pad for people to pull boats and work on them in the winter months. Bruin Bay is the first the City has done this with. An agreement was executed with them and the fees were based on the published tariff. As far as liability coverage to the City they used the lease documents and the terminal use permit guidelines. He said this is something for the Lease Committee to look at on a future agenda and consider amending the lease policy for flexibility of short term leases on the chip pad.

There was discussion that this could be a good opportunity for the City to rent out the space on less formal month to month basis with a set rate.

*Chair Erickson asked that short term leases be an agenda item for the next meeting. She also asked for the Committee to discuss ideas for better ways to score existing businesses when they are coming to the Committee for lease renewal.*



# Memorandum

**To:** Mayor & Council  
**Thru:** Walt Wrede, City Manager *W. Wrede*  
**From:** Terry Felde on behalf of the Lease Committee *TF*  
**CC:** Planning Commission  
Port & Harbor Commission  
**Date:** January 5, 2011  
**Re:** **Land Allocation Plan**

---

At the Lease Committee Meeting held on October 14, 2010, the Committee reviewed a Lease Application from the Kachemak Bay Wooden Boat Society requesting that a 10,000 square foot portion of Lot TR1-A be made available to them for a long term lease. Lot TR1-A is not currently included in the Land Allocation Plan.

The Lease Committee motioned and approved the following recommendations:

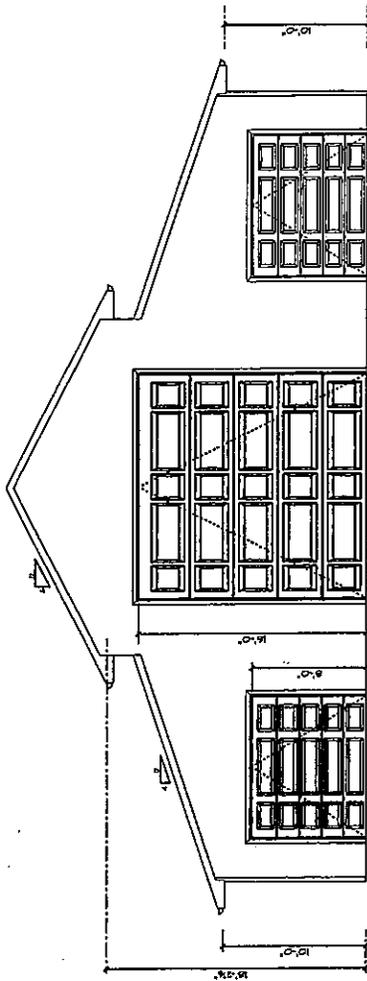
The Lease Committee recommends the Land Allocation Committee consider the proposal from Kachemak Bay Wooden Boat Society during the Land Allocation Meeting early in 2011.

The Lease Committee further recommends that if Council agrees to make the land available to Kachemak Bay Wooden Boat Society that it should be advertised in a Request for Proposals in keeping with Chapter 4 of the City Lease Policy.

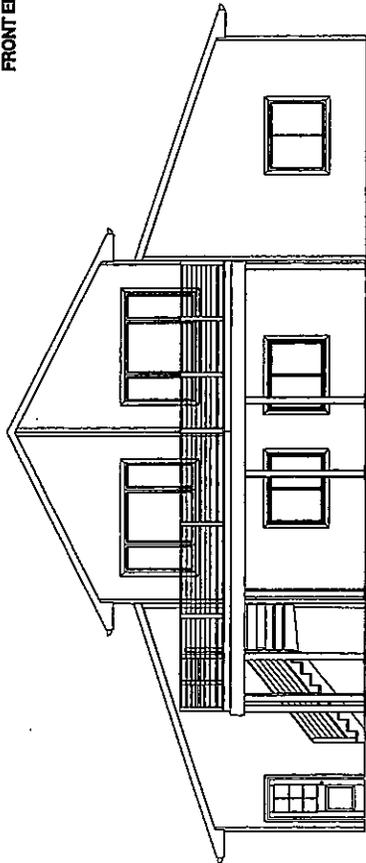
Enclosures: Kachemak Bay Wooden Boat Society Lease Application



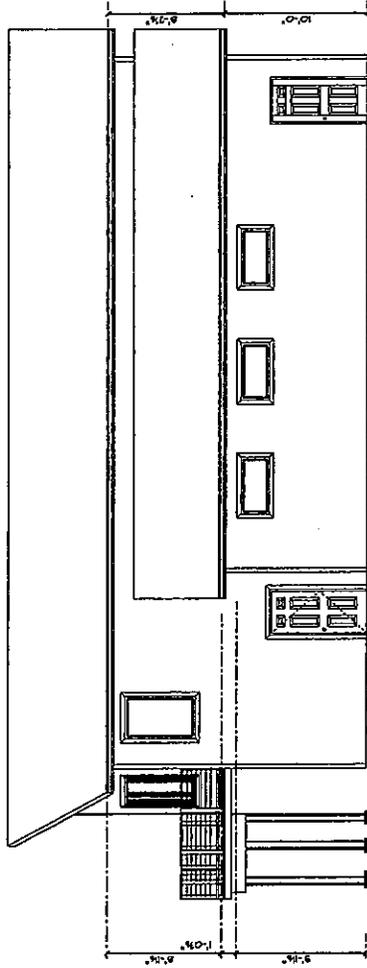
Kachemak Bay Wooden Boat Society Building Plans



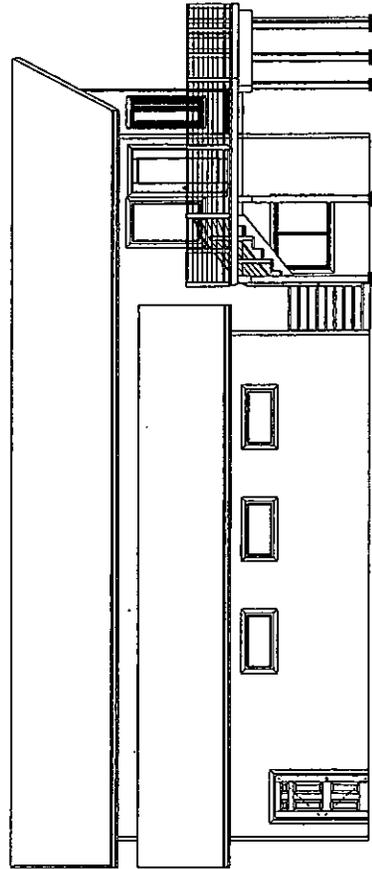
FRONT ELEVATION



REAR ELEVATION



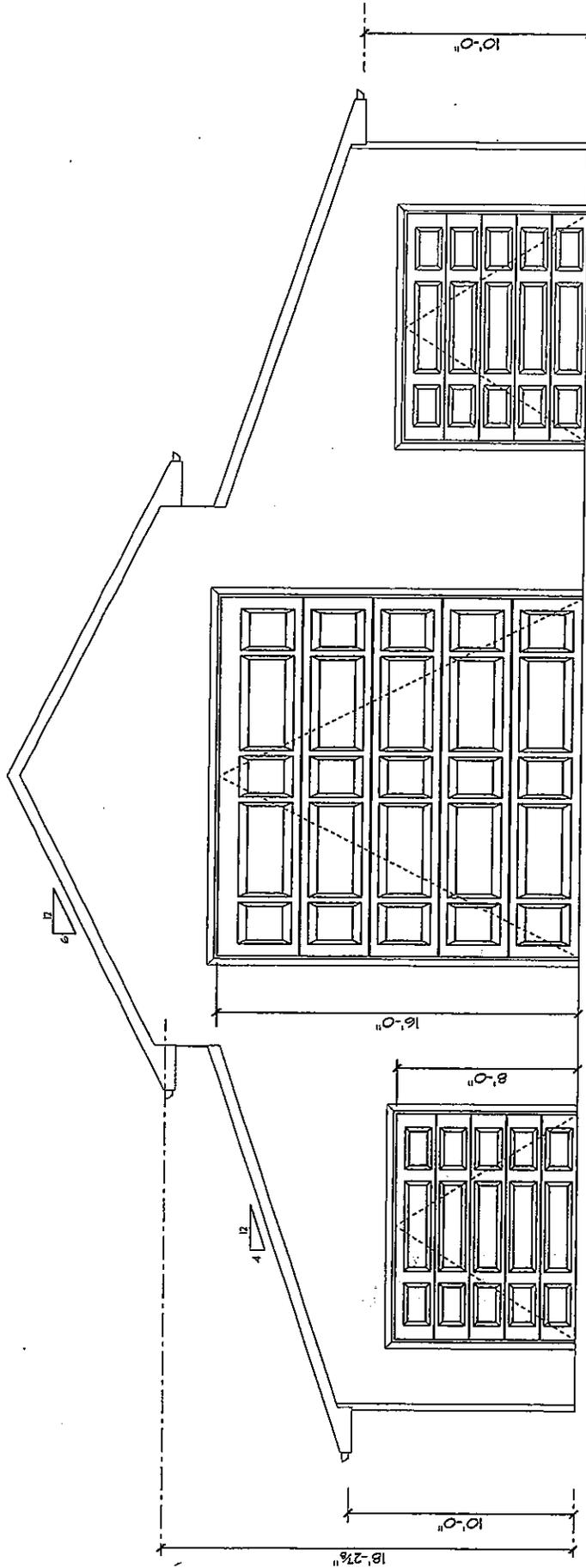
LEFT ELEVATION



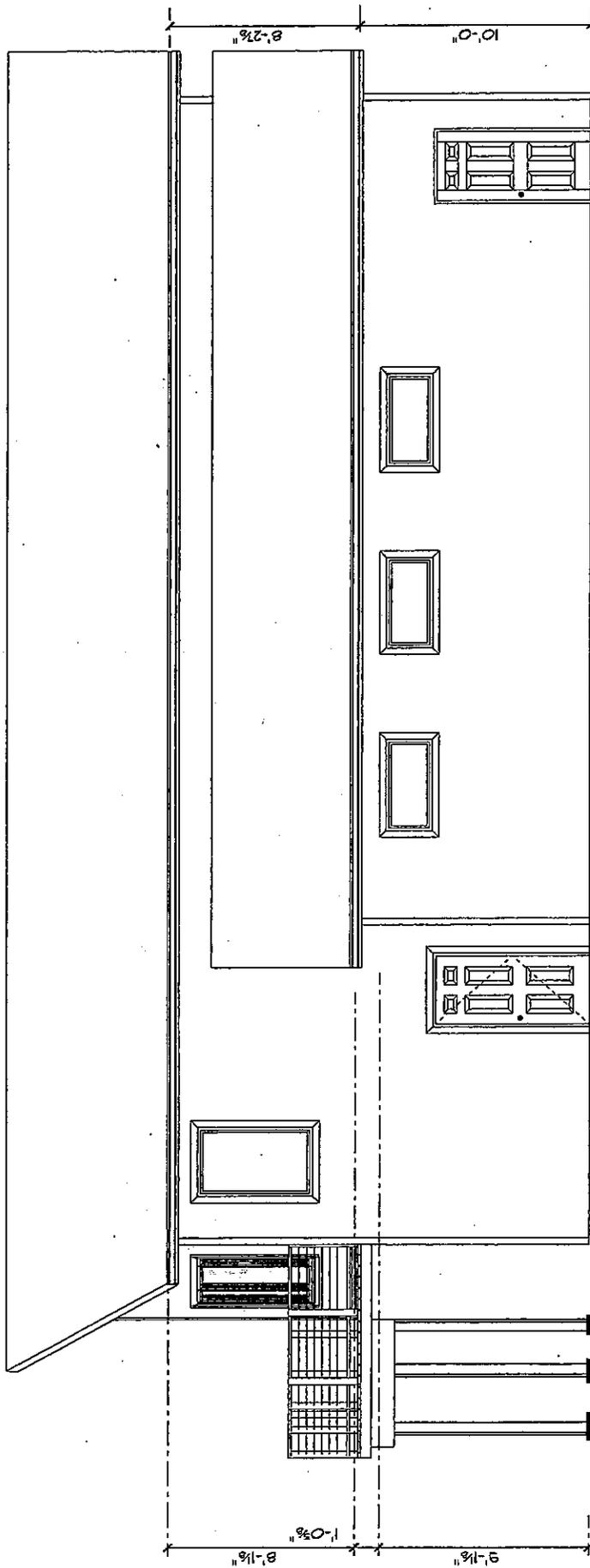
RIGHT ELEVATION

SCALE		1/4" = 1'	APPROVED	REVISED
DATE		October 3, 2003	DESIGNED BY	DEVELOPED BY
DRAWN BY		KLW/BBS	PROJECT NO.	03-000000
CHECKED BY		KLW/BBS	CLIENT	KLW/BBS
DATE		October 3, 2003	PROJECT	KLW/BBS
DRAWN BY		KLW/BBS	PROJECT	KLW/BBS
CHECKED BY		KLW/BBS	PROJECT	KLW/BBS
DATE		October 3, 2003	PROJECT	KLW/BBS

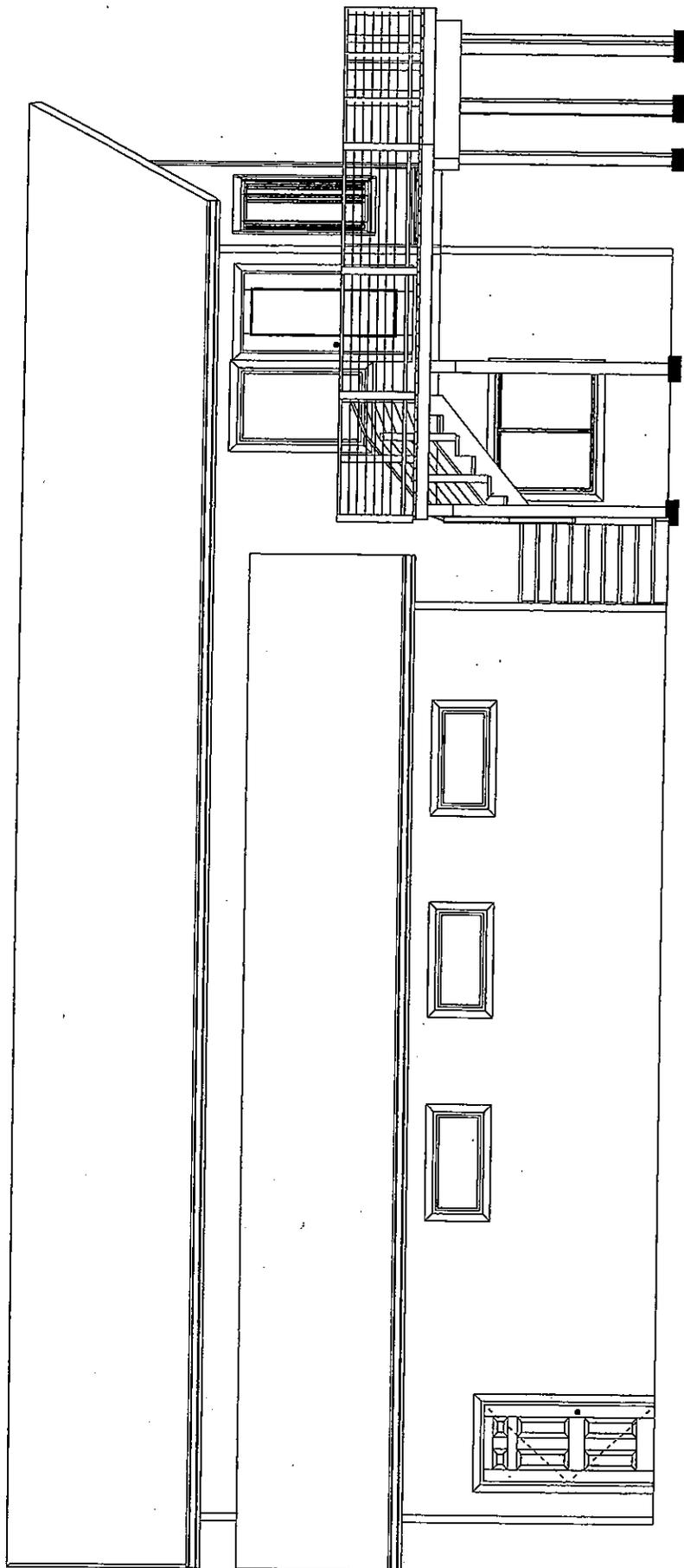
THESE PLANS ARE FOR THE SOLE USE OF THE CLIENT UPON THIS PAGE. THE USE OF THESE PLANS FOR ANY OTHER PURPOSE OR PERSON IS STRICTLY PROHIBITED IN ACCORDANCE WITH U.S. COPYRIGHT LAW. THESE PLANS ARE FOR CONCEPT AND APPEARANCE PURPOSES ONLY. DESIGNER IS NOT AN ARCHITECT NOR AN ENGINEER. THESE PLANS ARE NOT TO BE USED FOR EXISTENTIAL PURPOSES WITHOUT AN ARCHITECTURAL OR ENGINEERING REVIEW. FURTHERMORE, THE DESIGNER IS HEREBY RELEASED, HOLD HARMLESS AND INDEMNIFIED FROM ALL CLAIMS OF EVERY KIND WHATSOEVER INCLUDING ATTORNEY'S FEES THAT RESULT FROM ALLEGED ERRORS OR OMISSIONS EXISTING IN THE PLANS OR SPECIFICATIONS OF THE DRAWING.



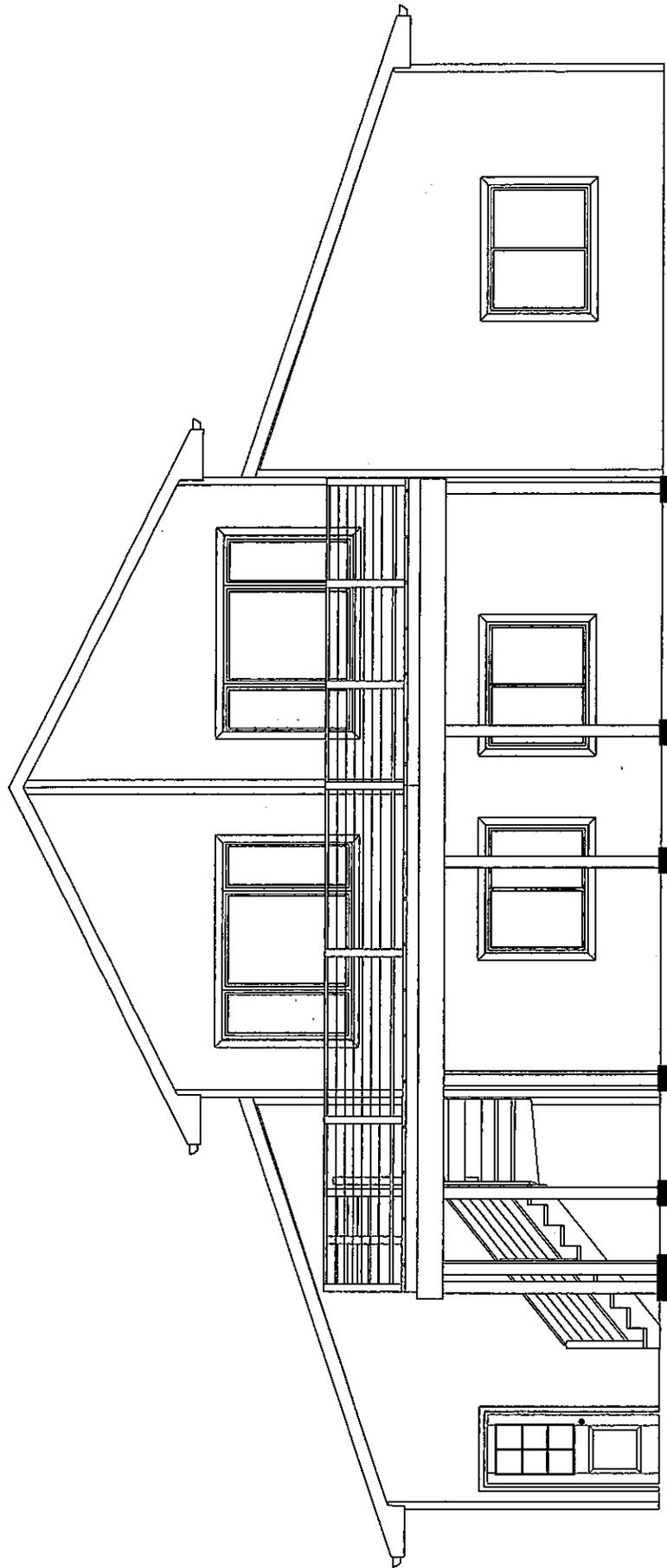
FRONT ELEVATION



LEFT ELEVATION



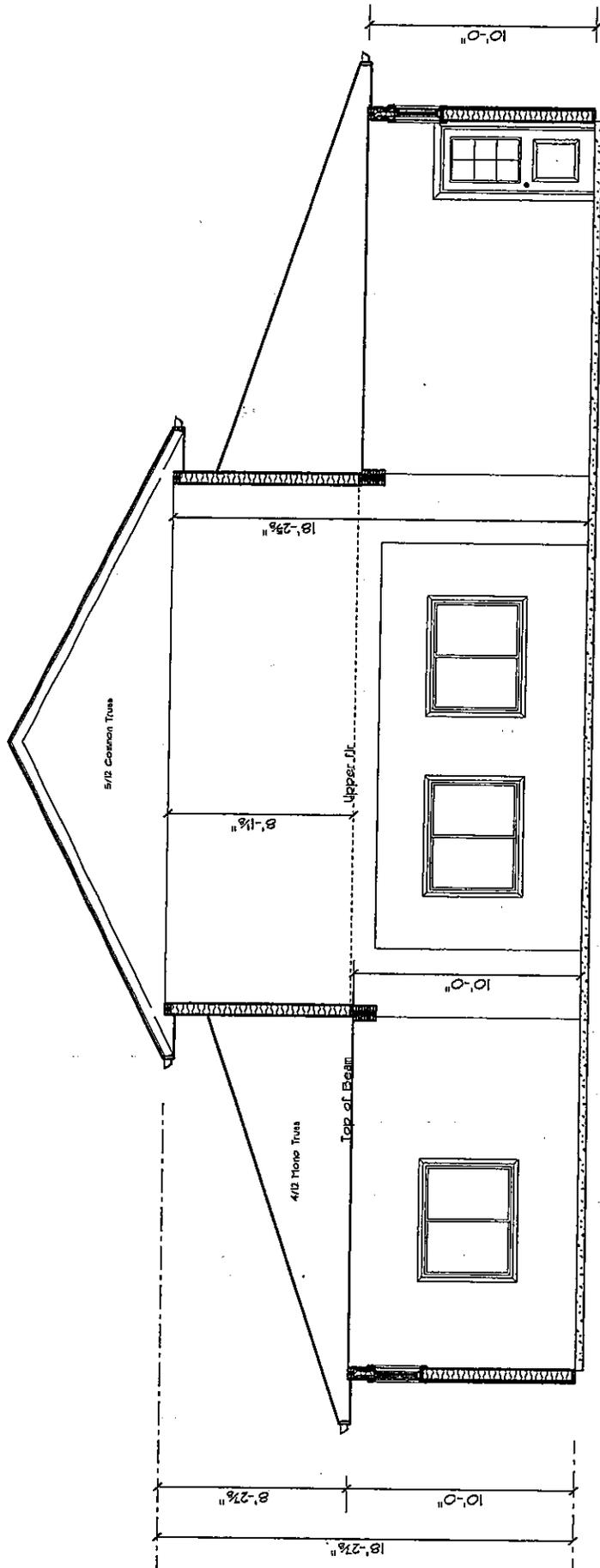
RIGHT ELEVATION



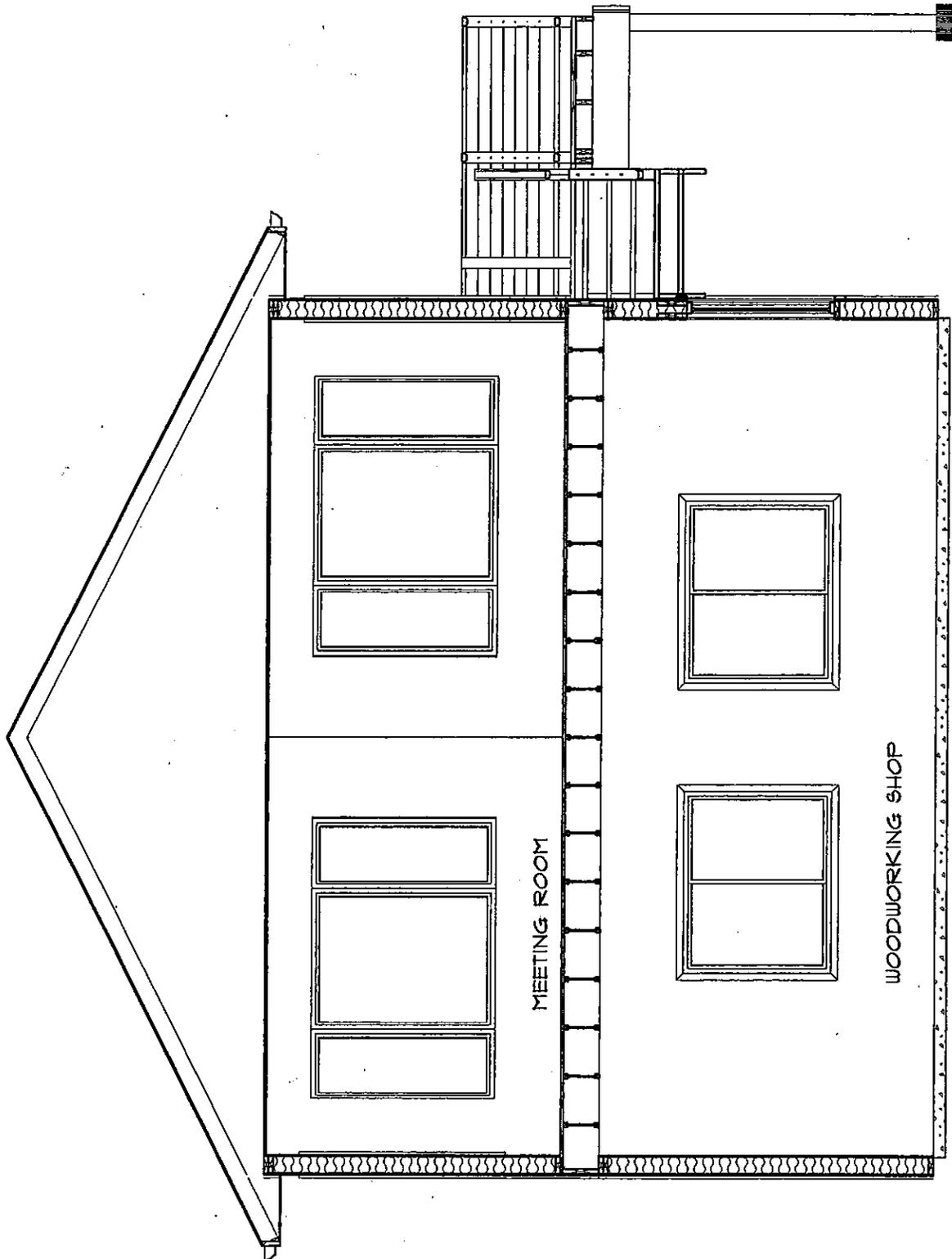
REAR ELEVATION



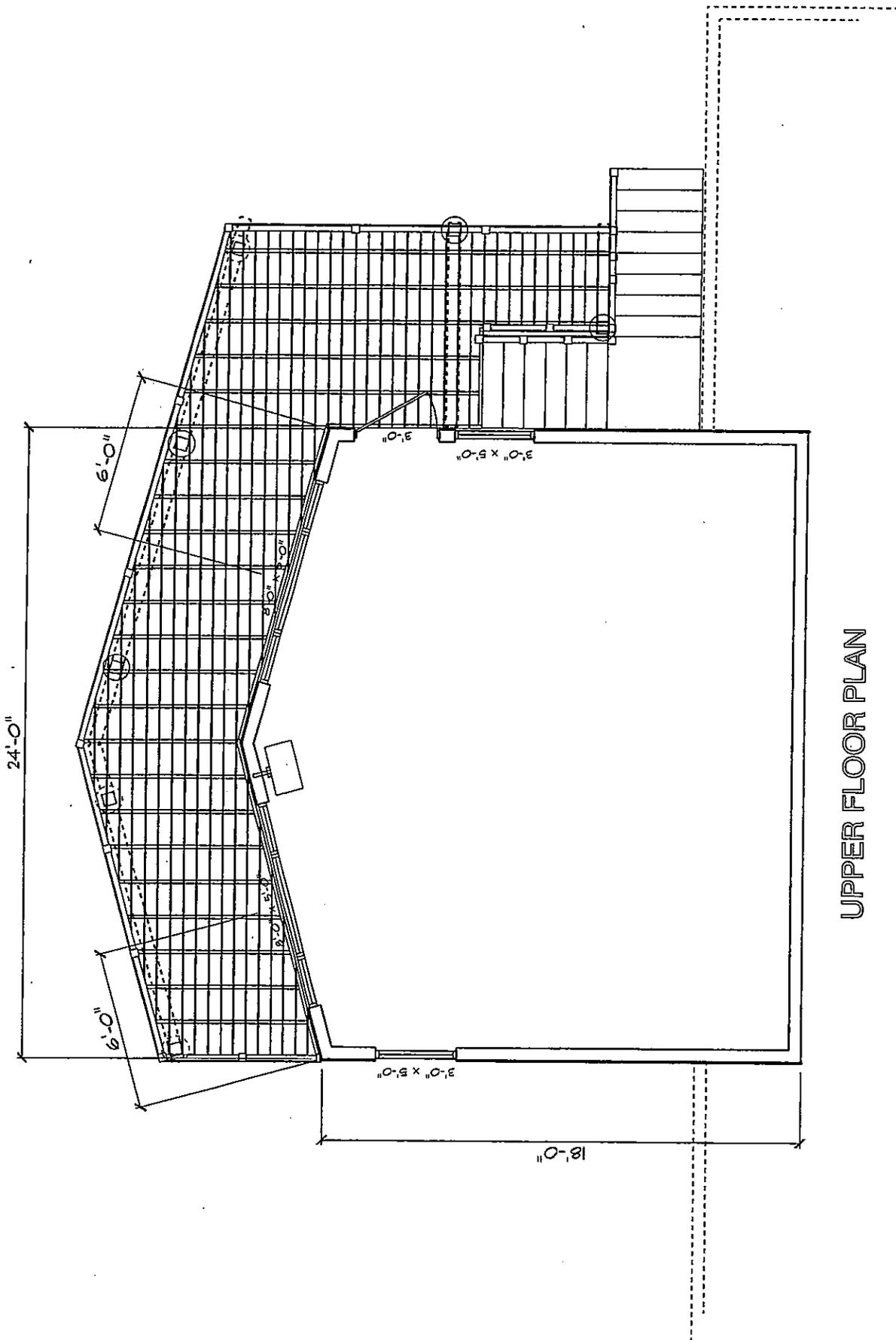




SECTION A-A



SECTION B-B



UPPER FLOOR PLAN



Homer Spit Lease Expiration Calendar

updated 1/6/11

Lease Expires	Leaseholder	Details	Action
7/31/2010	Fish Factory	6 mos. Lease Expires	Paying month-to-month til completion of construction brings Lot 12A up to code for lease amendment to include 12B strip
8/14/2010	Alaska Custom Seafoods	lease expires; no options remain	Lease negotiations currently in progress with Alaska Custom Seafoods
9/23/2010	Peninsula Scrap	9 mo. lease expires	scrap meter stored on chip pad
9/30/2010	Snug Harbor	lease expires	Lease negotiations currently in progress with Snug Harbor Seafoods
5/18/2011	Bruin Bay, LLC	lease expires	
9/10/2011	Homer Spit Campground	lease expires; no options remain	Requested new lease 9/9/10
12/9/2011	Pier One	lease expires	term-5 years; \$1/yr
4/15/2012	Dockside Two	lease expires; no options remain	
3/31/2013	Sportsman Supply	lease expires; one 5 yr option	
3/31/2013	AK High Hopes-Bob's Trophy Charters	lease expires; one 5 yr option	
11/1/2013	Southcentral Radar	lease expires; two 5 yr options	
11/30/2013	Harbor Ent. Coal Pt.	lease expires; one 5 yr option	
3/3/2014	ACS MACTel cellular	lease expires; no options remain	\$12/yr
7/31/2014	Kachemak Port Services	lease expires; two 1 yr options	
12/31/2014	Happy Face Restaurant	lease expires; no options remain	
11/30/2015	Mike Yourkowski	lease expires; one 10 yr option	
2/1/2016	El Pescador	lease expires; no options remain	
9/30/2016	USCG-Pioneer Dock	lease expires; no options remain	
9/30/2016	USCG-Roanoke Is.	lease expires? Not in file	
12/1/2018	Harbor Ent. 30 acres	lease expires; no options remain	
3/31/2020	Fish Factory	lease expires; two 10 yr options	
9/30/2023	USCG-Lot #20 by PD	lease expires; no options remain	
1/31/2026	Salty Dawg	lease expires; no options remain	
3/31/2028	Harbor Leasing LLC	lease expires; two 5 yr options	
1/13/2029	AK Marine Highway	Land Use Permit-NO LONGER IN AFFECT	Superseded by 2010 Lease Agreement
9/14/2029	Icicle Seafoods	lease expires; no options remain	
11/1/2029	Homer Ent. Sport Shed	lease expires; two 5 year options remain	
5/31/2030	Seldovia Village Tribe	Lease Expires, two 5 year options	
4/30/2060	AK Marine Highway	lease expires	



**CITY OF HOMER  
HOMER, ALASKA**

Lease Committee

**RESOLUTION 10-94**

A RESOLUTION OF THE CITY COUNCIL OF HOMER, ALASKA, APPROVING A NEW LEASE FOR BRAD FAULKNER ON LOT 88-4, AND FINDING THAT IT IS IN THE PUBLIC INTEREST TO DO SO WITHOUT A COMPETITIVE BIDDING PROCESS.

WHEREAS, Brad Faulkner's land lease with the City for Lot 88-4 has expired, including all options; and

WHEREAS, Mr. Faulkner has submitted an application for a new lease and has requested that he receive the lease without a competitive bidding process under Section 11.2 (F) of the Lease Policies; and

WHEREAS, The Lease Committee considered Mr. Faulkner's proposal at a Special Meeting on November 3, 2010; and

WHEREAS, The Committee approved a motion recommending that the City Council approve a new lease without competitive bidding because the existing lessee has a substantial investment in the property, there are similar lots available if additional public interest is shown, and the current tenants provide economic advantages; and

WHEREAS, Section 11.2 (F) of the Lease Policies allows the City Council to provide a new lease to the current lessee without a competitive bidding process if it finds that it is in the public interest to do so after reviewing a recommendation from the Lease Committee and evaluating specific relevant facts.

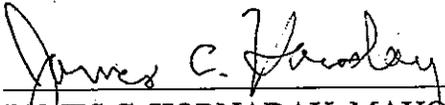
NOW, THEREFORE, BE IT RESOLVED that the Homer City Council hereby finds that it is in the public interest to approve a new lease for Brad Faulkner on Lot 88-4 without a competitive bidding process for the following reasons:

- Mr. Faulkner has a substantial investment in the property
- Other lots are available if additional public interest is shown
- The current lessee and tenants offer economic advantages

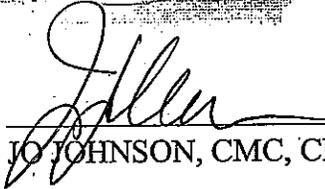
BE IT FURTHER RESOLVED that the Council authorizes the City Manager to negotiate and execute a new lease with Mr. Faulkner.

PASSED AND ADOPTED by the Homer City council this 13<sup>th</sup> day December, 2010.

CITY OF HOMER

  
\_\_\_\_\_  
JAMES C. HORNADAY, MAYOR

ATTEST:

  
\_\_\_\_\_  
JO JOHNSON, CMC, CITY CLERK

Fiscal Note: Rent at market value

**CITY OF HOMER  
HOMER, ALASKA**

City Clerk

**RESOLUTION 10-97**

A RESOLUTION OF THE CITY COUNCIL OF HOMER, ALASKA, ESTABLISHING THE 2011 REGULAR MEETING SCHEDULE FOR THE CITY COUNCIL, ECONOMIC DEVELOPMENT ADVISORY COMMISSION, LIBRARY ADVISORY BOARD, PARKS AND RECREATION ADVISORY COMMISSION, ADVISORY PLANNING COMMISSION, PORT AND HARBOR ADVISORY COMMISSION, LEASE COMMITTEE, PERMANENT FUND COMMITTEE, PUBLIC ARTS COMMITTEE AND TRANSPORTATION ADVISORY COMMITTEE.

WHEREAS, Pursuant to Homer City Code Section 1.14.020, the City Council annually sets the schedule for regular and some special meetings, noting the dates, times and places of the City Council, Advisory Commissions, and the Library Advisory Board meetings; and

WHEREAS, The public is informed of such meetings through the kiosks located at Captain's Coffee, Harbormaster's Office, Redden Marine Services of Homer, and the City Clerk's Office, Clerk's Calendar on KBBI, the City Clerk's Home Page on the Internet, and postings at the Clerk's Office at City Hall, and the Public Library; and

WHEREAS, HCC 1.14.020 - 040 states that meetings may be advertised in a local paper of general circulation at least three days before the date of the meeting and that special meetings should be advertised in the same manner or may be broadcast by local radio at least twice a day for three consecutive days or two consecutive days before the day of the meeting plus the day of the meeting; and

WHEREAS, HCC 1.14.010 notes that the notice of meetings applies to the City Council and all commissions, boards, committees, subcommittees, task forces and any sub-unit of the foregoing public bodies of the City, whether meeting in a formal or informal meeting; that the failure to give the notice provided for under this chapter does not invalidate or otherwise affect any action or decision of a public body of the City; however, this sentence does not change the consequences of failing to give the minimum notice required under State Statute; that notice will ordinarily be given by the City Clerk; and that the presiding officer or the person or persons calling a meeting are responsible for notifying the City Clerk of meetings in sufficient time for the Clerk to publish notice in a newspaper of general circulation in the City; and

WHEREAS, This Resolution does not preclude additional meetings such as emergency meetings, special meetings, worksessions, and the like; and

WHEREAS, Council adopted Resolution 06-144 on October 9, 2006 establishing the Regular Meeting site for all bodies to be the City Hall Cowles Council Chambers.

NOW, THEREFORE, BE IT RESOLVED by the Homer City Council, that the 2011 meeting schedule is established for the City Council, Economic Development Advisory Commission, Library Advisory Board, Parks and Recreation Advisory Commission, Advisory Planning Commission, Port and Harbor Advisory Commission, Lease Committee, Permanent Fund Committee, Public Arts Committee and Transportation Advisory Committee of the City of Homer, Alaska, as follows:

Holidays - City Offices closed:

January 1*, New Year's Day, Saturday so will be observed on Friday, December 31, 2010	February 21*, Presidents' Day, the third Monday	March 28*, Seward's Day, last Monday	May 30*, Memorial Day, last Monday	July 4**, Independence Day, Monday	September 5*, Labor Day, first Monday
October 18*, Alaska Day, Tuesday	November 11*, Veterans Day, Friday	November 24* Thanksgiving Day, Thursday	November 25*, Friday, the day after Thanksgiving	December 25**, Christmas, Sunday so-will be observed on Monday, December 26	

\*Indicates holidays - City offices closed.

\*\*If on a Sunday, the following Monday is observed as the legal holiday; if on a Saturday, the preceding Friday is observed as the legal holiday pursuant to the City of Homer Personnel Rules and Regulations.

CITY COUNCIL (CC)

January 10, 24	February 15*, 28	March 14, 29*	April 11, 25	May 9, 23****	June 13, 27
July 11**, 25	August 8, 22	September 12, 26	October 4 Election	October 10, 24, for Oath of Office, 17	Canvass Board October 7 or 10
November 1 Run- Off Election	November 14**, 28	December 12*****	December 19***** if needed		

City Council's Regular Committee of the Whole Meetings at 5:00 p.m. to no later than 5:50 p.m. prior to every Regular Meeting which are held the second and fourth Monday of each month at 6:00 p.m. \*\*\* The City Council traditionally reschedules regular meetings that fall on holidays or High School Graduation days, for the following Tuesday. Council will not conduct a First Regular Meeting in July.

AML Annual Conference Week is tentatively scheduled for November 7 - 11, 2011.

\*Tuesday meeting due to Valentine's Day/Seward's Day.

\*\*There will be no First Regular Meeting in July or November.

\*\*\*\* The City Council traditionally cancels the last regular meeting in December and holds the first regular meeting and one to two Special Meetings as needed. Generally the second Special Meeting the third week of December, will not be held.

**ECONOMIC DEVELOPMENT ADVISORY COMMISSION (EDC)**

January 11	February 8	March 8	April 12	May 10	June 14
July 12	August 9	September 13	October 11	November 8	December 13

Economic Development Advisory Commission Regular Meetings are held on the Second Tuesday of each Month at 6:00 p.m.

**LIBRARY ADVISORY BOARD (LAB)**

January 4	February 1	March 1	April 5	May 3	June 7
July 5	August 2	September 6	October 4	November 1	December 6

Library Advisory Board Regular Meetings are held on the first Tuesday of each month at 6:00 p.m.

**PARKS AND RECREATION ADVISORY COMMISSION (P/R)**

January 20	March 17	May 19	June 16
July 21	August 18	September 15	November 17

Parks and Recreation Advisory Commission Regular Meetings are held on the third Thursday of the months of January, March, May, June, July, August, September, and November at 5:30 p.m.

**PLANNING COMMISSION (P/C)**

January 5, 19	February 2, 16	March 2, 16	April 6, 20	May 4, 18	June 1, 15
July 20**	August 3, 17	September 7, 21	October 5, 19	November 2, 16	December 7**

Advisory Planning Commission Regular Meetings are held on the first and third Wednesday of each month at 7:00 p.m. \*\*There will be no First Regular Meeting in July or Second Regular Meeting in December.

**PORT AND HARBOR ADVISORY COMMISSION (P/H)**

January 26	February 23	March 23	April 27	May 25	June 22
July 27	August 24	September 28	October 26	November 16	December 14

Port and Harbor Advisory Commission Regular Meetings are held on the fourth Wednesday of each month at 5:00 p.m. The Regular Meetings in the months of November and December are traditionally scheduled for the third Wednesday of the month.

LEASE COMMITTEE (LC)

January 13	April 14	July 14	October 13
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Lease Committee Regular Meetings are held quarterly on the second Thursday of each month at 3:00 p.m.

PERMANENT FUND COMMITTEE (PFC)

January 13	April 14	July 14	October 13
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Permanent Fund Committee Regular Meetings are held quarterly on the second Thursday of the month at 5:15 p.m.

PUBLIC ARTS COMMITTEE (PAC)

February 17	May 19	August 18	November 17
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Public Arts Committee Regular Meetings are held quarterly on the third Thursday of the months of February, May, August, and November at 11:00 a.m.

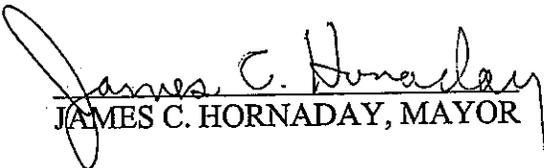
TRANSPORTATION ADVISORY COMMITTEE (TAC)

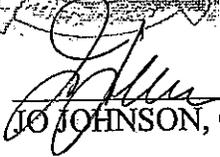
February 15	May 17	August 16	November 15
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Transportation Advisory Committee Regular Meetings are held quarterly on the third Tuesday of the months of February, May, August, and November at 5:30 p.m.

PASSED AND ADOPTED by the Homer City Council this 13<sup>th</sup> day of December, 2010.

CITY OF HOMER

  
JAMES C. HORNADAY, MAYOR

  
ATTEST  
  
JO JOHNSON, CMS, CITY CLERK

Fiscal Impact: Adverting of meetings in regular weekly meeting ad and advertising of any additional meetings.

NOW, THEREFORE, BE IT RESOLVED by the Homer City Council, that the 2011 meeting schedule is established for the City Council, Economic Development Advisory Commission, Library Advisory Board, Parks and Recreation Advisory Commission, Advisory Planning Commission, Port and Harbor Advisory Commission, Lease Committee, Permanent Fund Committee, Public Arts Committee and Transportation Advisory Committee of the City of Homer, Alaska, as follows:

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AML Annual Conference Week is tentatively scheduled for November 7 - 11, 2011.

\*Tuesday meeting due to Valentine's Day/*Denard's Day*

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**ECONOMIC DEVELOPMENT ADVISORY COMMISSION (EDC)**

January 11	February 8	March 8	April 12	May 10	June 14
July 12	August 9	September 13	October 11	November 8	December 13

Economic Development Advisory Commission Regular Meetings are held on the Second Tuesday of each Month at 6:00 p.m.

**LIBRARY ADVISORY BOARD (LAB)**

January 4	February 1	March 1	April 5	May 3	June 7
July 5	August 2	September 6	October 4	November 1	December 6

Library Advisory Board Regular Meetings are held on the first Tuesday of each month at 6:00 p.m.

**PARKS AND RECREATION ADVISORY COMMISSION (P/R)**

January 20	March 17	May 19	June 16
July 21	August 18	September 15	November 17

Parks and Recreation Advisory Commission Regular Meetings are held on the third Thursday of the months of January, March, May, June, July, August, September, and November at 5:30 p.m.

**PLANNING COMMISSION (P/C)**

January 5, 19	February 2, 16	March 2, 16	April 6, 20	May 4, 18	June 1, 15
July 20**	August 3, 17	September 7, 21	October 5, 19	November 2, 16	December 7**

Advisory Planning Commission Regular Meetings are held on the first and third Wednesday of each month at 7:00 p.m. \*\*There will be no First Regular Meeting in July or Second Regular Meeting in December.

**PORT AND HARBOR ADVISORY COMMISSION (P/H)**

January 26	February 23	March 23	April 27	May 25	June 22
July 27	August 24	September 28	October 26	November 16	December 14

# Office of the City Clerk

Jo Johnson, CMC, City Clerk

Melissa Jacobsen, CMC, Deputy City Clerk II  
Renee Krause, CMC, Deputy City Clerk I



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## MEMORANDUM

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**TO:** MAYOR HORNADAY AND CITY COUNCIL  
**FROM:** LEASE COMMITTEE  
**DATE:** December 7, 2010  
**RE:** 2011 MEETING SCHEDULE

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### Background

During the special meeting held on November 3, 2010 the Lease Committee approved the meeting schedule for 2011. An excerpt from the minutes of that meeting follows:

### NEW BUSINESS

A. Memorandum dated October 21, 2010 from the City Clerk Re: 2011 Meeting Schedule

Chair Erickson read the meeting dates for 2011 as shown in the memorandum.

HAWKINS/ZIMMERMAN – MOVED TO APPROVE THE 2011 MEETING SCHEDULE.

There was no discussion.

The 2011 Meeting Schedule was approved by consensus of the committee.

There was no further discussion.

### Recommendation

Informational Only. No Action Required.



**CITY OF HOMER  
HOMER, ALASKA**

Lease Committee

**RESOLUTION 10-98**

A RESOLUTION OF THE CITY COUNCIL OF HOMER, ALASKA, APPROVING A FIVE YEAR LEASE WITH TWO ONE YEAR OPTIONS ON ONE HALF OF LOT 13B FOR SNUG HARBOR SEAFOODS AND AUTHORIZING THE CITY MANAGER TO NEGOTIATE AND EXECUTE THE DOCUMENT.

WHEREAS, The short term, "a-typical" lease for the current tenant of Lot 13B (Snug Harbor Seafoods) expired on September 30, 2010; and

WHEREAS, The Lease Committee recently issued a Request for Proposals for Lot 13B and received one proposal from the current occupant; and

WHEREAS, The Lease Committee reviewed the proposal from Snug Harbor Seafoods at its special meeting on November 30, 2010; and

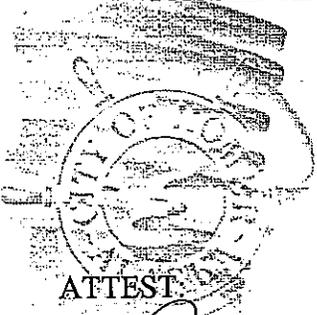
WHEREAS, The proposal was for a five year lease with two one year options and the applicant committed to installing a permanent building affixed to a foundation that was connected to the City water and sewer system and complied with the City zoning code; and

WHEREAS, The Lease Committee has recommended in the past that the City make property available for leases with a shorter term to companies which provide a large economic impact to the community but are not in a position to make a long term capital investment; and

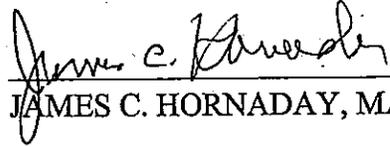
WHEREAS, The Lease Committee adopted the following amended motion: "That after reviewing the proposal from Snug Harbor Seafoods, the Lease Committee recommends that a five year lease with two one year options be approved and that the City Manager be authorized to negotiate the lease rate with a minimum monthly fee set at appraised value and that the applicant provide a current business license."

NOW, THEREFORE, BE IT RESOLVED that the Homer City Council hereby approves a five year lease with two one year options on one half of Lot 13B for Snug Harbor Seafoods and authorizes the City Manager to negotiate and execute the lease document consistent with the recommendations of the Lease Committee.

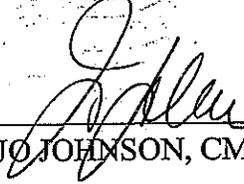
PASSED AND ADOPTED by the Homer City Council this 13<sup>th</sup> day of December, 2010.



CITY OF HOMER

  
\_\_\_\_\_  
JAMES C. HORNADAY, MAYOR

ATTEST

  
\_\_\_\_\_  
JO JOHNSON, CMC, CITY CLERK

Fiscal Note: Revenue, approximately \$10,000 per year.



